Trellus

Annual Report and Accounts

for the period ended 31 December 2021

Trellus Health plc

Annual report and financial statements
for the year ended 31 December 2021

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Trellus Health plc

Company information
for the year ended 31 December 2021

Directors	Julian Baines, MBE *(Non-Executive Chairman)* Monique Fayad *(Chief Executive Officer)* Dr. Marla Dubinsky *(Non-Executive Director)* Dr Erik Lium *(Non-Executive Director)* Dr. Daniel Mahony *(Non-Executive Director)* Christopher Mills *(Non-Executive Director)* Mike Salter *(Non-Executive Director)*
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Chairman's statement
for the year ended 31 December 2021

I am delighted to provide shareholders with our first full year report following our successful admission to AIM in May 2021, which has provided the ongoing funding necessary to invest in our technology platform development and execute our commercialisation strategy.

Our aim is to commercialise digital chronic condition management solutions for individual patients, employers and health plans, using our proprietary technology platform, TrellusElevate™, in combination with a scientifically validated, resilience-based methodology based on more than five years of clinical research and practice conducted on hundreds of patients at the Mount Sinai IBD Center, in New York. We believe our solution can be used across many chronic conditions to deliver meaningfully improved healthcare outcomes as well as reducing expensive, unplanned care, such as emergency department visits and hospitalisations.

I am very pleased that during the last financial year we have expanded the scope of our commercialization strategy beyond our original intentions when we received material funding on admission to AIM. We believe this will allow us to scale the business more quickly, accelerating customer acquisition and revenue growth by combining our Business-to-Business ("B2B") approach and newly launched Direct-to-Consumer ("DTC") offering, but also accelerating our expansion into additional chronic diseases. It is particularly noteworthy that this expansion has been done alongside very careful cash management, and therefore delivered without increasing our cash burn forecasts. As a result, we maintained a very healthy cash balance of $32m at the year end, providing us with a significant cash runway as we move towards commercial success.

Board Changes

At the end of the year Niyum Gandhi stood down as Non-executive Director to take on his new role as Chief Financial Officer and Treasurer at Mass General Brigham (Boston, MA). We are incredibly grateful to Niyum Gandhi for his contribution to the Company and the insights that he provided us during his time as Chief Population Health Officer at the Mount Sinai Health System. We are in the advanced stages of appointing an appropriate replacement as Non-executive Director and will update shareholders in due course.

Post-period end we also announced the appointment of Richard Evans as Interim Chief Financial Officer, replacing Salim Hamir who had been fulfilling the role on a part-time basis and who continues as Company Secretary. As we advance commercially, we expect to recruit a permanent Chief Financial Officer.

Outlook

Our progress and achievements for the year, as well as more detail on our expanded strategy, are covered in the Chief Executive Officer's Review below.

I am very proud that the team have delivered against our key milestones set out at the time of our Admission to AIM, particularly during very challenging market conditions, and to do so whilst maintaining tight control over cash. The evolution of strategy gives us much greater scope to scale the business more profitably over the longer term. With improved digitization and automation, we expand our customer base beyond B2B customers to individual patients directly via our DTC offering, reaching more patients, in more US states, more quickly. In addition, it accelerates our expansion into other chronic diseases such as IBS, which impacts a much larger healthcare population in the US, around 30 million people.

We expect our expanded B2B and DTC strategy to deliver a significant number of additional patients in Q4 2022, with further multi-year contracts with payers, such as regional and national health plans, employers, health systems, GI provider networks, and pharmaceutical companies, from 2023 onwards.

We look forward to updating our shareholders as we make further progress in commercialization, and I thank you again for your continued support.

Julian Baines
Non-executive Chairman
10 May 2022

Trellus Health plc

Chief Executive Officer's Review
for the year ended 31 December 2021

2021 was an exciting and progressive year for Trellus Health which saw a number of major milestones achieved for the business: we completed our successful IPO on AIM in May; we launched our TrellusElevate™ Platform and App; and we established our clinical operations with the vision of digitizing and rapidly scaling the Trellus Method of Resilience Assessment, personalized care management and remote patient monitoring for all patients living with IBD.

We accomplished a tremendous amount over the financial year to December from both a technology and operational perspective:

- We now have an established organization, operations and a clinical team licensed in New York, New Jersey and Connecticut and credentialed in the Mount Sinai Clinical Integrated Network;
- We secured out First B2B demonstration contract with Mount Sinai Health System, one of the largest self-insured employers in New York State; and
- We signed a Managed Services Organization agreement with Connected Health Medicine PC, a Professional Corporation that provides multidisciplinary patient care services via telehealth.

In addition, post the year end, we commenced implementation of a DTC business model, allowing us to begin managing patients directly. Following the launch of our DTC offering alongside our original B2B strategy, we have now evolved to a more scalable service delivery model utilizing an integrated resilience team. This is better suited to accelerating patient roll-out, enables swifter expansion into other relevant conditions, and is expected to enhance profitability by reducing significantly the amount of variable cost (personnel) needed to support greater numbers of individuals using the Trellus platform.

Furthermore, we have begun to enrol IBD patients and generate initial revenues, and continue to build up important data whilst assessing the feasibility, engagement and satisfaction of our digital chronic condition management solution in real-life settings.

The evolution of a more scalable business model in context

Our initial strategy was to deliver the Trellus Methodology via the TrellusElevate™ platform with remote access to a licensed multidisciplinary care team targeting B2B payers (i.e. regional and national health plans, employers, health systems, GI provider networks, and pharmaceutical companies).

As we announced in our December trading update, we experienced a protracted B2B contracting process with longer lead times and processes to negotiate and conclude than originally anticipated. We also met challenges due to the complexity and timescales associated with the differing state-by-state licensure requirements, and credentialing of licensed healthcare providers (the process whereby a licensed care provider's qualifications and licensure are verified as accurate and in good standing prior to being approved to perform professional medical services for a health plan, hospital or health system), especially with Medicare and Medicaid facing significant credentialing backlogs due to COVID.

It was clear that, while the clinical need that we are addressing was not going away, if anything it's only getting worse, the challenges associated with licensing and credentialing of healthcare providers required an evolution of our delivery model to accelerate customer acquisition.

It was within this context that we launched our DTC offering in Q1 2022, allowing us to engage patients more proactively outside of B2B contracts, and to gain valuable real-world evidence on the health and economic outcomes of the Trellus Method. It has also allowed us to commence evaluation of alternative service delivery models which avoid regulatory challenges, costs and delays. The new service delivery model will underpin both our DTC and BTB value propositions, and we still expect to convert B2B opportunities from both our existing pipeline and other prospects in due course.

The benefits of the new Trellus Health Service Delivery Model

We have invested approximately $4.3m of capital in our technology platform development to date and the evolution to a new service delivery model with increasing automation addresses the challenges associated with establishing our licensed clinical care management operation and expands our customer base beyond B2B to patients directly. We believe this new delivery model positions Trellus Health well for successful commercial roll-out and rapid upscaling of the business, providing the following benefits:

- Avoids significant time delays associated with healthcare provider licensing and credentialing
- Accelerates customer acquisition and delivery of revenue growth
- Accelerates geographic expansion across 50 US states
- Increases capacity through enhanced digitization and automation
- Improves profitability by reducing incrementally increasing personnel costs
- Accelerates expansion into opportunities beyond IBD

Following the launch of DTC, we are already in advanced discussions with numerous large pharmaceutical companies and patient advocacy groups to sponsor patient access to Trellus. We are also in advanced discussions with a large US gastroenterology association for distribution and promotion of Trellus to thousands of US GI physicians. This organization values the scientific rigor and reputation behind the Trellus Method, and also recognizes the significant unmet need for access to psychosocial support and patient education that are not delivered effectively in our traditional healthcare system.

Expansion beyond IBD – targeting IBS in H1 2023

In 2021, we initiated research into versioning TrellusElevate™ into IBS, another chronic GI condition that has significant similarities with IBD from a symptom burden and emotional perspective. The major difference from IBD is that IBS has a much higher population prevalence, 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. We expect to launch the Trellus Method for IBS in H1 2023.

We expect this versioning research and increasing platform automation will enable us to expand more easily into other high prevalence chronic conditions with a high degree of mental health burden, including autoimmune diseases, chronic kidney disease, heart disease and cancer to name a few.

Clinical Data Reinforce Economic and Health Outcomes of Resilience-Driven methodology

Clinical research conducted by Trellus Health co-founders Laurie Keefer, PhD, and Marla Dubinsky, MD, was published in November 2021 showing that the GRITT™ methodology significantly reduced healthcare utilization and opioid use in IBD patients. Results showed a 71% reduction in Emergency Department visits (equivalent to A&E in the UK), and a 94% reduction in unplanned hospitalizations. Participants in the study also showed a 49% decrease in opioid use and a 73% reduction in corticosteroid use at 12 months following the study.
(Source: https://www.sciencedirect.com/science/article/pii/S1542356521012258).

Maintained strong cash position and effective cash management

Despite the licensing and credentialing process delays experienced under our original B2B model, we have carefully managed cash within the business and maintained a healthy net cash position of $32m, providing sufficient cash resource for the business as we accelerate revenue generation. We have now started to implement and enrol patients in the Mount Sinai Health System programme and we expect to add a significant number of B2B and DTC patients by the end of the current year.

Outlook

2021 proved to be another difficult year for many people across the world, and I'm glad that against this background Trellus Health was able to build and launch its TrellusElevate™ platform, business and clinical operation. The remote-first structure of our business helped avoid problems with the pandemic and enabled us to recruit geographically dispersed talent amidst a challenging hiring environment.

If we've learned anything from the last three years of the COVID pandemic, it's that everyone could benefit from a resilience-driven connected health solution.

Our strategy for 2022 is to use our new service delivery model to offer the Trellus Method at scale across the US for IBD and to begin to expand into IBS and other chronic conditions that can benefit from a disease-agnostic approach to assessing and building resilience. We look forward to servicing many new patients, payers and industry partners in the years ahead.

Monique Fayad
Chief Executive Officer
10 May 2022

The Directors of the Company during the period were:

Julian Baines, MBE – *Non-Executive Chairman*
Julian is the Company's Non-Executive Chairman. Julian is also the Non-Executive Chairman of Verici Dx plc and the Deputy Non-Executive Chairman of EKF Diagnostics Holdings plc. Julian previously held the position of Non-executive Chairman of Renalytix AI plc between 2018 and 2020.

Julian has significant experience in the life science industry. He has over 20 years' experience as the chief executive officer of EKF Diagnostics Holdings plc (EKF) and BBI Holdings plc (BBI). Before joining EKF, he undertook a management buyout at BBI in 2000, a flotation on AIM in 2004, and was responsible for selling the business to Alere Inc. (now part of Abbott Laboratories) in 2008 for c. £85 million. During his tenure at EKF, he successfully completed multiple fundraisings and the acquisition and subsequent integration of eight businesses in seven countries, building revenue from zero to over £40m. He oversaw the spin out of businesses from EKF, including Renalytix plc which listed on Nasdaq in 2020.

In 2016, Julian was awarded an MBE (Member of the British Empire) for services to the life sciences industry.

Monique Fayad – Chief Executive Officer
Monique has experience building emerging technology companies in both the public and private sectors with specific expertise in the digital health industry. Her skills include executive leadership, startup formation and financing, strategic development and partnerships, digital product development and commercialisation, healthcare regulatory issues, marketing and sales. Since 2005, Monique has directed the development and launch of five digital health solutions including TrellusElevate™, CodeGenius, HCPro Comply, OncologySTAT, and Cardiosource.

Monique is Chief Executive Officer of Trellus Health Plc, having assumed the role in September 2020. Prior to Trellus Health, Monique was Chief Executive Officer and Co-Founder of ICDLogic, an equity-financed digital health information solution for clinicians and healthcare administrators that was acquired by iCoreConnect in 2017. She is also a former Senior Vice President, Strategy and Digital Development at Elsevier Health Sciences and HCPro.

Monique received a B.S. in business studies from Chestnut Hill College and an M.B.A from the Leonard N. Stern School of Business at New York University.

Dr. Marla Dubinsky – *Non-Executive Director*
Marla received her medical degree from Queen's University, Canada. She completed her Pediatric Residency at Alberta Children's Hospital, Calgary, Canada and her Clinical Fellowship in Gastroenterology and Nutrition at Sainte-Justine Hospital at the University of Montreal, Canada. She then completed her Research Fellowship in IBD at Cedars-Sinai Medical Center in Los Angeles where she then served as the Director of the Pediatric Inflammatory Bowel Disease Center before joining Icahn School of Medicine at Mount Sinai (ISMMS) as the Chief of the Division of Pediatric Gastroenterology at the Mount Sinai Kravis Children's Hospital. She is also the Co-Director of the Susan and Leonard Feinstein IBD Clinical Center at Mount Sinai.

Marla's primary research focuses on the influence of genetics and immune responses on the variability in clinical presentations, treatment responses and prognosis of early-onset IBD. Her other interests include the impact of IBD on fertility and pregnancy. She has lectured widely both nationally and internationally in the US and has published in 160 peer reviewed journals including Lancet, Gastroenterology, The Journal of Pediatric Gastroenterology and Nutrition, Inflammatory Bowel Diseases, and the American Journal of Gastroenterology. She also currently sits on the editorial boards of several leading journals.

Christopher Mills – *Non-Executive Director*
Christopher Mills founded Harwood Capital Management in 2011, a successor from its former parent company J.O. Hambro Capital Management ("Harwood"), which he co-founded in 1993. He is Chief Executive Officer and investment manager of North Atlantic Smaller Companies Investment Trust plc and Chairman and Chief Executive Officer of Harwood Capital Management Ltd.

Mr. Mills currently serves on the board of various public companies, including EKF Diagnostics Holdings plc, Renalytix plc, Sureserve Group plc, Frenkel Topping plc and MJ Gleeson plc. Mr. Mills received a B.A. in Business Studies from Guildhall University.

Dr. Erik Lium, PhD – *Non-Executive Director*
Erik will represent ISMMS on the Board as part of the ongoing relationship between the Company and Mount Sinai.

Erik Lium, PhD, is the Chief Commercial Innovation Officer for the Mount Sinai Health System and the President of Mount Sinai Innovation Partners (MSIP). Dr. Lium is responsible for advancing Mount Sinai's research, instruction, and public service missions through strategic research partnerships with industry, the management, transfer and commercialization of Mount Sinai technologies, and fostering the development of startups to advance promising early-stage technologies. He serves as Non-Executive Director of Renalytix plc and is chair of their audit and remuneration committees. Additionally, he serves as a Non-Executive Director for Verici Dx plc, and is a member of the remuneration committee.

Under Dr. Lium's leadership and through Mount Sinai's expansive network of industry partnerships and a vast array of innovators in the fields of drugs, devices, diagnostics, and digital health, Mount Sinai has become a global leader in healthcare technology commercialization as reflected in its substantial portfolio of technologies in commercial development and the number of startup companies launched.

Dr. Lium participated in and/or led the creation of 29 public and private companies based on Mount Sinai technologies since 2016, current estimated equity value held by Mount Sinai is over $500M. The portfolio includes - but is not limited to - Sema4 (NASDAQ: SMFR), Renalytix (NASDAQ: RNLX), Trellus Health (LSE: TRLS), VericiDx (LON: VRCI), and PreciseDx.

Dr. Lium joined Mount Sinai as Vice President of MSIP in 2014 and was named Chief Commercial Innovation Officer and Executive Vice President in 2018. Earlier, he held positions at the University of California, San Francisco (UCSF), including Assistant Vice Chancellor of Innovation, Technology and Alliances; UCSF Principal Investigator for the Bay Area National Science Foundation I-Corps node; and Assistant Vice Chancellor of Research. He also served as Founder and President of LabVelocity Inc., an information services company focused on accelerating research and development in the life sciences.

Dr. Lium earned his PhD in Cellular, Molecular and Biophysical Studies at Columbia University and pursued post-doctoral training at UCSF.

Dr. Daniel Mahony – *Independent Non-Executive Director and Senior Independent Director*
Dan was appointed as Entrepreneur-in-Residence at Evotec (UK) Limited in October 2021. Prior to joining Evotec, Dan was Co-Head of Healthcare at Polar Capital where he launched the healthcare business in 2007 growing it to over $4 billion of assets under management. Dan was formerly head of European healthcare research at Morgan Stanley, an analyst at ING Barings Furman Selz in New York and a research scientist including at Schering Plough, CA. He has over 25 years of experience within global healthcare covering biotechnology, medical technology and healthcare services.

Dan chairs the board of the BioIndustry Association (BIA), the industry trade association for UK life sciences, and holds non-executive directorships at the Wellcome Sanger Institute (a world leading genomics research centre that operates under the name of Genome Research Limited), Celmatix (a privately held, preclinical-stage women's health biotech in NY focused on ovarian biology), Keepabl (a UK based, privately owned provider of SaaS solutions for GDPR compliance), Apian (a privately held healthcare drone startup, founded by NHS doctors in training), and also acts as a mentor for the NHS Clinical Entrepreneur Training Programme, which aims to support junior doctors and health professionals in developing their entrepreneurial aspirations during clinical training. Dan is also the founder and Director of DKM (Restharrow) Consulting, a privately owned consulting company.

Mike Salter – *Non-Executive Director*
Mike is a Non-Executive Director and the Chief Executive Officer of EKF Diagnostics Holdings plc.

Previously, Mike worked at GE Healthcare, where he was General Manager for the Custom Molecular Reagent Business within GE Life Sciences. He spent a total of 33 years with GE and Amersham in a variety of positions in the UK, Canada, and USA.

Our Strategy and Business Model
Trellus Health plc is the first digital health company focused on the intersection of chronic physical conditions and mental health. The Company's mission is to elevate the quality and delivery personalised health and wellness for people with chronic conditions by fostering resilience, cultivating learning, and connecting all partners involved in care. The Company is pioneering a new healthcare category called "Resilience-Driven Connected Health", which it believes will transform the management of chronic conditions through the GRITT™ (Gaining Resilience Through Transition) methodology that was scientifically validated at the Mount Sinai IBD Center, one of the leading IBD treatment centers in the United States and the hospital where Crohn's disease was first scientifically discovered by Dr. Burrill Crohn in 1932.

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 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, but considers its approach to have potential utility and demand across many chronic conditions, including Irritable Bowel Syndrome ("IBS").

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 GRITT program completion.

The Company provides a resilience-based, connected health solution that

- Assesses resilience and applies personalised education and skills training to build resilience and promote effective self-management;
- Coordinates behaviour and clinical care through the TrellusElevate™ platform using an integrated resilience team;
- Partners with specialist care providers to reinforce clinical plan adherence (rather than disintermediating them);
- Engages and educates patients;
- Continually monitors and analyses clinical and behavioural markers; and
- Significantly improves healthcare outcomes and reduces expensive, unplanned care

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.

In July 2020, the Company secured an exclusive license with ISMMS, the medical school of the Mount Sinai Health System, for commercialisation of the GRITT™ methodology for IBD and seven broad chronic disease categories. The Company believes that its resilience-driven connected health solution is adaptable to most chronic conditions to improve the quality of care and significantly reduce unnecessary and unplanned care events and their associated costs.

Review of the business
A review of the business is contained in the Chairman's Statement and Chief Executive Officer's review on pages 2 to 4 and the Directors' Report on page 15 to 18.

We recognise that effective risk management is essential to the successful delivery of the Group's strategy. As we continue to grow our business, we believe it is important to develop and enhance our risk management processes and control environment on an ongoing basis and ensure it remains fit for purpose. We continue to mature our approach to identifying and managing risks across the Group in a consistent and robust manner.

Below we describe our risk management approach, the principal risks and uncertainties faced by the Group and the controls in place to manage them.

Overview of risk management approach
The Executive team with the senior management are responsible for identifying, assessing and managing the risks in the business. Risks are identified and assessed by all business areas on a periodic basis, and are measured against a defined set of criteria, considering likelihood of occurrence, and potential impact. The Executive team also conduct a strategic risk identification and assessment exercise to identify risks, including those that could impact the business model, future performance, solvency or liquidity. This risk information is combined with a consolidated view of the business area risks. The most significant risks identified are included in our Group Risk Profile, which is reported to the Board for review and challenge. The Board has the overall accountability for ensuring that risk is effectively managed across the Group and therefore ensuring that it is comfortable with the nature and extent of the principal risks faced in achieving its strategic objectives.

Principal risks and uncertainties

Set out below are the risks which the Directors believe could materially affect the Group's ability to achieve its financial and operating objectives and control or mitigating activities adopted to manage them. The risks are not listed in order of significance.

1. ISMMS License Agreement

(a) Non-Exclusive License Agreement

The Company is party to a licence agreement with ISMMS, pursuant to which ISMMS licenses, inter alia, certain know-how and applied for patent required for the Group's business to the Group. The licence agreement is non-exclusive in relation to the licensed know-how but is exclusive in relation to the licensed patents. Although there is a commercial exposure and risk in respect of the know-how, due to the collaborative relationship and interconnected interests between the licensor and licensee, commercially this would not pose a significant risk.

(b) Non-Transferability

The licence is non-transferable, which could therefore restrict the potential sale of the Company, but this is not uncommon in patent licences. However, the licence agreement does not contain a change of control clause which means it will not terminate or have a right to be terminated upon a change of control in the Company.

(c) Termination Rights

Pursuant to the licence agreement, the Company agrees to use commercially reasonable efforts to develop and commercialise one licensed product for each condition within the field of use within the territory. If the Company fails to meet these obligations, the licence may be terminated. However, the Company has already commenced its commercialisation strategies and is confident that its obligations under the licence agreement shall be met.

(d) Warranties and Indemnities
ISMMS does not provide any warranties to the Company under the licence agreement including any express, implied or statutory, including any implied warranties of merchantability, fitness for a particular purpose, title and non-infringement, and any warranties arising from course of dealing, course of performance or trade usage, all of which are disclaimed. However, due to the collaborative nature of the relationship between the licensee and licensor, the Company does not consider this commercially to be a significant risk.

The licence contains a broad indemnity if commercialisation of the licenced technology results in a third-party claim which results in a loss for ISMMS. Additionally, the Company's indemnification obligations under the licence are uncapped. Commercially, these provisions are typical and are commonly included within such a licence.

(e) Dependability Upon ISMMS Relationship

The Company will be working in collaboration with third parties, including ISMMS, in respect of developing improvements of the ISMMS technology under the terms of the licence agreement. ISMMS shall retain all right, title and interest in and to the ISMMS technology and know-how under the terms of the licence agreement. Any improvements created, conceived, or developed solely by a party shall be owned exclusively by such party, whereas if the improvement is created, conceived or developed is done jointly by the parties ("Joint Improvements"), shall be jointly owned by both parties. Given the relationship between ISMMS and the Company, it is likely that many improvements will be developed jointly between the parties, meaning that such improvements are jointly owned. Therefore, the Company would be reliant on the consent of ISMMS in respect of its use of any Joint Improvements and/or sub-license to third parties. As noted above, due to the collaborative relationship and interconnected interests between the Company and ISMMS, commercially this does not pose a significant risk.

2. Patents

Despite that the Company's licensed methodologies are proprietary in terms of know-how, there is a risk that, if the applied-for patent (and indeed other patents the Company may in future seek to apply for to protect its additional intellectual property being developed) are not granted or are not granted in a form which provides meaningful protection, then third parties including competitors and partner customers may perceive greater scope to develop alternate solutions seeking to address mental resilience and the treatment of chronic health conditions, and in such a way as to diminish the Company's prospects for growth. This would also clearly impact the Company's ability to enforce patent protection (for instance, if patents applied for are not granted) which could create lower actual or perceived barriers to entry by competitors. Notwithstanding the Company's many years of research and development of its methodologies, such risks could impact on the Company's financial position and results of operation. The Company will, however, continue to robustly monitor and maintain its ongoing intellectual property protection needs.

3. The Company is dependent on other third parties who provide certain resources and services to the Company as the Company has limited resources in the short-term

The Company relies on internet infrastructure, bandwidth providers, third-party computer hardware and software, and other third parties in order to provide services for its own benefit and to its clients and members. Any failure or interruption in the business components or services provided by these third parties may impact the Company's operating results. If there is any unanticipated damage, disruption or shutdown on multiple information technology systems which the Group utilises, including problems operating, upgrading or replacing software, power outages, hardware issues, viruses, cyber-attacked, telecommunication or connectivity failures, human error, or other unanticipated events, this may significantly impact the Group's ability to provide its product solution on a short or longer-term basis.

The Company also relies on third parties for certain resources and outsourced services, including but not limited to those supporting the delivery and/or maintenance of critical elements of the Company's connected health solution, such as software development, database management, HIPAA-compliant platform and telemedicine and web service providers. Any adverse impacts to these resources or outsourced services, including but not limited to the inability to procure resources/services or the desired operating outcomes from these resources, termination of business relationships with these third-parties, or unanticipated failures to receive intended resources/services from these third parties may result in material and adverse impacts on the Group's business, financial condition, and operational results.

The Group has secured an exclusive commercial license to the GRITT™ methodology from ISMMS. The Group relies on utilisation of this proprietary intellectual property and know-how to develop its products and services, as well as to sustain a competitive advantage. Any changes or amendments to this relationship may negatively impact the Group's position in the market, including with health insurance or health plan provider clients, or its ability to attract new partnerships and clients, which would have a material effect on the Group's business, financial condition, and operational results.

4. The Company is reliant upon the expertise and continued service of a small number of key individuals of its management, board of directors and scientific advisors

The Company relies on the expertise and experience of a small number of key individuals of its management, directors and scientific advisors to continue to develop and manage the business of the Company. The retention of their services cannot be guaranteed. Accordingly, the departure of these key individuals could have a negative impact on the Company's operations, financial conditions, its ability to execute the Company's business strategy and future prospects. Going forwards, the Company will rely, in part, on the recruitment of appropriately qualified personnel, including personnel with a high level of scientific and technical expertise in the industry. The Company may be unable to find a sufficient number of appropriately highly trained individuals to satisfy its growth rate which could affects its ability to develop products as planned. In addition, the Company's inability to recruit key personnel or the loss of the services of key personnel or consultants may impede the progress of the Company's research and development objectives as well as the commercialisation of its lead and other products.

5. The Company is subject to research and product development risk

The Group will engage in research and development in order to support evolution and enhancements of its services and offerings, as well as contribute to development and release of new solutions and services. The Group's involvement in complex clinical development processes which has a high incidence of delay or failure to produce desired results. Any inability to enhance the Group's products/services, develop new products/services, or identify market needs within its market may have a material adverse effect on the Company's business, financial condition, and operational results.

Furthermore, the Group's future research and development efforts may be subject to regulations, such as human subject protection, data security/protection, institutional review board/ethics board oversight, regulatory authorisations, and design control requirements for use in a care setting, whether for FDA, EU-or UK-regulated products, or otherwise. Any failure to comply with such requirements could result in penalties, delay, or prevent commercialisation of the Group's products or those of its partners, which could have a negative impact on the Group's results of operation and financial condition.

6. The Group is subject to risks associated with a dynamic medical, technological, and regulatory landscape

The Group is operating in a market impacted by medical and technological change and obsolescence. There can be no assurance that competitive solutions or breakthroughs in medicine and technology for the monitoring, treatment, or prevention of either chronic conditions or mental health conditions or both may not adversely impact demand for the Group's services and offerings or render them obsolete. Any failure on the Group to adapt to the changing medical and technological landscape or stay up-to-date with industry trends will have a material adverse impact on the Group's business, financial condition and operational results.

The Group's operating environment is subject to increasingly stringent privacy and data security legislation. Any changes to regulation of protected health information or data privacy/security would result in a need to ensure the Group's technology platform and products and the operation of its business remain compliant, which may incur significant costs and impact the Group's financial condition and operations. Presently, The Group is not subject to FDA approval and is not identified as a Software as a Medical Device. Should the Group expand into other geographical territories, the Group may be subject to other regulatory bodies. If there are any subsequent changes to legislation that subject the Group's platform and products to approval processes, whether on privacy and data matters or otherwise in relation to elements of its care provision (including but not limited to the personalisation and delivery of care using AI, machine learning and automation), this may adversely impact the Group's business, financial condition and operational results.

7. The Company is an early stage business with limited operating history

The Company is at an early stage of its lifecycle. The Group has demonstration projects in its pipeline and aims to generate revenue in 2021, however, the ability of management to implement its revenue model amongst B2B customers is unproven and the failure to replicate key findings on the economic and patient benefits of its connected health solution for chronic conditions, or otherwise to earn significant per member per month revenues from payers would undermine the Group's core proposition and over time its financial condition. The Company's limited operating history makes it difficult to evaluate current business and future prospects or their timing with any precision. The Group has no certainty of cash generation which makes evaluating the Group and its business prospects difficult.

Use by the Group of its in-licensed proprietary methodology and developed technology is supported by implementation at the ISMMS facility in the IBD population. However, while the implementation was in a clinical medical facility setting, it did not test use of the Group's more recently developed tech-enabled digital platform, making it uncertain if the solution will operate as expected or replicate the same findings. If some or all of the Group's proprietary and in-licensed solution does not operate properly, this could inhibit the replication of positive findings, cause reputational damage and could also result in claims against the Group, any of which could negatively impact the Group's commercial progress, financial condition and operating results.

As far as the Directors are aware, the Group has a competitive advantage as a company which is first-to-market, with no competitor providing both resilience-driven care and the care management solution. The failure of the Group's solution to achieve and maintain market acceptance could result in lower-than-expected sales, causing the Group's business, financial condition, and operational results to be materially and adversely affected.

8. The Group faces competitive threats

The Group's future success will depend in part upon the Group's ability to build and retain a competitive position in the market. The Group may also face competition from new or existing companies that have greater research, development, marketing, financial and personnel resources than the Group.

9. The Group faces uncertainties in its expansion and with strategic partnerships

To achieve successful growth long-term, it is important that the Group expands its services and offerings to additional chronic conditions as well as into select international markets. Any anticipated or unanticipated business, political, regulatory, operational, financial, and economic risks may hinder growth and affect costs/revenue projections. This may cause the Group's value proposition to partners to be materially less compelling, or in the case of the application of the Company's approach to additional chronic conditions, to be limited in scope or value-add, causing the Company to achieve reduced or even negative returns on its investment in such expansion.

Expansion into international markets may also subject the Group to previously unaccounted for laws and regulations which must be complied with, increasing the Group's costs and potentially subjecting the Group to liability if any such laws or regulation are violated. Additionally, inability to benefit from strategic partnerships, inability to acquire suitable businesses successfully or generate favorable returns on investments could result in operating difficulties, dilution, and other adverse consequences that may materially impact the Group's business, financial condition, and operational results.

10. Additional regulation applicable to prospective solutions for other chronic conditions and/ or in other geographies

Development of the Company's connected care solutions to apply to other chronic conditions, in other geographies or both, will require additional consideration of applicable law and regulation pertaining to such operations.

For the Company to operate in states outside New York State, it will have to (i) get its New York PC/PLLC authorised to do business in those other states (or form a new entity in the two states, New Jersey and California, that do not allow an out of state professional entity to operate within its borders), and/or (ii) determine what entity can be used to bear risk of a contract with a customer in that state (e.g., in New Jersey, the Company would need to form an organised delivery system or ODS under New Jersey law).

The Company intends to assess such requirements using outsourced experts and advisers, to consider all applicable elements (in addition to commercial viability) before engaging in such expansion.

11. Federal and State fraud and abuse laws

The Company's arrangements with healthcare professionals, clients, and third-party payors may subject the Company to various federal and state healthcare laws and regulations regarding fraud and abuse. These laws and regulations include: federal Anti-Kickback Statute; False Claims Act; and state laws regarding fee-splitting prohibitions and payments to providers. Similar laws and regulations apply in the UK and in the EU. These laws may impact the Company's engagement with the Company's partnered entities as well as impact sales and marketing operations. Failure to maintain compliance could result in significant penalties and require changes in Company's business operations.

12. Economic conditions and current economic weakness

Any economic downturn either globally or locally in any area in which the Group operates may have an adverse effect on the demand for the Group's services. A more prolonged economic downturn may lead to an overall decline in the volume of the Group's sales, restricting the Group's ability to generate a profit. In addition, although signs of economic recovery have been perceptible in certain countries, the sustainability of a global economic upturn is not yet assured. If economic conditions remain uncertain this might have an adverse impact on the Group's operations and business results.

13. The business could be adversely affected by the effects of health epidemics, including the current COVID-19 pandemic, in regions where the Company or third parties on which it relies or may come to rely have significant manufacturing facilities, concentrations of validatory demonstration, commercial or research sites or other business operations.

The Company's business could be adversely affected by health epidemics in regions where it has concentrations of demonstration, commercial or research sites, or other business operations or places of management, and could cause significant disruption in the operations of third parties upon whom it may be reliant or come to rely.

In addition, the Company's demonstration contracts, feasibility studies, research studies validation studies and commercial launch plans or timelines may be affected by the COVID-19 pandemic, and such delays could have a material negative effect on the Group's commercial operations and financial results.

The spread of COVID-19, which has caused a broad impact globally, may materially affect the Company economically. While the potential economic impact brought by, and the duration of, COVID-19 may be difficult to assess or predict, a widespread pandemic could result in significant disruption of global financial markets, reducing the Company's ability to access capital, which could in the future negatively affect the Company's liquidity. In addition, a recession or market correction resulting from the spread of COVID-19 could materially affect the Company's business and the value of the Ordinary Shares.

The global pandemic of COVID-19 continues to rapidly evolve. The ultimate impact of the COVID-19 pandemic or a similar health epidemic is highly uncertain and subject to change. The Directors do not yet know the full extent of potential delays or impacts on the Company's business, its clinical trials, healthcare systems or the global economy as a whole. However, these effects could have a material impact on the Company's operations, and the Directors will continue to monitor the COVID-19 situation closely.

14. Currency Risk

The Group expects to present its financial information in US dollars, although part of its business may be conducted in other currencies. As a result, it will be subject to foreign currency exchange risks due to exchange rate movements, which will affect the Group's transaction costs and the translation of its results. The Company's Ordinary Shares will be traded in pounds sterling.

15. Cyber security risk

The Group uses computers extensively in its operations and has an online presence but does not trade online. It is at risk of attack through hacking or other methods. This risk is mitigated by the use of robust security measures, staff training, and back-up systems. The Group also has specific insurance cover.

Financial Performance

The financial performance of the Group in the period from incorporation on 15 July 2020 to 31 December 2021 reflects the GRITT™ licence and related assets, the costs incurred up to and including the IPO on 28 May 2021 and the operating costs of the business since IPO.

Income Statement
As the Company is in development phase, the only revenue it has generated through 31 December 2021 is from implementation services and has not yet started generating revenues from its operating activities. The main components of the Administrative expenses totalling US $5.7m (2020 – US $0.8m) were employee related costs of US $4.3m (2020 – US $0.5m) (excluding the share-based payment charge of US $0.14m (2020 - US $Nil)), professional costs of US $1.3m (2020 – US $0.2m), other operating expenses totalling US $0.4m (2020 – US $0.04). Total depreciation and amortisation was US $0.03m.

Disclosed separately is the share-based payments charge of 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 Group is the exclusive licence acquired from Mount Sinai for the GRITT™ technology and software development costs relating to the TrellusElevate technology platform, purchased for US $0.5m and US $3.8m, respectively, together with related equipments.

The net proceeds from the IPO were US $38.5m, after accounting for those IPO costs charged to the Income Statement, from which the total spend on operations and investing activities was US $8.5m (2020 – US £1.3m). Due to the depreciation in the value of sterling against the US dollar in the time from IPO to year end, and the substantial funds held in sterling at year end, a foreign exchange loss of US $1.6m decreased the year end cash balance to US $32m (2020 – US $3.7m).

Section 172 Statement

The Directors, in line with their duties under s172 of the Companies Act 2006, act in a way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard to a range of matters when making decisions for the long term. Key decisions and matters that are of strategic importance to the Company are appropriately informed by s172 factors.

Section 172(1)(a) to (f) requires each Director to act in the way he or she considers would be most likely to promote the success of the company for the benefit of its members as a whole, with regard to the following matters:

(a) the likely consequences of any decision in the long term
(b) the interests of the Company's employees
(c) the need to foster the Company's business relationships with suppliers, customers and others.
(d) the impact of the Company's operations on the community and the environment
(e) the desirability of the Company maintaining a reputation for high standards of business conduct; and
(f) the need to act fairly between members of the Company.

The Group has adopted the Corporate Governance Code for Small and Mid-Size Quoted Companies from The Quoted Companies Alliance (the "QCA Code"). The QCA Code is an appropriate code of conduct for the Group's size and stage of development. There is a discussion of how the Group applies the ten principles of the QCA Code in support of its growth on the Group's website.

he Chairman's and Chief Executive Officer's statements describe the Group's activities, strategy and future prospects, including the considerations for long term decision making.

The Board considers its major stakeholders to be its employees, its suppliers, customers, and shareholders. When making decisions, the interests of these stakeholders is considered informally as part of the Board's group discussions.

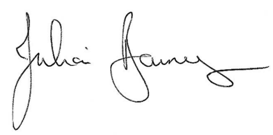
The Board has a good relationship with the Group's employees. The Board maintains constructive dialogue with employees through the Executive Directors. Appropriate remuneration and incentive schemes including bonuses are maintained to align employees' objectives with those of the Group. The Group regularly discusses progress both locally and at group level with employees in "town hall" style meetings, allowing opportunities to exchange views and for employees to have a say. The Group has an open, flexible, and entrepreneurial culture which has allowed the Group to be flexible and responsive to customer needs. The Board monitors, assesses, and promotes the Group's corporate culture through discussions with management and employees and through the use of appropriate measures.

The Board ensures that the Group endeavours to maintain good relationships with its suppliers by contracting on reasonable business terms and paying them promptly, within agreed terms. We meet with our significant suppliers regularly and ensure that services are delivered effectively in a timely and costefficient manner. These principles ensure that the Group's and our significant suppliers' interests are aligned.

The Board does not believe that the Group has a significant impact on the communities and environments within which it operates. The Board recognises that the Group has a duty to be a good corporate citizen and is conscious that its business processes minimise harm to the environment, and that it contributes as far as is practicable to the local communities in which it operates.

The Board recognizes the importance of maintaining high standards of business conduct. The Group operates appropriate policies on business ethics and provides mechanisms for whistle blowing and complaints. The Board endeavours to maintain good relationships with its shareholders and treat them equally. This is described in more details in "Relations with shareholders" in the Corporate Governance Report.

This report was approved by the Board of Directors on 10 May 2022 and signed on its behalf by:



Julian Baines
Non-executive Chairman

Directors' report
for the year ended 31 December 2021

The Directors present their report on the affairs of Trellus Health PLC (the "Company") and its subsidiary, ("the Group"), together with the audited Financial Statements and Independent Auditors' Report for the year ended 31 December 2021.

Principal activities

The main activity of the Group is the provision of a resilience-driven connected health solution that elevates the quality and delivery of personalized health and wellness for people living with chronic conditions.

Results and dividends

During the year ended 31 December 2021 the Group recorded a loss after tax of US $5.9m (2020 – US $0.8m) and a net cash outflow from operating activities of US $4.8m (2020 – US $0.7m).

The Directors do not recommend the payment of a dividend.

Going concern

The Group is in the development phase of its business and has so far generated revenue related only to implementation services totalling US $25,000. At 31 December 2021, the Group has available cash resources of $32 million following its listing on AIM, a market operated by the London Stock Exchange on 28 May 2021.

In considering the appropriateness of this basis of preparation, the Directors have reviewed the Company and Group working capital forecasts for a minimum of 12 months from the date of the approval of this financial information. Based on their consideration the Directors have reasonable expectation that the Group has adequate resources to continue for the foreseeable future and that carrying values of intangible assets are supported. Thus, the adoption of the going concern basis of accounting in preparing this financial information is considered appropriate.

Political donations

The Group made no political donations in the period.

Future developments

The Group's future developments are outlined in the Strategic Report on pages 7 to 14.

Financial risk management

Financial risk management policies and objectives for capital management are outlined in the principal risks and uncertainties section of the Strategic Report on pages 7 to 14 and in note 4 to the financial statements.

Directors' indemnities

The Group has made qualifying third-party indemnity provisions for the benefit of its Directors, which were made during the period and remain in force at the date of this report.

Events after the reporting period

Details of significant events since the reporting period are contained in note 22 of the financial statements.

Directors

The directors of the company throughout the year and to the date of this report were:

Julian Baines, MBE
Monique Fayad
Dr. Marla Dubinsky
Dr Erik Lium
Mike Salter
Christopher Mills (appointed 22 March 2021)
Dr. Daniel Mahony (appointed 17 March 2021)

Directors' shareholdings

The holdings in the share capital of the Company of those Directors serving at 31 December 2021 and as at the date of signing of these financial statements, all of which are beneficial, were as follows:

	On 31 December 2021 Ordinary Shares of £0.0006 each	On 31 December 2020 Ordinary Shares of £0.0006 each
Julian Baines	2,375,836	2,100,836
Christopher Mills	18,209,219	8,376,219
Dr. Marla Dubinsky	8,750,500	8,750,500
Monique Fayad	4,017,702	4,000,000
Dr. Daniel Mahony	225,000	225,000
Mike Salter	1,126,026	1,001,026

All of the shares were acquired during the period.

Substantial shareholdings

As of 31 December 2021, the following interests in 3% or more of the issued Ordinary Share capital had been notified to the Company:

Shareholder	Number of shares	Percentage of issued share capital
Icahn School of Medicine at Mount Sinai	40,384,897	25.0%
Christopher Mills	18,209,219	11.3%
Dr. Marla Dubinsky	8,750,500	5.4%
Dr. Laurie Keefer	8,759,351	5.4%
Unicorn Asset Management Limited	6,250,000	3.9%
Lombard Odier Asset Management	5,921,432	3.7%
Investec Wealth and Investment	5,082,686	3.2%
Canaccord Genuity Wealth Management	4,976,596	3.1%

Christopher Mills is partner and Chief Investment Officer of Harwood Capital LLP. Harwood Capital LLP is Investment Manager to North Atlantic Smaller Companies Investment Trust PLC and investment advisor to Oryx International Growth Fund Limited.

Corporate Social Responsibility

The Board recognises its employment, environmental and health and safety responsibilities. It devotes appropriate resources towards monitoring and improving compliance with existing standards. The Executive Directors are responsible for these areas at Board level, ensuring that the Group's policies are upheld and providing the necessary resources.

The Directors consider that the nature of the Group's activities is not detrimental to the environment. The Group is committed to identifying and minimising any effect on the environment caused by its operations and the Board recognises that the Group has a duty to be a good corporate citizen and to respect and comply with the laws, regulations, and where appropriate the customs and culture of the territories in which it operates.

Employees

The Group is committed to achieving equal opportunities and to complying with relevant anti-discrimination legislation. It is established Group policy to offer employees and job applicants the opportunity to benefit from fair employment, without regard to their sex, sexual orientation, marital status, race, religion or belief, age or disability. Employees are encouraged to train and develop their careers.

The Group has continued its policy of informing all employees of matters of concern to them as employees, both in their immediate work situation and in the wider context of the Group's well-being. Communication with employees is affected through the Board, the Group's management briefings structure, formal and informal meetings and through the Group's information systems.

Directors Responsibilities

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the Financial Statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the group and the company financial statements in accordance with UK-adopted international accounting standards.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently
- make judgements and accounting estimates that are reasonable and prudent
- state whether applicable UK-adopted international accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare 'the financial statements on the going concern basis unless' it is inappropriate to presume that the company and Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Directors Responsibilities *(continued)*

They are further responsible for ensuring that the Strategic Report and the Directors' Report and other information included in the Annual Report and Financial Statements is prepared in accordance with applicable law in the United Kingdom.

The maintenance and integrity of the Trellus Health PLC website is the responsibility of the directors. Legislation in the United Kingdom governing the preparation and dissemination of the accounts and the other information included in annual reports may differ from legislation in other jurisdictions.

Auditors

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that Director is aware, there is no relevant audit information of which the Group and the Group's auditor is unaware; and
- that Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

Crowe U.K. LLP has expressed its willingness to continue in office and a resolution to reappoint the firm as Auditor and authorising the Directors to set their remuneration will be proposed at the forthcoming Annual General Meeting

This report was approved by the Board of Directors on 10 May 2022 and signed on its behalf by:

Julian Baines
Non-executive Chairman

Compliance

The Company recognises the value of good corporate governance in every part of its business. The Board has adopted the corporate governance principles of the 2018 Quoted Companies Governance Code. Details of the Code can be obtained from the Quoted Companies Alliance's website (www.theqca.com).

The following statement describes how the Group seeks to address the principles underlying the Code.

Board composition and responsibility

The Board currently comprises one Executive Director and seven Non-Executive Directors. Julian Baines has been appointed as Non-Executive Chairman.

It is the Board's opinion that Dr. Daniel Mahony and Traci Entel (replacing Niyum Gandhi) are independent in character and judgement and that there are no relationships or circumstances which could materially affect or interfere with the exercise of their independent judgement.

All Directors are subject to election by Shareholders at the first Annual General Meeting after their appointment and are subject to re-election at least every three years. Non-Executive Directors are appointed for a specific term of office which provides for their removal in certain circumstances, including under section 168 of the Companies Act 2006. The Board does not automatically re-nominate Non-Executive Directors for election by Shareholders. The terms of appointment of the Non-Executive Directors can be obtained by request to the Company Secretary.

The Board's primary objective is to focus on adding value to the assets of the Group by identifying and assessing business opportunities and ensuring that potential risks are identified, monitored and controlled. Matters reserved for Board decisions include strategic long-term objectives and capital structure of major transactions. The implementation of Board decisions and day to day operations of the Group are delegated to Management.

There is a division of responsibilities between the Non-Executive Chairman, who is responsible for the overall strategy of the Group and running the Board, and the CEO, who is responsible for implementing the strategy and day to day running of the Group.

Board meetings

Fourteen Board meetings were held during the year. The Directors' attendance record during the year of office is as follows:

Julian Baines (Non-Executive Chairman)	14/14
Monique Fayad (Chief Executive Officer)	14/14
Dr. Daniel Mahony (Senior Independent Non-Executive Director)	11/11
Dr. Marla Dubinsky (Non-Executive Director)	14/14
Niyum Gandhi (Independent Non-Executive Director)	14/14
Dr Erik Lium (Non-Executive Director)	13/14
Christopher Mills (Non-Executive Director)	9/9
Mike Salter	14/14

During the period, the Board has not performed an evaluation of their performance and that of the Chairman, as well as the effectiveness of the Board committees. This being a first period, the evaluation was not possible and will be completed in the coming financial year.

Audit Committee

The Audit Committee comprises Dr. Dan Mahony, who acts as chair, and Mike Salter. The Audit Committee will, among other things, determine and examine matters relating to the financial affairs of the Company including the terms of the engagement of the Company's auditors and, in consultation with the auditors, the scope of the audit. It will receive and review the reports from management and the Company's auditors relating to the half yearly and annual accounts and the accounting and the internal control systems in use throughout the Company.

The committee has not met during the year ended 31 December 2021. There have been no significant matters communicated to the Committee by the auditors and no interaction with the Financial Reporting Council.

Remuneration Committee

The Remuneration Committee comprises Dr. Erik Lium, who acts as chair, Dr. Daniel Mahony, and Julian Baines, The Remuneration Committee reviews and makes recommendations in respect to the Executive Directors' remuneration and benefits packages, including share options and the terms of their appointment. The Remuneration Committee also make recommendations to the Board concerning the allocation of share options to employees under the intended share option schemes.

The Committee met twice during the year ended 31 December 2021.

Nomination Committee

The Nomination Committee comprises Dr. Marla Dubinsky, who acts as chair, and Mike Salter. The Nomination Committee will review and recommend nominees as new Directors to the Board.

Internal control

The Directors are responsible for ensuring that the Group maintains a system of internal control to provide them with reasonable assurance regarding the reliability of financial information used within the business and for publication and that the assets are safeguarded. There are inherent limitations in any system of internal control and accordingly even the most effective system can provide only reasonable, but not absolute, assurance with respect to the preparation of financial reporting and the safeguarding of assets.

The Group, in administering its business, has put in place strict authorisation, approval and control levels within which senior management operates. These controls reflect the Group's organisational structure and business objectives. The control system includes clear lines of accountability and covers all areas of the organisation. The Board operates procedures which include an appropriate control environment through the definition of the above organisation structure and authority levels and the identification of the major business risks.

Internal financial reporting

The Directors are responsible for establishing and maintaining the Group's system of internal reporting and as such have put in place a framework of controls to ensure that on-going financial performance is measured in a timely and correct manner and that risks are identified as early as is practicably possible. There is a comprehensive budgeting system and monthly management accounts are prepared which compare actual results against both the budget and the previous year. They are reviewed and approved by the Board and revised forecasts are prepared on a regular basis.

Relations with shareholders

The Company will report to Shareholders twice a year. The Company dispatches the notice of its Annual General Meeting, together with a description of the items of special business, at least 21 clear days before the meeting. Each substantially separate issue is the subject of a separate resolution, and all Shareholders have the opportunity to put questions to the Board at the Annual General Meeting.

The Chair(s) of the Audit and Remuneration Committees normally attend the Annual General Meeting and will answer questions which may be relevant to their work. The Chairman advises the meeting of the details of proxy votes cast on each of the individual resolutions after they have been voted on in the meeting. The Chairman and the Non-Executive Directors intend to maintain a good and continuing understanding of the objectives and views of the Shareholders.

Shareholders may contact the Company as follows:

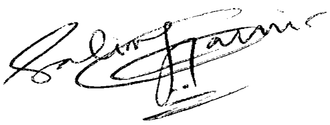
Tel: +44 (0)20 7933 8780

Email: investors@trellushealth.com

Corporate social responsibility

The Board recognises that the Group has a duty to be a good corporate citizen and is conscious that its business processes minimise harm to the environment, that it contributes as far as is practicable to the local communities in which it operates and takes a responsible and positive approach to employment practices.

The Corporate Governance Statement was approved by the Board on 10 May 2022 and signed on its behalf by:



Salim Hamir
Company Secretary

Report of the remuneration committee for the year ended 31 December 2021

Statement of compliance

This report does not constitute a Directors' Remuneration Report in accordance with The Companies (Directors' Remuneration Policy and Directors' Remuneration Report) Regulations 2019 which do not apply to the Company as it is not fully listed. This report sets out the Group policy on Directors' remuneration, including emoluments, benefits and other share-based awards made to each Director.

Policy on Executive Directors' remuneration

Remuneration packages are designed to motivate and retain the Executive Director to ensure the continued development of the Group and to reward them for enhancing value to shareholders. The main elements of the remuneration package for the Executive Director are basic salary, performance-related bonuses, benefits and share based incentives.

Directors' remuneration - Audited

The remuneration of the Directors for the year ended 31 December 2021 is shown below:

	Base Salary and fees US$	Pension US$	**Year to 31 December 2021 US$**	**Period to 31 December 2020 US$**
Executive Director				
Monique Fayad	250,000	8,750	**258,750**	**142,708**
Total	250,000	8,750	**258,750**	**142,708**
Non-Executive Directors				
Julian Baines	33,830	-	**33,830**	-
Dr. Marla Dubinsky	120,000	-	**120,000**	-
Dr. Daniel Mahony	16,915	-	**16,915**	-
Niyum Gandhi	16,915	-	**16,915**	-
Dr Erik Lium	16,915	-	**16,915**	-
Christopher Mills	16,915	-	**16,915**	-
Mike Salter	16,915	-	**16,915**	-
Total	238,405	-	**238,405**	-
Total fees and emoluments	488,405	8,750	**497,155**	**142,708**

Dr Erik Lium is not entitled to receive remuneration as he sits on the Board as a representative of the Icahn School of Medicine at Mount Sinai and his fees are paid to Mount Sinai.

Approved by the Board on 10 May 2022 and signed on its behalf by:

Julian Baines
Non-executive Chairman

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF TRELLUS HEALTH PLC

Opinion

We have audited the financial statements of Trellus Health plc (the "parent company") and its subsidiary (the "group") for the period ended 31 December 2021 which comprise the Consolidated Income Statement, Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Financial Position, the Consolidated and Company Statements of Changes in Equity, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK adopted International Accounting Standards (IFRSs). The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosures Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2021 and of the group's loss for the period then ended;
- the group financial statements have been properly prepared in accordance with UK adopted International Accounting Standards;
- the parent company financial statements have been properly prepared in accordance with Financial Reporting Standard 101 Reduced Disclosures Framework (United Kingdom Generally Accepted Accounting Practice); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law.

Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the Directors' assessment of the Group and the Parent Company's ability to continue to adopt the going concern basis of accounting included the following procedures:

The going concern assessment period used by the Directors was at least 12 months from the date of the approval of the financial statements. We assessed the appropriateness of the approach, assumptions and arithmetic accuracy of the model used by management when performing their going concern assessment.

We evaluated the Directors' assessment of the Group's ability to continue as a going concern, including challenging the underlying data and key assumptions used to make the assessment. Additionally, we reviewed and challenged the results of management's stress testing, to assess the reasonableness of economic assumptions in light of the impact of Covid-19 on the Group's solvency and liquidity position.

Further details of the Directors’ assessment of going concern are provided in Note 2.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Overview of our audit approach

Materiality

In planning and performing our audit we applied the concept of materiality. An item is considered material if it could reasonably be expected to change the economic decisions of a user of the financial statements. We used the concept of materiality to both focus our testing and to evaluate the impact of misstatements identified.

Based on our professional judgement, we determined overall materiality for the group financial statements as a whole to be $360,000 based on 5% of the expected loss before tax at the planning stage. We did not consider it appropriate subsequently to amend our assessment. Profit or loss before tax is a generally accepted auditing benchmark.

We use a different level of materiality (“performance materiality”) to determine the extent of our testing for the audit of the financial statements. Performance materiality is set based on the audit materiality as adjusted for the judgements made as to the entity risk and our evaluation of the specific risk of each audit area having regard to the internal control environment. We determined the group performance materiality to be $252,000.

Where considered appropriate, performance materiality may be reduced to a lower level, such as for related party transactions and Directors’ remuneration.

We agreed with the Audit Committee to report to it all identified errors in excess of $18,000. Errors below that threshold would also be reported to it if, in our opinion as auditor, disclosure was required on qualitative grounds.

The parent company materiality was assessed as $40,000 based on approximately 5% of its expected loss before tax at the planning stage. Performance materiality was set at $28,000. Parent company triviality was $14,000.

Overview of the scope of our audit

The company’s operations are based in the UK and the USA. In view of the early stage of development of the group’s business activities the audit team performed a full scope audit on the group from the UK as a single component.

Key audit matters

There were no matters which we consider should be separately reported as key audit matters.

Other information

The Directors are responsible for the other information contained within the annual report. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor’s report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report and strategic report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the Directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the Directors for the financial statements

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We obtained an understanding of the legal and regulatory frameworks within which the company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006 and taxation legislation. Technical, clinical or regulatory laws and regulations which are inherent risks in drug development are mitigated and managed by the Board and management in conjunction with expert regulatory consultants in order to monitor the latest regulations and planned changes to the regulatory environment.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be the override of controls by management. Our audit procedures to respond to these risks included enquiries of management about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals and reviewing accounting estimates for biases.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

These inherent limitations are particularly significant in the case of misstatement resulting from fraud as this may involve sophisticated schemes designed to avoid detection, including deliberate failure to record transactions, collusion or the provision of intentional misrepresentations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Stephen Bullock
(Senior Statutory Auditor)
for and on behalf of Crowe U.K. LLP Statutory Auditor, London
10 May 2022

Trellus Health plc

Consolidated Income Statement
for the year ended 31 December 2021

	Notes	2021 $'000	2020 $'000
Revenue		25	-
Cost of Sales		-	-
Gross Profit		25	-
Administrative Expenses	**5**	(5,927)	(762)
Operating loss		**(5,902)**	**(762)**
Depreciation and amortization		32	1
Share-based payments	**18**	139	-
EBITDA before share-based payments		**(5,731)**	**(761)**
Finance income		-	-
Finance costs		-	-
Loss before Income Tax		(5,902)	(762)
Income Tax Charge		-	-
Loss for the Year		**(5,902)**	**(762)**
Loss Per Share	**10**		
Basic and Diluted ($)		(0.04)	(0.01)

The results reflected above relate to continuing operations. The comparative period reflect from the period of incorporation on 15 July 2020 to 31 December 2020.

The notes on pages 32 to 46 form part of these financial statements.

Consolidated Statement of Comprehensive Income
for the year ended 31 December 2021

	Notes	2021 $'000	2020 $'000
Loss for the year		(5,902)	(762)
Items that may be subsequently reclassified to profit and loss			
Currency translation differences		(1,725)	-
Total comprehensive loss for the year		**(7,627)**	**(762)**

The notes on pages 32 to 46 form part of these financial statements.

Trellus Health plc

Consolidated and Company's Statements of Financial Position
at 31 December 2021

	Notes	**Group 2021 $'000**	Group 2020 $'000	**Company 2021 $'000**	Company 2020 $'000
Assets					
Non-Current Assets					
Equipment	**12**	**82**	11	**2**	-
Intangible Assets	**13**	**4,280**	662	**500**	-
Investments		**-**	-	**-**	-
Total Non-Current Assets		**4,362**	673	**502**	-
Current Assets					
Trade receivables and prepaids	**14**	**451**	11	**10,069**	1,547
Cash and cash equivalents		**31,982**	3,684	**30,450**	3,461
Total Current Assets		**32,433**	3,695	**40,519**	5,008
Total Assets		**36,795**	4,368	**41,021**	5,008
Share Capital and Equity					
Share Capital	**16**	**137**	12	**137**	12
Share Premium	**17**	**43,387**	4,996	**43,387**	4,996
Other Reserve	**17, 18**	**139**	-	**139**	-
Foreign Currency Reserves	**17**	**(1,725)**	-	**-**	-
Retained Earnings		**(6,664)**	(762)	**(2,719)**	-
Total Equity		**35,274**	4,246	**40,944**	5,008
Liabilities					
Current Liabilities					
Trade and other payables	**4**	**1,521**	122	**77**	-
Total Liabilities		**1,521**	122	**77**	-
Total Equity and Liabilities		**36,795**	4,368	**41,021**	5,008

The notes on pages 32 to 46 form part of these financial statements.

The Company has elected to take the exemption under section 408 of the Companies Act 2006 not to present the Parent Company income statement. The loss for the Parent Company for the year was US $2,719,000 (2020: US $Nil).

The financial statements were approved and authorised for issue by the Board of Directors on 10 May 2022 and were signed on its behalf by:

Julian Baines

Julian Baines – Chairman

Monique Fayad

Monique Fayad – Chief Executive Officer

Company Number 12743489

Trellus Health plc

Consolidated and Company's Statement of Cash Flows
for the year ended 31 December 2021

	Notes	Group 2021 $'000	Group 2020 $'000	Company 2021 $'000	Company 2020 $'000
Cash Flow from Operating Activities					
Loss for the period		(5,902)	(762)	(2,719)	-
Adjustments for:					
Depreciation and amortisation	**5,12,13**	32	1	-	-
Share-based payment expense	**18**	139	-	139	-
		(5,731)	(761)	(2,580)	-
Increase in trade and other receivables	**14**	(440)	(11)	(8,522)	(1,547)
Increase in trade and other payables	**15**	1,401	122	77	-
Net cash outflow from operating activities		**(4,772)**	**(650)**	**(11,025)**	**(1,547)**
Cash Flow from Investing Activities					
Purchases of plant, property and equipment	**11**	(81)	(12)	(2)	-
Purchases of intangible assets	**12**	(3,640)	(662)	(500)	-
Net cash outflow from investing activities		**(3,721)**	**(674)**	**(502)**	**-**
Cash Flow from Financing Activities					
Net proceeds from Issue of ordinary shares	**16**	38,516	5,008	38,516	5,008
Net cash outflow from financing activities		**38,516**	**5,008**	**38,516**	**5,008**
Net Increase in Cash and Cash Equivalents		**30,023**	**3,684**	**26,989**	**3,461**
Cash and Equivalents - Beginning of the Year		3,684	-	3,461	-
Exchange loss on Cash and Cash Equivalents	**17**	(1,725)	-	-	-
Cash and Cash Equivalents - End of the Year		**31,982**	**3,684**	**30,450**	**3,461**

The notes on pages 32 to 46 form part of these financial statements.

The comparative period reflect from the period of incorporation on 15 July 2020 to 31 December 2020.

Trellus Health plc

Consolidated Statement of Changes in Equity
for the year ended 31 December 2021

Consolidated	Notes	Share Capital $'000	Share Premium Account $'000	Other Reserves $'000	Foreign Currency Reserve $'000	Retained Earnings $'000	Total $'000
At 15 July 2020		**-**	**-**	**-**	**-**	**-**	**-**
Comprehensive Income							
Loss for the year		-	-	-	-	(762)	(762)
Total Comprehensive Loss for the Period		**-**	**-**	**-**	**-**	**(762)**	**(762)**
Issue of Share Capital	**16**	12	4,996	-	-	-	5,008
Balance at 31 December 2020 and 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	**16**	61	38,455	-	-	-	38,516
Share capital reconstruction		64	(64)	-	-	-	-
Share Based Payment Reserve Charge	**18**	-	-	139	-	-	139
Balance at 31 December 2021		**137**	**43,387**	**139**	**(1,725)**	**(6,664)**	**35,274**

Trellus Health plc

Company Statement of Changes in Equity
for the year ended 31 December 2021

Company	Notes	Share Capital $'000	Share Premium Account $'000	Other Reserves $'000	Retained Earnings $'000	Total $'000
At 15 July 2020		**-**	**-**	**-**	**-**	**-**
Comprehensive Income						
Loss for the year		-	-	-	-	-
Total Comprehensive Loss for the Period		**-**	**-**	**-**	**-**	**-**
Issue of Share Capital	**16**	12	4,996	-	-	5,008
Balance at 31 December 2020 and At 1 January 2021		**12**	**4,996**	**-**	**-**	**5,008**
Comprehensive Income						
Loss for the year		-	-	-	(2,719)	(2,719)
Total Comprehensive Loss for the Year		**-**	**-**	**-**	**(2,719)**	**(2,719)**
Issue of Share Capital	**16**	61	38,455	-	-	38,516
Share capital reconstruction		64	(64)	-	-	-
Share Based Payment Reserve Charge	**18**	-	-	139	-	139
Balance at 31 December 2021		**137**	**43,387**	**139**	**(2,719)**	**40,944**

1 General information

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

The Company is a public limited company incorporated in England and Wales and domiciled in the UK. The address of the registered office is Avon House, 19 Stanwell Road, Penarth, Cardiff CF64 2EZ and the company number is 12743489.

The Company was incorporated as Trellus Health Limited on 15 July 2020 as a private company and on 28 May 2021 the Company was re-registered as a public company and changed its name to Trellus Health PLC.

2 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. The policies have been consistently applied throughout all years presented, unless otherwise stated:

Basis of preparation

On 31 December 2020, IFRS as adopted by the European Union at that date was brought into UK law and became UK adopted International Accounting Standards, with future changes being subject to endorsement by the UK Endorsement Board. Trellus Health PLC transitioned to UK-adopted International Accounting Standards in its company financial statements on 1 January 2021. This change constitutes a change in accounting framework. However, there is no impact on recognition, measurement or disclosure in the period reported as a result of the change in framework.

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

The consolidated financial statements have been prepared under the historical cost convention.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in note 3.

The functional currency and the presentational currency of the Company is United States dollars ("USD" or "US$") as this is the currency of the primary economic environment that the Company operates in.

a) Standards, interpretations and amendments effective from 1 January 2020

The Group has applied the following standards and amendments for the first time for their annual reporting period ended 31 December 2021:

- *Definition of Material – Amendments to IAS 1 and IAS 8; and*
- *Revised Conceptual Framework for Financial Reporting.*

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

2 Summary of significant accounting policies *(continued)*

Basis of preparation *(continued)*

b) *New standards, amendments and interpretations issued but not effective for the financial year beginning 1 January 2022 and not early adopted.*

A number of new standards and amendments to standards and interpretations are effective for annual periods beginning on or after 1 January 2022, and have not been applied in preparing these financial statements. The Group does not anticipate a material impact within its financial statements as a result of the applicable standards and interpretations.

Basis of consolidation

Where the company has control over an investee, it is classified as a subsidiary. The company controls an investee if all three of the following elements are present: power over the investee, exposure to variable returns from the investee, and the ability of the investor to use its power to affect those variable returns. Control is reassessed whenever facts and circumstances indicate that there may be a change in any of these elements of control.

De-facto control exists in situations where the company has the practical ability to direct the relevant activities of the investee without holding the majority of the voting rights. In determining whether de-facto control exists the company considers all relevant facts and circumstances, including:

- The size of the company's voting rights relative to both the size and dispersion of other parties who hold voting rights
- Substantive potential voting rights held by the company and by other parties
- Other contractual arrangements
- Historic patterns in voting attendance

The consolidated financial statements present the results of the company and its subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the acquisition method. In the statement of financial position, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of profit or loss and other comprehensive income from the date on which control is obtained. They are deconsolidated from the date on which control ceases.

Going concern

The Group is in the development phase of its business and has only generated revenues related to implementation services totalling $25,000. At 31 December 2021 the Group has available cash resources of $32m following its listing on AIM, a market operated by the London Stock Exchange on 28 May 2021.

The Board has considered the impact of the ongoing COVID-19 pandemic. 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 and the Company.

2 Summary of significant accounting policies *(continued)*

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax payable is based on taxable profit for the year. Taxable profit differs from net profits as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantially enacted by the reporting end date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on temporary differences between the carrying amounts of assets and liabilities in the historical financial information and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary differences arise from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

Share-based payments

Where equity settled share options are awarded to employees, the fair value of the options at the date of grant is charged to the consolidated statement of comprehensive income over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Non-vesting conditions and market vesting conditions are factored into the fair value of the options granted. As long as all other vesting conditions are satisfied, a charge is made irrespective of whether the market vesting conditions are satisfied. The cumulative expense is not adjusted for failure to achieve a market vesting condition or where a non-vesting condition is not satisfied.

Where equity instruments are granted to persons other than employees, the consolidated statement of comprehensive income is charged with the fair value of goods and services received.

2 Summary of significant accounting policies *(continued)*

Foreign currency translation

a) Function and presentational currency

Items included in the financial statements of the Group are measured using USD, the currency of the primary economic environment in which the entity operates ('the functional currency'), which is also the Company's presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates, of monetary assets and liabilities denominated in foreign currencies to USD, are recognised in the income statement.

Intangible assets

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment losses.

Patents are recognised at fair value at the acquisition date. Patents have a finite useful life and are subsequently carried at cost less accumulated amortisation and impairment losses.

Software expenditures incurred in the development of new or substantially improved software is capitalised, provided that the project satisfies the criteria for capitalisation, including technical feasibility and likely commercial benefit. All other software costs are expensed as incurred.

Software costs are amortised over their estimated useful life, currently 12 years to coincide with related licence costs on proprietary software. Amortisation commences when software is in commercial use. The amortisation is charged to administrative expenses in the income statement. The estimated remaining useful life of software is reviewed at least on an annual basis. The carrying value of capitalised software costs is reviewed for potential impairment at least annually and if an impairment is identified the costs are immediately charged to the income statement.

The Company amortises intangible assets with a limited useful life on a straight-line basis. The following rates are applied:

Licence - the shorter of the remaining life of the license and 12 years

Property, plant and equipment

Property, plant and equipment are stated at historical cost net of accumulated depreciation and accumulated impairment losses. Costs comprise purchase costs together with any incidental costs of acquisition.

Depreciation is provided to write down the cost less the estimated residual value of all property, plant and equipment by equal instalments over their estimated useful economic lives on a straight-line basis. The following rates are applied:

Plant and Machinery - 3 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, if there is an indication of a significant change since the last reporting date. Low value equipment is expensed as incurred.

2 Summary of significant accounting policies *(continued)*

Impairment of property, plant and equipment and intangible assets

At each reporting end date, the Company reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit and loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Financial instruments

The Company classifies financial instruments, or their component parts, on initial recognition as a financial asset, a financial liability or an equity instrument in accordance with the substance of the contractual arrangement. Financial assets and financial liabilities are recognised on the statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

a) Financial assets

Financial assets are classified, at initial recognition, at amortised cost or carrying value. The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them.

The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of its financial assets at initial recognition and re-evaluates this classification at every reporting date.

As at the reporting date, the Company did not have any financial assets subsequently measured at fair value.

b) *Financial liabilities*

All financial liabilities are initially measured at fair value and, in the case of loans and borrowings, net of directly attributable transaction costs. They are subsequently measured at amortised cost, where applicable, using the effective interest method, with interest expense recognised on an effective yield basis.

a) *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and deposits with a maturity of less than three months at 31 December 2021.

2 Summary of significant accounting policies *(continued)*

Provisions

A provision is recognised in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured, and it is probably that an outflow of economic benefits will be required to the settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

Financing expenses

Financing expenses comprise interest payable and finance charges on shares classified as liabilities. Foreign exchange gains and losses arising on foreign currency transactions are reported within administrative expenses in the statement of comprehensive income.

Interest payable is recognised in the statement of comprehensive income as it accrues, using the effective interest method.

Exceptional items

Items considered of such significance to enable the reader to better understand the results for the period presented as separately disclosed as exceptional items on the face of the statement of comprehensive income.

Operating segments

The directors are of the opinion that the business of the Group comprises a single activity, that of providing resilience-driven care for chronic conditions, currently in the inflammatory bowel disease state. Consequently, all activities relate to this segment.

All the non-current assets of the Company are located in, or primarily relate to, the USA.

Share capital

Ordinary Shares are classified as equity. Proceeds in excess of the nominal value of shares issued are allocated to the share premium account and are also classified as equity. Incremental costs directly attributable to the issue of new Ordinary Shares or options are deducted from the share premium account.

3 Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make estimates and judgements that affect the reported amounts of assets, liabilities and costs in the historical financial information. Actual results could differ from these estimates. The judgements, estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.

Key sources of estimation uncertainty that could cause an adjustment to be required to the carrying amount of assets or liabilities within the next accounting period are:

- Whether impairment is required against the carrying value of tangible and intangible assets – the impairment assessment of especially development costs require significant accounting estimates. The Group will test annually whether the intangibles have suffered any impairment, in accordance with the accounting policy states in note 2. The recoverable amounts have been determined based on value in use calculations. These calculations require use of estimates.

- Amortisation period of intangible assets are estimate based on the expected useful life and is assessed annually for any changes based on current circumstances.

- Share based payments – a number of accounting estimates are incorporated within the calculation of the charge to the income statement in respect of share based payments. These are described more detail in note 18 including impact of possible changes in the key assumptions.

4 Financial instruments - Risk Management

The Group is exposed through its operations to the following financial risks:

- Credit risk
- Foreign exchange risk
- Liquidity risk and
- Capital disclosures

The Group is exposed to risks that arise from its use of financial instruments. This note describes the Group's objectives, policies and processes for managing those risks and the methods used to measure them. Further quantitative information in respect of these risks is presented throughout these financial statements.

(i) Principal financial instruments

The principal financial instruments used by the Group, from which financial instrument risk arises, are as follows:

- Cash and cash equivalents
- Trade and other payables

(ii) Financial instruments by category

	Group 2021 $'000	Group 2020 $'000	Company 2021 $'000	Company 2020 $'000
Financial Asset				
Cash and Cash Equivalents	31,982	3,684	30,450	3,461
Trade and Other Receivable	451	11	10,069	1,547
Total Financial Assets	**32,433**	**3,695**	**40,519**	**5,008**
Financial Liabilities				
Trade and Other Payables	1,521	122	77	-
Total Financial Liabilities	**1,521**	**122**	**77**	**-**

4 Financial instruments - Risk Management *(continued)*

(iii) Financial instruments not measured at fair value

Financial instruments not measured at fair value includes cash and cash equivalents, trade and other receivables, and trade and other payables.

Due to their short-term nature, the carrying value of cash and cash equivalents, trade and other receivables, and trade and other payables approximates their fair value.

General objectives, policies and processes

The Board has overall responsibility for the determination of the Group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the Group's finance function.

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the Group's competitiveness and flexibility. Further details regarding these policies are set out below:

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Due to the absence of revenue, the Group’s exposure to credit risk is on cash at bank. The Company only deposits cash with major banks with high quality credit standing for amounts in excess of US$250,000 and limits exposure to any one counterparty.

Cash in bank and short-term deposits

The credit quality of cash has been assessed by reference to external credit rating, based on Standard and Poor’s long-term / senior issuer rating:

	Bank Rating	**2021 $'000**	**2020 $'000**
Bank A	A+	30,450	3,461
Bank B	A-	1,532	223
Total		**31,982**	**3,684**

Foreign exchange risk

Foreign exchange risk arises when individual Group entities enter into transactions denominated in a currency other than their functional currency. The Group's policy is, where possible, to allow group entities to settle liabilities denominated in their functional currency. In the period before commercial revenues US dollars are transferred from the Company to its US subsidiary to enable it to meet its local obligations. Currently the Group’s liabilities are either US dollar or UK sterling. No forward contracts or other financial instruments are entered into to hedge foreign exchange movements, with funds being transferred from the Company to its US subsidiary using spot rates.

As of 31 December 2021, assets held in Sterling amounted to US $30,450,000 and liabilities held in Sterling amounted to US $1,532,000.

4 Financial instruments - Risk Management *(continued)*

The effect of a 5% strengthening of the Sterling against US dollar at the reporting date on the Sterling denominated net assets carried at that date would, all other variables held constant, have resulted in a decrease in post-tax loss for the period and increase of net assets of US $1,5m. A 5% weakening in the exchange rate would, on the same basis, have increased post-tax loss and decreased net assets by US $1.5m.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. This risk is managed by the production of annual cash flow projections. The Group's continued future operations depend on its ability to raise sufficient working capital through the issue of share capital and generating revenue.

The following table sets out the contractual maturities (representing undiscounted contractual cash-flows) of financial liabilities which can all be met from the cash resources currently available:

At 31 December 2021	Up To 3 Months $'000	Between 3 and 12 Months $'000	Total $'000
Trade and Other Payables	1,521	-	1,521
At 31 December 2020			
Trade and Other Payables	122	-	122

Capital Disclosures

The Group monitors "adjusted capital" which comprises all components of equity (i.e. share capital, share premium, and accumulated losses).

The Group's objectives when maintaining capital are to safeguard the entity's ability to continue as a going concern.

5 Expenses by Nature

	2021 $'000	2020 $'000
Employee Benefit Expenses (see Note 7)	4,279	524
Depreciation of Property, Plant, and Equipment	10	1
Amortisation of Intangible Assets	22	-
Professional Costs	1,256	194
Other Costs	360	43

6 Auditors' remuneration

During the year the Group obtained the following services from the Company's auditor:

	2021 $'000	2020 $'000
Fees payable to the Company's Auditors for the Audit of the Parent Company and Consolidated Financial Statements	47	-
Fees payable to the Company's Auditors for Other Services:		
Services for Finance Related Transactions	78	-

7 Employee benefit expense

	2021 $'000	2020 $'000
Employee Benefit Expenses (including Directors):		
Wages and Salaries	3,818	481
Benefits	145	14
Share-Based Payment Expense (Note 19)	139	-
Social Security Contributions and Other Taxes	177	29
Total	**4,279**	**524**

The average number of employees (including Directors) in the Group in the period was 23 (2020 – 10).

8 Segment information

The Group has one division being the providing resilience-driven care for chronic conditions, currently in the inflammatory bowel disease state.

9 Tax Expense

	2021 $'000	2020 $'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:

	2021 $'000	2020 $'000
Loss for the period	**(5,902)**	**(762)**
Tax using the Company's domestic tax rate of 19%	**(1,121)**	**(145)**
Expenses not deductible for tax purposes	**76**	**-**
Depreciation and amortisation	**6**	**-**
Unrecognised deferred tax assets	**1,039**	**145**
Total tax expense	**-**	**-**

The Finance Act 2015 which was substantively enacted in 2015 included legislation to reduce the main rate of UK corporation tax to 19% from 1 April 2017 and the Finance Act 2016 which was substantively enacted in 2016 included legislation to reduce the main rate of UK corporation tax to 17% from 1 April 2020. On 18 November 2019, the government pledged to put the planned corporation tax reduction from 19% to 17% on hold. This was substantively enacted on 17 March 2020.

The unrecognised deferred tax relates to two elements: the unrecognised deferred tax arising on share-based payments of US $139,000 and unrecognised deferred tax on taxable losses of US $10 million, based on total taxable losses carried forward of US $1.4 million. 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.

10 Loss per share

	2021	2020
Numerator	**$'000**	**$'000**
Loss for the period	(5,902)	(762)
Denominator	**Number**	**Number**
Weighted average # of shares	131,734,028	84,035,503
Resulting Loss per Share ($)	**(0.04)**	**(0.01)**

The Company has one category of potential ordinary share, being share options (see Note 19). The potential shares were not dilutive in the period as the Group made a loss per share in line with IAS 33.

11 Property, plant and equipment

	Group $'000	Company $'000
Cost		
At 15 July 2020	**-**	**-**
Additions	12	-
At 31 December 2020	**12**	**-**
Depreciation		
Charge of the year	(1)	-
At 31 December 2020	**(1)**	**-**
Net Book Value at 31 December 2020	**11**	**-**
Cost		
At 1 January 2021	**12**	**-**
Additions	81	2
At 31 December 2021	**93**	**2**
Depreciation		
At 1 January 2021	(1)	-
Charge of the year	(10)	-
At 31 December 2021	**(11)**	**-**
Net Book Value at 31 December 2021	**82**	**2**

12 Intangible Assets

	Group Software Development $'000	Group Licence $'000	Group Total $'000	Company $'000
Cost				
At 15 July 2020	**-**	**-**	**-**	**-**
Additions	662	-	662	-
At 31 December 2020	**662**	**-**	**662**	**-**
Depreciation				
At 31 December 2020	**-**	**-**	**-**	**-**
Net Book Value at 31 December 2020	**662**	**-**	**662**	**-**
Cost				
At 1 January 2021				
Additions	3,140	500	3,640	500
At 31 December 2021	**3,802**	**500**	**4,302**	**500**
Depreciation				
Charge of the year	(22)	-	(22)	-
At 31 December 2021	**(22)**	**-**	**(22)**	**-**
Net Book Value at 31 December 2021	**3,780**	**500**	**4,280**	**500**

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.

The Group has tested the carrying value for impairment at 31 December 2021. The recoverable amount was assessed in the basis of value in use. The assessed value exceeded the carrying value and no impairment loss was recognised. The key assumptions in the calculation to assess value in use are future revenues and costs and the ability to generate future cash flows. Recent working capital projections approved by the Board were used as well as forecasts, followed by an extrapolation of expected cash flows.

13 Subsidiary

The subsidiary of Trellus Health PLC, which has been included in these consolidated financial statements is as follows:

Name	Country of incorporation and principal place of business	Proportion of ownership interest at 31 December 2021
Trellus Health Inc	United States of America	100%

14 Trade and other receivables

	Group 2021 $'000	Group 2020 $'000	Company 2021 $'000	Company 2020 $'000
Prepayments	328	11	88	-
Trade Receivable	25	-	-	-
Amount owed by group undertaking	-	-	9,981	1,547
Other Receivable	108	-	-	-
Total	**451**	**11**	**10,069**	**1,547**

15 Trade and other payables

	Group 2021 $'000	Group 2020 $'000	Company 2021 $'000	Company 2020 $'000
Trade Payables	927	73	-	-
Accruals	594	49	77	-
Total	**1,521**	**122**	**77**	**-**

The carrying value of trade and other payables classified as financial liabilities measured at amortised cost approximates fair value.

16 Share capital

	2021 Number	2021 $'000	2020 $'000
Ordinary shares of £0.0006 each	161,508,333	137	12

The Company was incorporated with 62,000,000 ordinary shares of £0.0001 each issued at nominal value. On 20 August 2020, a further 27,999,999 A Shares of £0.0001 each and 1 Golden Share of £0.0001 were issued at $5m.

On 5 March 2021 225,000 ordinary shares of £0.0001 each where issued at nominal value.

In order for the Company to comply with the share capital requirements of the Companies Act to re-register as a public limited company, the Directors and the shareholders resolved on 6 May 2021 to approve to issue bonus shares to the holders of the Ordinary Shares, the A Shares and the Golden Share of £0.0001 each, in each case on the basis of five additional shares for every one share held by the shareholders on 6 May 2021 ("Bonus Issue"). Following the Bonus Issue, the issued share capital of the Company consisted of 541,350,000 shares, consisting of (i) 373,350,000 Ordinary Shares, (ii) 167,999,994 A Shares and (iii) 6 Golden Shares. As a result of the Bonus Issue, the Company's share premium account increased by £45,112.50 which, when capitalised and added to the existing share capital, gave a total nominal value of £54,135.

Following the Bonus Issue, the Company resolved to re-register as a plc on 6 May 2021. On 24 May 2021 the 6 Golden Shares and the 167,999,994 A Shares were converted into Ordinary Shares, on a one-for-one basis, resulting in a share capital of 541,350,000 ordinary shares of £0.0001 each ("Conversion").

The 541,350,000 ordinary shares of £0.0001 each were then consolidated into 90,225,000 ordinary shares of £0.0006 on 24 May 2021.

On 28 May 2021 pursuant to the Company's shares being admitted to AIM, a market operated by the London Stock Exchange, 71,250,000 new ordinary shares were issued at an issue price of £0.40 per share raising gross proceeds of £28,500,000.

On 20 December 2021 33,333 Ordinary shares were issued on exercise of options at the issue price of £0.15 per share.

17 Reserves

The following describes the nature and purpose of each reserve within equity:

Reserve	**Description and purpose**
Share premium	Amount subscribed for share capital in excess of nominal value.
Foreign exchange reserve	Gains/losses arising on retranslating the net assets of parent company operations into US dollars.
Other reserve	This relates to share based payment reverse charges
Retained earnings	All other net gains and losses and transactions with owners (e.g. dividends) not recognised elsewhere.

18 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.

	2021 Weighted average exercise price ($)	**2021 Number**
Outstanding at 1 January	**-**	**-**
Granted during the period	**0.35**	**3,730,000**
Exercised during the period	**0.20**	**(33,333)**
Expired during the period (employee terminations)	**0.20**	**(116,667)**
Outstanding at 31 December	**0.35**	**3,580,000**
Exercisable at 31 December	**0.23**	**665,833**

The exercise price of options outstanding at 31 December 2020 ranged between 20 US cents and 77 cents and their weighted average contractual life was 2.3 years.

The weighted average fair value of each option granted during the year was 30p.

The fair value of each share option granted has been estimated using a Black-Scholes model and ranges from 5p to 22p. The inputs into the model are a share prices of 20p, 56p and 77p, exercise prices of 20p, 14p and 57p, 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%. As of 31 December 2021, 33,333 of the granted stock options have been exercised.

19 Related Party Transactions

Outside of the remuneration previously disclosed in the report of the remuneration committee on page 22, there are no related party transactions to report.

20 Events after the reporting date

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

Trellus Health plc

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting (Meeting) of Trellus Health PLC (**Company**) will be held at Avon House, 19 Stanwell Road, Penarth, Cardiff, United Kingdom, CF64 2EZ on 27 June 2022 at 2 p.m.

The Annual General Meeting is being held to consider the following resolutions, of which resolutions 1 to 10 will be proposed as ordinary resolutions and resolution 11 as a special resolution:

Ordinary Resolutions

1. To receive and adopt the statement of accounts for the year ended 31 December 2021 together with the reports of the Directors and the auditors thereon.

2. To re-elect Julian Baines, who retires by rotation, as a Director.

3. To re-elect Dr Marla Dubinsky, who retires by rotation, as a Director.

4. To re-elect Dr Erik Lium, who retires by rotation, as a Director.

5. To re-elect Monyc Fayad, who retires by rotation, as a Director.

6. To re-elect Daniel Mahony, who retires by rotation, as a Director.

7. To re-elect Christopher Mills, who retires by rotation, as a Director.

8. To re-elect David Salter, who retires by rotation, as a Director.

9. To re-appoint Messrs Crowe U.K. LLP as auditors to act as such until the conclusion of the next General Meeting of the Company at which the requirements of section 437 of the Companies Act 2006 are complied with and to authorise the Directors of the Company to fix their remuneration.

10. That in substitution for any existing such authority, the Directors be and are hereby generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (the “2006 Act”) to allot equity securities (as defined in section 560 of the 2006 Act) in the capital of the Company:

    (i) up to a maximum nominal amount of £3,000 (in pursuance of the exercise of outstanding share options and other potential shares granted by the Company but for no other purpose);
    (ii) up to an aggregate nominal amount of £14,535.75 (in addition to the authorities conferred in sub-paragraphs (i) above) representing approximately 15% of the Company’s Issued Share Capital,

    such authorities (unless previously renewed, revoked or varied) to expire at the conclusion of the next Annual General Meeting of the Company to be held in 2023, save that the Company may, before such expiry, make an offer or agreement which would or might require equity securities (as defined in section 560 of the 2006 Act) to be allotted after such expiry and the directors may allot such equity securities in pursuance of such an offer or agreement as if the authority conferred hereby had not expired.

Special Resolution

11. That, subject to the passing of Resolution 10 above the Directors be given the general power to allot equity securities (as defined in section 560 of the 2006 Act) pursuant to the authority conferred by Resolution 10 above as if section 561(1) of the 2006 Act did not apply to any such allotments provided that this power shall be limited to:

    (i) the allotment of equity securities on the exercise of the share options granted by the Company;

(ii) the allotment of equity securities (otherwise than pursuant to sub-paragraphs (i) above) for cash in connection with any rights issue or pre-emptive offer in favour of holders of equity securities generally; and

(iii) the allotment (otherwise than pursuant to sub-paragraphs (i) and (ii) above) of equity securities for cash up to an aggregate nominal amount of £14,535.75 representing approximately 15% of the Company's Issued Share Capital;

provided that such power (unless previously renewed, revoked or varied) shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2023, save that the Company may, before such power expires, make an offer or enter into an agreement which would or might require equity securities to be allotted after such power expires and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.

BY ORDER OF THE BOARD Salim Hamir Company Secretary	Registered Office: Avon House 19 Stanwell Road Penarth CF64 2EZ 25 May 2022

Additional Information Notes

1. Every eligible shareholder is, however, entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the AGM.

2. Pursuant to Regulation 41 of the Uncertificated Securities Regulations 2001, only those members registered on the Company's register of members at close of business on 23 June 2022, or, if this general meeting is adjourned, members on the Company's register of members not later than 48 hours before the fixed time for the adjourned meeting, shall be entitled to attend and vote at the General Meeting.

3. If you are a Shareholder of the Company at the time set out in note 2 above, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the meeting. A proxy does not need to be a shareholder of the Company but must attend the meeting to represent you. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.

4. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).

5. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the Meeting.

6. You may appoint more than one proxy provided each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. To appoint more than one proxy, please contact the Registrars, Link Group at shareholderenquiries@linkgroup.co.uk or on Tel: 0371 664 0300. Calls outside the United Kingdom will be charged at the applicable international rate. Lines are open between 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales. You will need to state clearly on each proxy form the number of shares in relation to which the proxy is appointed. When two or more valid but differing appointments of proxy are received for the same meeting, the one which is last validly delivered or received (regardless of its date or the date of its execution) shall be treated as replacing and revoking the other or others as regards that share. If the Company is unable to determine which appointment was last validly delivered or received, none of them shall be treated as valid in respect of that share.

7. In order for a proxy appointment to be valid a form of proxy must be completed. In each case the form of proxy must be received by Link Group at Central Square, 29 Wellington Street, Leeds, LS1 4DL by 2 p.m. on 23 June 2022.

8. If you return more than one proxy appointment, either by paper or electronic communication, the appointment received last by the Registrar before the latest time for the receipt of proxies will take precedence. You are advised to read the terms and conditions of use carefully. Electronic communication facilities are open to all shareholders and those who use them will not be disadvantaged.

9. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the Meeting (and any adjournment of the Meeting) by using the procedures described in the CREST Manual (available from www.euroclear.com/site/public/EUI). CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.

10. In order for a proxy appointment or instruction made by means of CREST to be valid, the appropriate CREST message (a '**CREST Proxy Instruction'**) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's specifications and must contain the information required for such instructions, as described in the CREST Manual. The message must be transmitted so as to be received by the issuer's agent [(ID RA10)] by 2 p.m. 23 June 2022, or, in the event of an adjourned of the Meeting, 48 hours before the adjourned meeting. For this purpose, the time of receipt will be taken to mean the time (as determined by the timestamp applied to the message by the CREST application host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. After this time, any change of instructions to proxies appointed through CREST should be communicated to the appointee through other means.

11. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear UK & Ireland Limited does not make available special procedures in CREST for any particular message. Normal system timings and limitations will, therefore, apply in relation to the input of CREST Proxy Instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member, or sponsored member, or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting system providers are referred, in particular, to those sections of the CREST Manual concerning practical limitations of the CREST system and timings. The Company may treat as invalid a CREST Proxy Instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.

12. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact Link Group at the address noted in note 6 above.

13. In order to revoke a proxy instruction you will need to inform the Company by contacting Link Group on 0371 664 0300. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be received by Link Group no later than 2 p.m. on 23 June 2022. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.

14. Appointment of a proxy does not preclude you from attending the general meeting and voting in person. If you have appointed a proxy and attend the general meeting in person, your proxy appointment will automatically be terminated.

15. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises power over the same share.

16. Voting on the resolution will be conducted by way of a poll vote.

17. As at the close of business on the day immediately before the date of this notice of general meeting, the Company's issued share capital comprised 161,508,333 ordinary shares of nominal value 0.1 pence each. Each ordinary share carries the right to one vote at a general meeting of the Company and, therefore, the total number of voting rights in the Company as at close of business, on the day immediately before the date of this notice of general meeting is 161,508,333.

18. Under Section 527 of the Companies Act 2006, shareholders meeting the threshold requirements set out in that section have the right to require the Company to publish on a website a statement setting out any matter relating to: (i) the audit of the Company's financial statements (including the Auditor's Report and the conduct of the audit) that are to be laid before the Meeting; or (ii) any circumstances connected with an auditor of the Company ceasing to hold office since the previous meeting at which annual financial statements and reports were laid in accordance with Section 437 of the Companies Act 2006 (in each case) that the shareholders propose to raise at the relevant meeting. The Company may not require the shareholders requesting any such website publication to pay its expenses in complying with Sections 527 or 528 of the Companies Act 2006. Where the Company is required to place a statement on a website under Section 527 of the Companies Act 2006, it must forward the statement to the Company's auditor not later than the time when it makes the statement available on the website. The business which may be dealt with at the Meeting for the relevant financial year includes any statement that the Company has been required under Section 527 of the Companies Act 2006 to publish on a website.

19. Any shareholder attending the Meeting has the right to ask questions and shareholders are reminded to submit questions in advance of the Meeting, before 12 p.m. on 24 June 2022 by contacting Walbrook PR via email at trellushealth@walbrookpr.com or call [+44 (0)20 7933 8780. The Company must cause to be answered any such question relating to the business being dealt with at the Meeting but no such answer need be given if: (a) to do so would interfere unduly with the preparation for the Meeting or involve the disclosure of confidential information; (b) the answer has already been given on a website in the form of an answer to a question; or (c) it is undesirable in the interests of the Company or the good order of the Meeting that the question be answered.

20. The following documents are available for inspection during normal business hours at the registered office of the Company on any business day from the date of this Notice until the time of the Meeting and may also be inspected at the Meeting venue, as specified in this Notice, from 10.00 a.m. on the day of the Meeting until the conclusion of the Meeting:

- copies of the Directors' letters of appointment or service contracts.

21. You may not use any electronic address (within the meaning of Section 333(4) of the Companies Act 2006) provided in either this Notice or any related documents (including the form of proxy) to communicate with the Company for any purposes other than those expressly stated.

A copy of this Notice, and other information required by Section 311A of the Companies Act 2006, can be found on the Company's website at www.trellushealth.com.

Trellus

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