

January 16, 2024



RENNOVA HEALTH, INC. CEO PROVIDES JANUARY 2024 MESSAGE TO SHAREHOLDERS

WEST PALM BEACH, Fla., Jan. 16, 2024 (GLOBE NEWSWIRE) -- Rennova Health, Inc. (OTC: RNVA) Chief Executive Officer, Seamus Lagan provides the following message to shareholders.

Dear Fellow Shareholders,

As we begin 2024, I want to provide an update on some of our recent accomplishments and outline our plans for the future.

Our efforts in recent years to build and sustain a viable business model for our healthcare services operations have gained momentum. 2023 was a significant year for the Company both operationally and financially. We are making great strides on both fronts as we seek to build a strong foundation to serve our patients and our communities and position the Company for long-term growth.

2023 Operational Highlights

- Established robust inpatient services at our flagship hospital, Big South Fork Medical Center.
- Achieved growth in emergency room and outpatient services.
- Commenced a swing bed service line.
- Opened a behavioral health treatment facility offering residential and inpatient detox services and outpatient, office-based opiate treatment services via our wholly-owned subsidiary Myrtle Recovery Centers, Inc.

2023 Financial Highlights

- Significant net revenue growth.
- Debt reduction.
- Debt restructuring.
- InnovaQor, Inc. (OTC: INQR) update.

Established robust inpatient services. 2023 saw inpatient admissions increase by over 75% compared to 2022; this service line was effectively shuttered in late 2020 and early 2021 due to COVID-19 and related matters. In fact, inpatient admissions in 2023 were stronger than in 2019 (pre COVID-19). Vibrant inpatient services mean that most patients who come to our emergency room for treatment no longer need to be transferred to other regional hospitals for inpatient care.

Growth in emergency room and outpatient services Our ER and outpatient services activity increased by 4% and 8% year-over-year respectively demonstrating the continued, stable demand for such services.

Commenced a swing bed service line. The hospital initiated a swing bed service line—a valuable, profitable service that is helpful to the local communities and other nearby providers.

Opening of a behavioral health treatment facility. We formed a new subsidiary, Myrtle Recovery Centers, Inc., and opened residential and inpatient detox services and outpatient, office-based opiate treatment services at our Big South Fork Medical Center campus in August 2023.

Significant net revenue growth. Growth in net revenues in the third quarter 2023 compared to the prior year's quarter was 25% reflecting increased patient activity at the hospital and higher reimbursement rates. The Company reported net revenues of approximately \$14.8 million for the nine-months ending September 30, 2023 and, therefore, expects to report a significant increase in full year net revenues compared to approximately \$13.0 million in net revenues that were reported for 2022.

Debt reduction. Debt from year-end 2022 to September 30, 2023 was reduced from \$14.5 million to \$11.6 million—a reduction of \$2.9 million through debt pay-downs and/or negotiated settlements.

Debt restructuring. We successfully negotiated a debt restructuring with a key institutional lender holding \$8.2 million of secured debt in October 2023 to extend the maturity to December 2025 and implement other modifications which waived historical defaults thereby saving default interest in future periods. This restructuring will further improve our balance sheet at December 31, 2023.

InnovaQor, Inc. (OTC: INQR) update. InnovaQor in 2023 initiated and continues to develop Curallo, a next-generation communication platform for medical professionals that will offer subscription-based services. We believe the success of InnovaQor will benefit Rennova and its shareholders.

Moving forward

We began 2024 with positive operational momentum and seek to build on recent achievements to: (i) further expand our healthcare services offerings in the communities we serve, (ii) consider options to reopen or create value from our closed hospital property, (iii) continue to improve our balance sheet and overall financial condition, and (iv) further reduce litigation and related costs.

Consideration for expansion of healthcare services will include our hospital-based services and behavioral health services provided by Myrtle Recovery Centers, Inc. We continue to evaluate the best ways to create value for Rennova and its shareholders from our investments in InnovaQor, Inc.

We appreciate the support of our shareholders and look forward to increasing shareholder value in 2024.

Best regards,

Seamus Lagan
Chief Executive Officer

About Rennova Health, Inc.

Rennova Health, Inc. ("Rennova,") is a provider of health care services. The Company owns one operating hospital in Oneida, Tennessee known as Big South Fork Medical Center, a hospital located in Jamestown, Tennessee that it plans to reopen, and a rural clinic in Kentucky, an alcohol and drug treatment facility and OBOT operated by Myrtle Recovery Centers, Inc.

For more information, please visit www.renovahealth.com

Forward-Looking Statements

This press release includes "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Actual results may differ from expectations and, consequently, you should not rely on these forward-looking statements as predictions of future events. Words such as "expect," "estimate," "project," "budget," "forecast," "anticipate," "intend," "plan," "may," "will," "could," "should," "believes," "predicts," "potential," "continue," and similar expressions are intended to identify such forward-looking statements. These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results. Additional information concerning these and other risk factors are contained in the Company's most recent filings with the Securities and Exchange Commission. The Company cautions readers not to place undue reliance upon any forward-looking statements, which speak only as of the date made. The Company does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in their expectations or any change in events, conditions or circumstances on which any such statement is based, except as required by law.

Contact:

Rennova Health
561-855-1626
info@rennovahealth.com



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