



## Simavita reports half-year financial results

For Immediate Release:

February 17, 2017

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### Highlights:

- Sales for the half-year were \$443,214 an increase of 26% on the prior corresponding period.
- Total revenues for the half-year were \$1,050,710 a decrease of 4% on the prior corresponding period. Revenues are impacted by the expected reduction in the R&D tax incentive for the 2017 financial year due to reduced R&D expenditure incurred.
- Released to market a new product AssessPLUS™ in November 2016 to address the new and significant markets of home care for the aged and disabled.
- Net comprehensive loss after tax for the half-year ended 31 December 2016 was \$4.40 million a decrease of 22% on the prior corresponding period.
- Cash balance recorded at the end of the period was \$3.34 million.

**Sydney, Australia** – Simavita Limited (ASX: SVA;) (“Simavita” or the “Company”) is pleased to release its financial results for the half-year ended December 31, 2016, together with an accompanying ASX Appendix 4D.

Key points from the Appendix 4D include:

- Sales generated by the Company from the sale of its Smart Incontinence Management (SIM™) solution were \$443,214, an increase of \$ 92,383 or 26%, as compared to the corresponding half-year period in the previous year. Total revenues for the half-year were \$1,050,710, a decrease of 4% on the prior corresponding period. The net increase in sales was offset by lower bank interest and lower estimate of the R&D tax incentive for the 2017 financial year.
- A net comprehensive loss after tax for the half-year ended December 31, 2016 of \$4.4 million, representing a decrease of \$1.23 million, or 22%, over the loss for the previous half-year. The loss of the current half decreased despite recording a share-based payment expense of \$980,326 compared to \$62,569 in the prior corresponding period.
- Cost of goods sold decreased by 17% to \$120,186 compared with \$144,311 in the prior corresponding period.
- Total cash reserves of the Simavita Group as at December 31, 2016 were approximately \$3.34 million.
- As announced recently, the Company has delivered assessPLUS™, the company’s first new product aimed at new and larger markets associated with Community Care for the disabled and aged who are cared for, in the family home.

### Strategy execution

During the half year the Company made significant progress towards executing the strategy set out by the Board in May 2016 with the rapid delivery of a new product, AssessPLUS™, targeting the large and growing markets of community care and disability care.

The Company also achieved its objective of materially and sustainably reducing the cost base of the business. As part of the cost reduction strategy and as a consequence of low volume of trading the Company de-listed from the TSX-V in August 2016 and the Canadian share registry was merged into the Australian share registry in December 2016. Canadian shareholders were issued corresponding securities on the ASX.

For further information, please view our website ([www.simavita.com](http://www.simavita.com)) or contact:

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### **About Simavita**

Simavita (ASX: SVA) develops and markets advanced systems associated with smart, wearable and disposable sensors for the health care industry. Our first products focus on major unmet needs for the assessment and management of incontinence. The annual global economic burden is billions of dollars for incontinence diapers alone and is increasing rapidly.

Simavita operates in Australia, Europe and North America where there is a significant and growing demand for products that deliver real clinical and cost benefits to the health care industry.

With the support of our shareholders, customers and employees, Simavita is absolutely committed to the business at hand; creating a commercially successful and growing corporation. [www.simavita.com](http://www.simavita.com)

### *Forward-Looking Information*

*This document may contain "forward-looking information" within the meaning of Canadian securities laws ("forward-looking information"). This forward-looking information is given as of the date of this document.*

*Forward-looking information relates to future events or future performance and reflects Simavita management's expectations or beliefs regarding future events. Assumptions upon which such forward-looking information is based include that Simavita will be able to successfully execute on its business plans, including licensing agreements, signing new customers, growth plans, cost reductions and entry into new markets. Many of these assumptions are based on factors and events that are not within the control of Simavita and there is no assurance they will prove to be correct.*