



## SIMAVITA REPORTS HALF-YEAR FINANCIAL RESULTS

For Immediate Release:

February 26, 2016

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### Highlights:

- Number of sites at which SIM™ is deployed, or contracted to be deployed, continues to grow and is currently equivalent to 132 sites. The number of beds under contract has now passed 10,000.
- Revenues for the half-year were \$350,831 a decrease of 23% on the previous corresponding period. The previous period included a significant initial order from the Company's US distributor Medline.
- Net comprehensive loss after tax for the half-year ended 31 December 2015 was \$5.68 million.
- Cash balance recorded at the end of the period was \$2.4 million, however a payment under the R&D Tax Incentive Scheme of \$1.27 million has subsequently been received together with \$1.775m proceeds from capital raising.

**Sydney, Australia** – Simavita Limited (ASX: SVA; TSX-V: SV) ("Simavita" or the "Company") is pleased to release its financial results for the half-year ended December 31, 2015, together with an accompanying ASX Appendix 4D. The document also contains a detailed Management Discussion and Analysis.

Key points from the Appendix 4D include:

- Revenues generated by the Company from the sale of its Smart Incontinence Management (SIM™) solution were \$350,831, a decrease of \$107,251 or 23%, as compared to the corresponding half-year period in the previous year. Revenue for the previous corresponding period included a significant order from the company's US distributor, Medline, for \$207,639.
- A net comprehensive loss after tax for the half-year ended December 31, 2015 of \$5.68 million, representing an increase of \$1.57 million, or 39%, over the loss for the previous half-year. This loss included an increase of \$1.9m in sales, marketing and distribution costs resulting from the expansion of the Company's US and European sales and marketing team.
- Total cash reserves of the Simavita Group as at December 31, 2015 were approximately \$2.4 million. However, as reported, the Company subsequently received an amount of \$1.27 million under the Australian Government's R&D Tax Incentive Scheme and proceeds from capital raising of \$1.775 million.
- As announced recently, the Company has initiated the next phase of its growth by extending the Company's global resources and reach through licensing agreements with large global players.

### SIM™ rollout

Simavita made further penetration into core geographic markets for the SIM™ technology in response to customer demand and pilots, including signing new contracts in Denmark, post the period.

New addressable markets beyond the \$1.8 bn Aged Care market were identified and entered. These new healthcare settings include the Assisted Living facilities markets in North America and the Home Care and Geriatric Rehabilitation markets in Australia.

Simavita's CEO, Mrs. Philippa Lewis commented, "Simavita's sales teams worked hard to sign up new customers and convert others to the SaaS model, which will deliver important annuity benefits over the longer term. The Company's pipeline of pilots has also grown rapidly. Total contracted sites are now 132, representing over 10,000 beds."

### Strategy and capital management

Simavita's CEO, Mrs. Philippa Lewis commented, "The first half of the 2016 financial year has been important for Simavita in many ways, culminating in a number of strategic and capital management initiatives announced post half year end."

Simavita's SIM™ technology platform and incontinence solution now has sales across three continents; North America, Europe and Australia. This broad customer acceptance has given us confidence to initiate the next phase of our growth, to license our technology with large global players, as announced on 16 February. This is in addition to direct sales and working with distributors.

The strategic review identified the need for, and has begun, a systematic program of cost reduction. Starting at the Board level, as a result, two Directors on the Board have retired, Mr Ari Bergman and Mr Damien Haakman (becoming effective on 29 February)."

Cash reserves of the Simavita Group as at December 31, 2015 were approximately \$2.4 million.

Post the reporting period, the Company raised funds amounting to \$1.775 million through equity placements to professional and sophisticated investors and to retail shareholders through a Securities Purchase Plan (SPP). Under the Australian Government's R&D Tax Incentive Scheme, \$1.27 million was also received post period end.

For further information, see our website ([www.simavita.com](http://www.simavita.com)) or contact the persons named below.

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#### About Simavita

Simavita is a digital healthcare company that has developed an innovative software platform. The first application for the platform is a world first solution for the management of urinary incontinence, with a focus on the elderly. This platform technology is an instrumented incontinence assessment application that provides evidence-based incontinence management care plans to the residential aged care market, geriatric rehabilitation and home care market.

#### About SIM™

SIM™ is a wireless sensor technology that delivers evidence-based instrument incontinence data on individuals. SIM™ provides user friendly tools and software to assess the incontinence condition and to help plan better outcomes. SIM™ is used to detect, record and report incontinence events during a compulsory or recommended assessment period in residential aged care facilities to develop an evidence-based incontinence care plan.

Conducting assessments is mandatory in many countries and the incontinence assessment creates an influential element of care of each individual. For more information on Simavita or SIM™, please visit [www.simavita.com](http://www.simavita.com).

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*Except for historical information, this announcement may contain forward-looking statements that reflect the Company's current expectation regarding future events. These forward-looking statements involve risk and uncertainties, which may cause, but are not limited to, the anticipated date of on the ASX, changing market conditions, the establishment of corporate alliances, the impact of competitive products and pricing, new product development, uncertainties related to the regulatory approval process, and other risks detailed from time to time in the Company's ongoing quarterly and annual reporting.*

#### 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.*