



ASX Release

Corporate Update

Melbourne, Australia; 8 August 2016: Jayex Healthcare Limited (ASX: JHL) (**Jayex** or **Company**), a leading e-health provider of integrated healthcare services delivery platforms, provides the following corporate update in relation to the 6 months ended June 2016.

Highlights

- Cash receipts from sales of \$2.96 million for the quarter ending 30 June 2016 and \$6.39 million for the half
- Cash position for the group of \$1.74 million as at 30 June 2016
- Successful implementation of the *Enlighten* product into a major Melbourne Hospital and three new UK Hospitals
- Commencement of P2U commercial pilot
- Completion of a number of international proposals, which if successful would significantly increase the Company's footprint and revenue generation
- Commencement of marketing the *Enlighten* product into New Zealand

UK Operational Update

The Company is pleased to report that Jayex UK has continued to perform in line with expectations. sales for the six months to 30 June 2016 were good, with a resurgence in the primary care division contributing to the overall result.

The Acute care market for Jayex UK has continued to prove challenging, however profitability has been maintained due to the restructuring and re-sizing of the team which took place earlier in the year.

Australian Operational Update

The Company has continued to make good progress on the commercialisation of the *Enlighten* patient workflow platform, and the development and commercialisation of the *Appointuit* patient engagement solution in the Australian market.

In the six months to 30 June 2016 the Company sold 62 *Enlighten* kiosks.. There are very encouraging signs for the second half as orders have started to build as a result of the new sales strategy/product bundle initiative. The Company is expecting to significantly grow its foot print in the coming months. *Appointuit* practitioner numbers have continued to grow steadily during the six months to 30 June 2016, with the Company now having 2,610 *Appointuit* health care practitioners.

The Company expects improved sales to continue driven by a new sales strategy, which should enable the team to offer a range of productivity and patient engagement products as a single source provider, alleviating the need for practices to deal with multiple vendors to obtain a total solution. These include *Enlighten* (arrival), *Appointuit* (online), Medical Channel (digital signage).

P2U Update

The Pharmacy Delivery 2 U (P2U®) prescription delivery service is a strategically important project for Jayex. This is currently pre-revenue and we are pleased to announce that we have hit a key project milestone. In late June 2016 we have installed the solution in one medical centre for onsite trials. The kiosk is undergoing trials and is expected that a second kiosk will be deployed to extend the trial to a second Melbourne medical clinic in the short term. The trial is expected to continue for a further two months.

Impairment

The Company expects to recognise an impairment to intangible assets in the 30 June 2016 half-year results. The impairment relates to acquisitions that took place in 2015.

The Company continues to work through the impairment, with full details including quantum to be disclosed as part of the interim financial statements, due to be released in late August 2016.

The Company advises that the expected impairment will have no cash flow consequences.

Key Points – Financial Cash Flow

The Company's receipts from sales were again strongly supported by the Jayex Technology Ltd (Jayex UK), the Company's UK operation, which accounted for AUD \$5.31 million of the total of AUD \$6.39 million in the six months to 30 June 2016. The dependence on sales from Jayex UK is expected to lessen as the Company grows its market share in Australia.

The net cash flow was an out flow of \$2.71 million for the six months to 30 June 2016, impacted by a number of non-recurring one-off payments. These included the final payment of \$1.06 million in relation to the December 2015 acquisition of Jayex Technologies Limited, IPO costs of \$0.36 million and the settlement of a \$0.15 million dispute which was disclosed in a prior ASX announcement.

The cash balance at 30 June 2016 was \$1.74 million.

The performance to date has been below the Company's expectations. However, the Company believes that based on orders in progress from June and July, and the immediate implementation of the corporate action plan, it remains well placed to achieve significantly better sales revenue in the Australian market for the remainder of 2016. This coupled with cost saving initiatives well underway, means the Company remains very positive that an improved position will be achieved in the second half of 2016.

ENDS

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About Jayex Healthcare Limited - www.jayexhealthcare.com.au

Jayex Healthcare is a leading provider in the United Kingdom and Australia of integrated healthcare services delivery platforms, incorporating the Company's four interconnected and proprietary technologies, being:

- the *Enlighten* patient workflow platform;
- the *Appointuit* patient engagement solution;
- the *Pharmacy Delivery 2 U* prescription delivery service ; and
- the *BluePoint*® remote pharmacy prescription processing and dispensing terminal.