



Jayex Healthcare Limited

2020 Annual General Meeting

I welcome you all to the Jayex Healthcare Ltd (Jayex) 2020 Annual General Meeting. We are grateful to hold our AGM in person this year and reach our audience during these challenging times. A recording of the presentation will be available on the website at a later date, for any investors not in attendance.

FY20 brought many challenges due to the global COVID-19 pandemic however despite this, Jayex used this time to reset the business and ready itself for growth.

Financial Year 2020

- Nick Fernando resigned as CEO and I took over as Executive Chair, working closely alongside senior management
- Nick Harper was appointed to the board in September as Non-Executive Director and has brought with him strong experience in software development, which has enhanced the leadership capability of the company
- We raised \$700,000 in a placement with institutional and sophisticated investors, providing funding to pursue our growth strategy of product expansion, and growth through acquisition.
- The Company obtained a second CBILS facility in the UK
- Shareholders approved the issue of a convertible note to major shareholder Covenant Holdings (WA) Pty Ltd – the company issued 3M convertible notes with a face value of \$1 per convertible note. This reduced the interest cost on funds used by the Company

During 2020, the business continued to roll out the SaaS Connect Platform, with its installed base growing in the second quarter of the year. Jayex saw increases in sales and staff costs were minimised as a direct result of the implementation and market endorsement of the platform.



Our new web-mobile check-in module was launched in the UK during the year, as an integration of the Connect Platform. It enables easy and efficient check-in from a mobile device supporting social distancing behaviour and assists customers in managing patient queues and congested waiting room areas, which has been particularly useful in the COVID-19 environment. Jayex continued to explore the remote patient monitoring segment for opportunities.

During the second half of the year, product rollout stalled as frontline workers responded to COVID-19, impacting demand for Jayex's product. During this time Jayex took advantage of the slowdown to examine and re-organise its operations.

Staff were re-trained and up-skilled during this period, focusing on developing our speed to market for products – and from May this year, Jayex's refined Senior Management Team were installed to continue this company-wide development.

We also won our first contract in a new market segment, NHS Community which I will talk about in detail a bit later.

The Company expanded in Australia and into New Zealand by entering a partnership agreement with Medtech Global. Medtech provides practice management software in Australia and New Zealand and other markets.

Due to challenging trading conditions during the year, revenue fell 15% to \$6.03M in FY20 as the necessary frontline COVID-19 related response impacted demand in the UK, JHL's largest market.

Operating update

The ongoing COVID-19 pandemic has continued to impact Jayex's trading performance during the first quarter of 2021. January and February saw the Company's operations affected by the vaccine rollout and lockdown in the UK impacting demand for Jayex's products. Trading conditions improved in the latter part of the Quarter, with £290k in revenue from operations reported in the month.

Receipts from customers were \$1.27M in the quarter compared with \$1.29M in Q4 20.



Pleasingly our Connect platform continues to grow with 1,137 SaaS licences sold to May 2021 (up 18% from 9 months ago).

Revenue analysis and growth outlook post COVID

The impacts of COVID-19 on Jayex's business in 2020 were immense as shown by this graph. In Q1 20, our revenue peaked at \$2.95M however as the COVID-19 pandemic took hold globally, our revenues declined as frontline workers responded to the outbreak.

Pleasingly we have seen signs of recovery in Q1 21 as Primary Care revenue increased. We expect Primary Care revenue to continue to recover as vaccine programs near completion in the UK. Healthcare workers will be free to attend to the backlog of appointments missed during the pandemic last year and demand is expected to continue as patient illness will have worsened as many have gone without treatment during the lockdown.

1H21 update: Divestment of acute business

We have now completed the divestment of our on-premise acute (hospital) business. The divestment allows Jayex to focus on its core and higher-margin NHS GP (Primary Care) and Community markets and increases services offered through its SaaS-based Connect platform.

The business was sold for £1.3M (3.1x recurring earnings) to Canadian based Vitalhub (VHI:TSX). Vitalhub has purchased all existing hospital contracts in the UK and Australia from Jayex, including Enlighten licenses to operate the services.

The transaction value was £1.3M (\$2.4 AUD) in cash and Vitalhub shares (VHI.V TSX) plus an additional earn-out capacity of up to £1.0M (\$1.8M AUD).

Jayex retains all IP and ownership of the Enlighten technology stack.

Set for growth

We have simplified the business to facilitate growth. We can now focus on growing our core SaaS-based Jayex Connect platform, firstly in the UK and then rolling out into Australia and the UK.



A new growth opportunity exists in the NHS Community segment via existing relationships in NHS Community, with dental our initial focus. We will also continue to explore Remote Patient Monitoring (RPM) opportunities.

NHS Community is made up of dental, allied health, mental health and RPM.

Jayex Technology global presence

Jayex technology has a strong foothold in the UK from which to launch its growth strategy. We are present in 1,497 practices across the UK, 683 practices in Scotland and 270 practices in Ireland. From here we want to increase our presence in Australia and New Zealand where our presence is only in the acute hospital segment.

Jayex Technology current markets and products

Our current markets are NHS practices, private practices and community. The products we have rolled out to these markets are Jayex Arrive, Jayex Display and Online appointment (Australia only)

Jayex Technology roadmap markets and products

Here you can see our roadmap, where we want to get to. We are endeavouring to move into dental, optometry and veterinary. Along with that, we will roll out a range of products outlined on this slide.

Leaner more agile business

We now have a leaner, more efficient and agile business based on cloud solutions that are faster to deploy, higher-margin and with a pricing structure that provides for strong incentives for clients to stay with us over time.

Our organisation restructure has refined our development team into a singular team which will reduce staff costs, and increase the development potential of projects through additional resources being deployed on projects.

We have rejuvenated our internal systems including migrating accounting and CRM onto a more complete system that is better suited to managing UK and GP clinic customer bases. It also enables better client management, including sales processes, billing, installations and fault detection and management.



We have completed our team restructure with the hire of Ryan Chana, who is head of growth. Mr Chana brings extensive SaaS experience to the team which will be vital to driving the company forward on its growth trajectory.

Pursuing new technologies

Innovation remains at our core as we continue to develop new products and differentiate ourselves.

We have the following new modules and technologies in development:

- *Jayex Campaign* has been rolled out in Australia and New Zealand and expect it to be rolled out in the UK in the third quarter of this year after localization has been complete.
- *Jayex Triage* to be launched in the fourth quarter of this year in collaboration with AHI.
- We are focusing on RPM and other telehealth technologies with a clinical data focus to supplement our existing demographic data focus. Currently examining partnering and licensing opportunities

Our goal is to grow revenue per GP clinic customer as new products are rolled out and capturing greater market share.

Focus on Cash

We have \$3.5M in cash post the hospital divestment and the recent placement. This puts us in a good place to pursue acquisitions. Our new Xero/HubSpot CRM has dramatically increased all of our client-facing processes, from sales and marketing, invoicing and collection and support.

The relationship with our customers is growing ever closer. The SaaS business model for Connect provides a positive lock-in and changes the look of our cash flows. In the future, we will be adding SaaS metrics to our regular financial reporting so shareholders can see our ARPU, etc. as it grows.



Whakaora Hou Ltd – 100% subsidiary of JHL

During the first quarter, **Whakaora Hou Ltd (WHL)** successfully obtained a cultivation licence for medical marijuana from the New Zealand Medicinal Cannabis Agency (NZ Ministry of Health).

Due to the small size and regulatory constraints of the NZ market, the JHL board has decided to divest the cannabis licence and a valuation process is underway.

Investment highlights

Jayex is a great brand, particularly in the UK where it has been associated with healthcare for over 30 years.

We have an install base of 3,627 Primary Care clinics in the UK, Australia and New Zealand.

Jayex Connect is best of breed patient engagement platform, creating efficiencies for healthcare providers. We are set for growth following the hospital divestment as Jayex focuses on core client GP clinics and expanding service offerings. We will continue the roll-out of Jayex Connect in the Primary Care and NHS Community markets.

We are a leaner, more agile business focused on cloud solutions creating efficiencies. Our senior management team is now in place and the pursuit of new technologies and innovation will continue to underpins our growth

We have cash in the bank to pursue EPS accretive transactions. And finally, we are set for growth across three regions as vaccines are rolled out in response to the COVID-19 pandemic

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