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For Immediate Release
(TSX-VEN: VGL)

Vigil Health Solutions Reports Record Sales Bookings for Fiscal 2018

June 19, 2017 (Victoria) – Vigil Health Solutions Inc. (“Vigil”) announces the results of operations for the fiscal year and the fourth quarter, ending March 31, 2018.

Highlights

- Sales bookings up 26% to \$7.58 million compared to \$6.02 million.
- Revenue of \$6.34 million compared to \$6.77 million in fiscal 2017.
- Earnings before income taxes \$399 thousand compared to \$970 thousand in fiscal 2017.
- Net earnings and comprehensive income of \$301 thousand compared to \$2.08 million (including an income tax recovery of \$1.11 million) in fiscal 2017.
- Adjusted EBITDA was \$648 thousand compared to \$1.03 million in fiscal 2017.
- In fiscal 2018, several research and development projects were completed including:
 - The OctoCAN - a network controller that replaces third party repeaters providing a lower cost of install, higher reliability, and better supervision.
 - Improvements to the Vigil View cloud architecture allowing better scaling to support more customers, and their changing technological needs.
 - New releases of both enterprise software and cloud software to support better usability, ease of implementation and customer requested features.

“With over \$7 million in new contracts, fiscal 2018 was another record year for sales bookings. Despite this growth we did see a decline from last year’s record revenue, reflecting the lag from contract sign off to installation and revenue recognition. The record bookings positions us well as we move forward into the new fiscal with a backlog of almost \$4 million in new projects,” stated Troy Griffiths, President and CEO of Vigil Health Solutions Inc.

Financial Results

Sales bookings for the year ended March 31, 2018 were \$7.58 million compared to \$6.02 million in the year ended March 31, 2017. Approximately 65% of sales were new projects; the remainder were one off sales or service and maintenance contracts. There were 59 project sales made in the year with an average value of \$84 thousand. When a contract is signed we consider it a sales booking however, revenue is not recognized until completion and acceptance of the project installation.

At March 31, 2018 Vigil had a backlog of approximately \$3.85 million (including \$1.56 million in deposits and progress billings, recorded as deferred revenue on the balance sheet) compared to \$2.44 million (including \$1.16 million in deposits and progress billings, recorded as deferred revenue on the balance sheet) at March 31, 2017. At March 31, 2018 there were 42 contracts in backlog with an average value of \$92 thousand compared to 34 contracts with an average value of \$72 thousand at March 31, 2017. In fiscal 2018 more sales were signed than completed and recognized in revenue growing backlog by 58%. In fiscal 2017 there were more installations completed than new sales signed; this augmented fiscal 2017 revenue but

depleted backlog. The Company's backlog is the total estimated contract revenue for contracts which are signed, and have not been completed (and may not have commenced).

Revenue for the year ended March 31, 2018 was \$6.34 million compared to \$6.77 million in the year ended March 31, 2017, a decrease of 6%. The decrease in revenue reflects the 53 Vigil installations completed in fiscal 2018 compared to 60 in fiscal 2017. While the Company was able to grow new sales bookings in fiscal 2018, the timing from contract sign off to construction and installation meant revenue declined year over year despite the record sales.

Project revenue from new and existing customers made up 58% of total revenue; the remaining revenue came from follow on sales to existing customers. These sales include service and maintenance billings and replacement products including wireless devices and communication equipment and were up 3%, or \$60 thousand, over fiscal 2017.

The gross margin percentage for the year ended March 31, 2018 was 52% compared to 51% for the year ended March 31, 2017.

Operating expenditures for the year ended March 31, 2018 were \$2.82 million up 13% from \$2.50 million for the year ended March 31, 2017. The change reflects increased share based payments expense, payroll, professional fees and the retention of a contractor for a new development project.

Earnings before income taxes for the year ended March 31, 2018 were \$399 thousand, compared to \$970 thousand for the previous year. The decrease in earnings reflects the 6% decline in revenue, 13% increase in operating expenses and a \$55 thousand foreign exchange loss compared to a \$31 thousand gain in fiscal 2017.

Net earnings and comprehensive income for the year ended March 31, 2018 was \$301 thousand, or \$0.02 per share. In fiscal 2017, the Company recognized a deferred income tax asset of \$1.24 million resulting in an income tax recovery of \$1.11 million and net earnings and comprehensive income for the year of \$2.08 million or \$0.12 per share. The Company's estimation of income taxes includes evaluating the recoverability of deferred tax assets based on an assessment of the ability to use the underlying tax deductions before they expire against future taxable income. To the extent estimates of future taxable income differ from actual, earnings would be affected in a subsequent period.

A summary of our financial performance for the quarter and year ended March 31, 2018 follows below. For further information relating to the financial results of the Company, please refer to the Company's financial statements and MD&A filed on SEDAR at www.sedar.com. Financial information will be mailed to entitled security holders on June 29, 2018. Or, upon notice to the Company, entitled security holders may request a copy of financials in advance.

Summary Financial Information

	Twelve months ended March 31, 2018	Twelve months ended March 31, 2017
Revenue	\$ 6,344,996	\$ 6,773,289
Cost of sales	3,076,250	3,330,488
Gross profit	3,268,746	3,442,801
Expenses	2,824,629	2,499,931
Income before the following items	444,117	942,870
Other Income	(44,878)	26,814
Earnings before income taxes	399,239	969,684
Income tax recovery	(98,065)	1,108,663
Net earnings and comprehensive income for the year	\$ 301,174	\$ 2,078,347

Non-IFRS Measure

For the year ended March 31, 2018, we are disclosing Adjusted EBITDA, a non-IFRS financial measure, as a supplementary indicator of operating performance. We define Adjusted EBITDA as net income before, interest, income taxes, amortization, stock based compensation and currency gains or losses including derivative foreign exchange differences. We are presenting the non-IFRS financial measure in our filings because we use it internally to make strategic decisions, forecast future results and to evaluate our performance and because we believe that our current and potential investors and analysts use the measure to assess current and future operating results and to make investment decisions. It is a non-IFRS measure, may not be comparable to other companies and it is not intended as a substitute for IFRS measures.

Adjusted EBITDA reconciliation

	Twelve months ended March 31, 2018	Twelve months ended March 31, 2017
Net earnings for the year	\$ 301,174	\$ 2,078,347
Add / (deduct)		
Foreign exchange	53,860	(40,420)
Derivative exchange	1,395	9,319
Interest	(10,870)	(3,872)
Income Tax	98,065	(1,108,663)
Share based payments	166,092	67,624
Amortization	37,898	28,713
	342,342	(1,047,299)
Adjusted EBITDA	\$ 647,614	\$ 1,031,048

About Vigil Health Solutions Inc.

Vigil offers a technology platform combining software and hardware to provide comprehensive solutions to the expanding seniors' housing market. Vigil has established a growing presence in North America and an international reputation for being on the leading edge of systems design and integration. Vigil's objective is to offer solutions for the full continuum of care. Vigil's product range includes the innovative wireless Vitality Care System™ featuring discreet 'mini pendants', a nurse call system, mobile fall, incontinence monitoring, resident check in and the award-winning Vigil Memory Care System.

Certain statements contained in this news release, that are not based on historical facts, may constitute forward-looking statements or forward-looking information within the meaning of applicable securities laws ("forward-looking statements"). These forward-looking statements are not promises or guarantees of future performance but are only predictions that relate to future events, conditions or circumstances or our future results, performance, achievements or developments and are subject to substantial known and unknown risks, assumptions, uncertainties and other factors that could cause our actual results, performance, achievements or developments in our business or in our industry to differ materially from those expressed, anticipated or implied by such forward-looking statements.

Forward-looking statements include all financial guidance, disclosure regarding possible events, conditions, circumstances or results of operations that are based on assumptions about future economic conditions, courses of action and other future events. We caution you not to place undue reliance upon any such forward-looking statements, which speak only as of the date they are made. These forward-looking statements appear in a number of different places in this presentation and can be identified by words such as "may", "estimates", "projects", "expects", "intends", "believes", "plans", "anticipates", or their negatives or other comparable words. Forward-looking statements include statements regarding the outlook for our future operations, plans and timing for the introduction or enhancement of our services and products, statements concerning strategies or developments, statements about future market conditions, supply conditions, end customer demand conditions, channel inventory and sell through, revenue, gross margin, operating expenses, profits, forecasts of future costs and expenditures, the outcome of legal proceedings, and other expectations, intentions and plans that are not historical fact.

The risk factors and uncertainties that may affect our actual results, performance, achievements or developments are many and include, amongst others, our ability to develop our sales force and generate revenue, the length of the sales cycle, management of the Company's growth, ability to recruit and retain staff, fluctuations in demand for current and future products, our ability to develop, manufacture, supply and market existing and new products that meet the needs of customers, volatility in the exchange rate, ability to secure financing, ability to secure product liability insurance, the continuous commitment of our customers, increased competition, changes in regulation and reliance on third party suppliers. These risk factors and others are discussed in the Risks and Uncertainties section of our Management Discussion and Analysis. Many of these factors and uncertainties are beyond the control of the Company. Consequently, all forward-looking statements in this news release are qualified by this cautionary statement and there can be no assurance that actual results, performance, achievements or developments anticipated by the Company will be realized.

Forward-looking statements are based on management's current plans, estimates, projections, beliefs and opinions and, except as required by law, the Company does not undertake any obligation to update forward-looking statements should the assumptions related to these plans, estimates, projections, beliefs and opinions change.

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The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release