

Reliq Health Technologies, Inc. Files FY2021 Annual Audited Financial Statements, Provides Corporate Update

HAMILTON, Ontario, Oct. 28, 2021 — **Reliq Health Technologies Inc. (TSXV:RHT or OTCQB:RQHTF)** (“**Reliq**” or the “**Company**”), a rapidly growing global telemedicine company that specializes in developing innovative Virtual Care solutions for the multi-billion dollar Healthcare market, today announced that the annual audited consolidated financial statements (“Financial Statements”) and Management’s Discussion and Analysis (“MD&A”) for the year ended June 30, 2021, are now available on the Company’s profile on SEDAR (www.sedar.com).

“We have now filed our annual audited financials for Fiscal Year 2021,” said Dr. Lisa Crossley, CEO of Reliq Health Technologies, Inc. “As we have previously stated, revenues in FY 2021 were relatively flat due to the global pandemic. Subsequent to June 30, 2021, however, we have seen rapid growth both in terms of new clients/contracts and revenues. As reflected in the financials, there was a significant increase in sales towards the end of Q4 FY 2021 such that revenues for Q4 were 25% higher than revenues in Q3. That exponential growth trajectory continued in Q1 FY 2022 (quarter ending September 30, 2021) and we remain on track to reach a revenue run rate of \$2 Million/month by the end of Calendar Year 2021. Margins increased from 15% in FY 2020 to 58% for FY 2021. In 2022, the majority of our revenue will come from software and services instead of hardware, which will allow us to achieve our targets of 75% gross margins and 45% EBITDA margins.”

“We would like to remind shareholders that we cannot issue invoices or recognize revenue until a given patient has been on the platform for a full month, per the reimbursement requirements for Medicare and Medicaid,” continued Dr. Crossley. “As a result, the ‘revenue run rate’ at the end of a given month, which is calculated based on the number of active subscriptions to Reliq’s software and services at that time, isn’t reflected in the financials until the following month. Revenue is typically collected within 60 days of the invoice date, however during the pandemic we extended generous payment terms to our clients and were fortunate to receive equally generous payment terms from our suppliers. All outstanding receivables shown in the FY 2021 Financial Statements will be collected by the end of Q1 Calendar Year 2022 in accordance with the payment plan agreements we have with our clients.”

The Company is also pleased to provide the following corporate update.

1. Highlights from FY2021 Annual Audited Financial Statements

During the period ending June 30, 2021 and subsequent, the Company:

- Increased gross margin to 58% for FY 2021, as compared to gross margins of 15% for

the year ended June 30, 2020 (“FY 2020”), in keeping with the Company’s guidance that gross margins will increase to 75% by December 31, 2021.

- Increased revenue quarter-over-quarter for Q4 FY 2021 by 25%, with the increase primarily occurring in the latter part of June, consistent with the Company’s guidance that the majority of its growth would occur in the second half of Calendar Year 2021.
- Launched the iUGO Home solution, a highly scalable solution that was designed to support patients in their own homes or in residential care settings such as long-term care, skilled nursing and hospice facilities. The iUGO Home solution provides fall detection with automated alerts to the patient’s care team, medication reminders for the patient, two-way audio communication and automated geofencing-based alerts to the care team or family members if a patient wanders outside a defined area.
- Launched a new multilingual Interactive Voice Recognition product, iUGO Voice.
- Adopted the FHIR (Fast Healthcare Interoperability Resources) standard for its iUGO Care platform to meet the needs of large-scale enterprise clients such as managed care plans and other payers, who must comply with new CMS regulations for interoperability.
- Expanded its platform to provide virtual care services to HIV patients.
- Initiated investor outreach programs to build awareness of the Company and its significant growth potential among potential investors, particularly in the US investment community. The Company engaged Lytham Partners for US Investor Relations and Wall Street Reporter for Investor Marketing.
- Subsequent to June 30, 2021, the Company signed contracts with over 30 new customers in the continental US, Puerto Rico and the US Virgin Islands.

2. Date for Webinar to Review Q1 FY2022 Financials and Provide Updated Guidance for 2022

The Company’s consolidated financial statements for Q1 FY2022 (quarter ending September 30, 2021) are due to be filed on or before November 29, 2021. The webinar to review the financial statements will be scheduled on or before November 30, 2021. At that time the Company will provide updated guidance for Calendar Year 2022.

About Reliq Health

Reliq Health Technologies is a rapidly growing global telemedicine company that develops innovative Virtual Care solutions for the multi-billion dollar Healthcare market. Reliq’s powerful iUGO Care platform supports care coordination and community-based healthcare. iUGO Care allows complex patients to receive high quality care at home, improving health outcomes, enhancing quality of life for patients and families and reducing the cost of care delivery. iUGO Care provides real-time access to remote patient monitoring data, allowing for timely interventions by the care team to prevent costly hospital readmissions and ER visits. Reliq Health Technologies trades on the TSX Venture under the symbol RHT and on the OTCQB as RQHTF.

ON BEHALF OF THE BOARD

“Dr. Lisa Crossley”

CEO and Director

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Cautionary Statements Regarding Forward Looking Information

Certain statements in this press release constitute forward-looking statements, within the meaning of applicable securities laws. All statements that are not historical facts, including without limitation, statements regarding future estimates, plans, programs, forecasts, projections, objectives, assumptions, expectations or beliefs of future performance, are “forward-looking statements”.

We caution you that such “forward-looking statements” involve known and unknown risks and uncertainties that could cause actual and future events to differ materially from those anticipated in such statements.

Forward-looking statements include, but are not limited to, statements with respect to commercial operations, including technology development, anticipated revenues, projected size of market, and other information that is based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

Reliq Health Technologies Inc. (the “**Company**”) does not intend and does not assume any obligation, to update these forward-looking statements except as required by law. These forward-looking statements involve risks and uncertainties relating to, among other things, technology development and marketing activities, the Company’s historical experience with technology development, uninsured risks. Actual results may differ materially from those expressed or implied by such forward-looking statements.

SOURCE: Reliq Health Technologies Inc.

