

ASX ANNOUNCEMENT**Monday 31 July 2023****Quarterly Activities & Cashflow Report****Executive Chairman appointment to support increased focus on commercialisation strategy****Q2 FY23 and Subsequent Events Highlights**

- Accumulated total users on the platform, now 2,777 representing improved traction and momentum;
- Contract signed in May with private Obstetrics and Gynaecology Group in Perth for 120 annual pregnancies;
- Strategic partnership signed with US employee rewards platform Fond and first customer; Snap Inc went live with the HeraCARE program offered to its 7,000 employees and their families;
- First three-year commercial agreement signed with e-Lōvu Health, with five pilots now registered on the platform;
- Appointment of Dr Ron Weinberger as Executive Chairman in July 2023, to drive commercialisation strategy focusing on sales and marketing;
- Successfully raised AU\$2.58 million in July 2023, in a Private Placement to sophisticated and professional investors; proceeds to be used to accelerate commercialisation opportunities; and
- US-based industry experts Ron Bacskai and Tiffany McKeever, appointed to strengthen USA commercialisation.

HeraMED Limited (ASX:HMD) (“HeraMED” or the “Company”), a medical data and technology company leading the digital transformation of maternity care, is pleased to provide its Appendix 4C cash flow statement for the June 2023 quarter (Q2 FY23) along with the following financial and operational update.

During the quarter and to date in July, HeraMED has made further solid progress on executing its commercialisation strategy with several key achievements demonstrating the improving momentum, particularly in the key markets of USA and Australia.

Reflecting the focus on commercialisation, and scaling up resources to generate sales, HeraMED announced on 3 July 2023, that Dr Ron Weinberger would be taking on the role of Executive Chairman to drive the commercialisation strategy, focusing on sales and marketing. With an eminent track record in transforming businesses from research and development stage to commercialisation success stories, combined with a deep understanding of HeraMED’s technology following five years as Non-Executive Chairman, Ron is ideally placed to provide strategic leadership and guidance for the global commercialisation of HeraCARE.

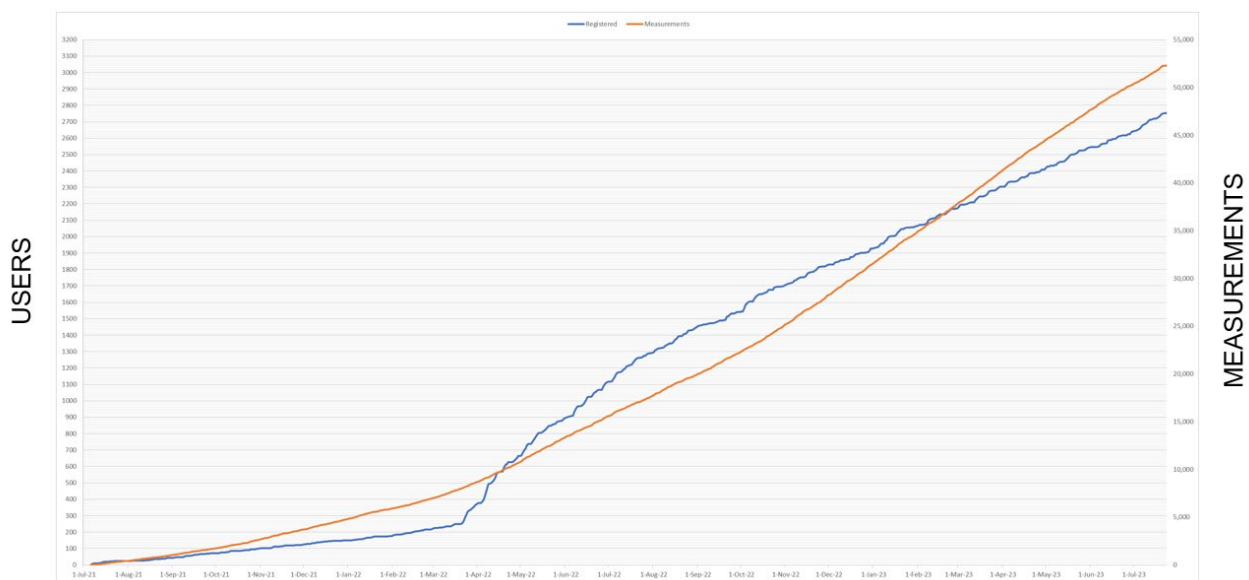
HeraMED Executive Chairman Ron Weinberger said: “I am delighted to be taking on this role when the Company is at such an important point in its commercialisation journey with a rapidly growing pipeline of opportunities across several geographies and distribution channels.

“My focus will be to ensure the whole organisation is focused on our existing and prospective customers to ensure we support them and provide the level of support they need. We need to remain nimble and to continually refine the offer to support each respective commercial rollout,” he said.

On 12 July, HeraMED announced that it had successfully raised AU\$2.58 in a Placement to sophisticated and professional investors. The proceeds of the Placement will be used to accelerate the commercialisation of HeraCARE in Australia and the US, inventory, continuing platform development and integrations as well as working capital. Furthermore, the proceeds will ensure the Company can continue to invest in ensuring there is appropriate expertise and resources in place to capitalise on the opportunity with significant interest, expanding pipelines as well as the expected onboarding of new customers in the coming months.

The continued growth in the number of users on the platform is encouraging with the accumulated total users now at 2,777. This significant use of the HeraCARE platform is resulting in a highly valuable data repository being constantly accumulated. The data and insights will be very beneficial in the development of preventive medicine. Predictive analytics using AI will deliver insights to improve maternity care, predict preventable complications, personalised recommendations, and improved clinical outcomes. It is anticipated that through AI, HeraCARE data will support the transformation of prenatal care from a reactive process to a more proactive process.

Combined Accumulated Total Users and Measurement Accumulation



Australia – Commercial Deployment

As part of the commercialisation strategy for HeraCARE, HeraMED’s Executive VP ANZ, Anoushka Gungadin, continues to focus on building HeraCARE’s brand awareness amongst the medical community. In June, Anoushka, along with other members of the team, attended the two-day Digital Health Festival conference in Melbourne. With over 3,000 attendees, the conference represented a valuable opportunity to educate

key members of the global medical community about the HeraCARE platform. Anoushka was also invited to be a panellist at the FemTech Forum which shone a spotlight on women's health.

Following the announcement in March 2023 that the Gold Coast Hospital and Health Service had signed a Memorandum of Understanding to trial the use of the HeraCARE platform, the focus has been on training the staff in preparation for the upcoming launch and recruitment phase. A controlled trial of the platform will be undertaken for up to 90 pregnancies for a period of six to nine months, with an objective to evaluate clinical usability, patient satisfaction, value for money and economic analysis.

Melbourne Mothers, a private practice that provides Obstetrics and Gynaecology services such as antenatal care, childbirth, postnatal care, and high-risk pregnancies, entered into the first private practice clinic commercial agreement in November 2022. HeraCARE has been successfully integrated into their care model, training has been completed and recruitment of newly pregnant mothers is underway with a target of 250 mothers to take part in the initial stage of the commercial launch.

Joondalup Obstetrics and Gynaecology Group (JOGG) was the second private practice that signed an agreement to deploy HeraCARE in May 2023. The two parties are preparing the training schedules and will then begin onboarding with a target to deploy HeraCARE for 120 pregnancies annually.

The HeraCARE rollout continues to progress at the Joondalup Health Campus (JHC) in Perth and is now nearing what is considered full deployment. The success at JHC has been pivotal to the broader commercialisation strategy for the Company. The largest benefit from this rollout is the evidence base now established for HeraCARE. Through JHC, HeraCARE has been able to build a data bank and is now beginning to demonstrate how it can lead to improve care outcomes, improved productivity for the care provider, established revenue model and established very positive results as to the user experience of HeraCARE for the expectant mothers.

HeraCARE's clinical manager, Brooke Schneider at JHC recently won a Clinician Researcher Training (CRT) scholarship from Curtin University, to undertake her PhD. The Project Title is: 'To evaluate the Connected Maternity Care model on health, workforce, and economic outcomes at JHC antenatal clinic' and has several objectives including to compare the connected maternity care model to historical care and health outcomes and to evaluate the impact of the model on cost efficiency and effectiveness of care delivery compared to historical care. Further details can be found here:

[Clinician Researcher Training \(CRT\) Program, Curtin University, Australia | scholarshipdb.net](https://scholarshipdb.net)

During the quarter commercial discussions continued with several parties, including prospective public and private hospitals and hospital groups, health insurers, digital health platforms and not-for-profit foundations focused on women's and or rural and remote health. Furthermore, relationships are being established with various Universities to undertake further research on the health economics, access, and equity of maternity care for a healthcare provider to deploy HeraCARE. The Company looks forward to making further ASX releases over the coming quarter as these discussions complete and further agreements are executed.

USA – Commercial Deployment

Since his appointment in January 2023, Keith Koby continues his mission to help improve maternal outcomes and has successfully grown the pipeline of commercial opportunities across several different channels

including hospitals, private OB offices, employers, large digital health platforms and strategic agreements. This has been achieved while overseeing the 3-year commercial agreement that was signed with e-Lövu in June 2023. There are now five e-Lövu clinical sites registered on the platform and there is a strong pipeline of additional opportunities.

HeraMED anticipates reaching agreement with its first hospital group based on the US East Coast along with three additional larger Hospital groups progressing through advanced discussions.

In June 2023, a strategic enterprise agreement was signed with Fond; a global SaaS platform that consolidates employee rewards and recognition processes into an easy-to-use solution. Fond enables employees and managers to recognize each other, redeem rewards, and access exclusive corporate discounts for their corporate members.

While the Strategic Partnership will enable access to the HeraMED solution across all Fond's clients, one of their first customers is Snap Inc, a California-based, global social media company with over 7,000 employees. At the same time, an agreement was also signed with Entrustia Health (part of Refresh Health) to provide the Obstetrics and Gynaecology medical support. US employers typically offer a wide range of employee benefits including health insurance, to reinforce company culture, improve retention and employee engagement and the agreement with Fond is the first agreement in the employer segment which represents an important sales channel.

Post reporting period, HeraMED further strengthened the team in USA with the appointment of Ron Bacskai as an Executive Consultant. Ron Bacskai was previously CEO and President, North America at Nanosonics and worked closely with both Dr Ron Weinberger and Keith Koby where they worked together on the hugely successful commercialisation of Nanosonic's technology in North America. In addition, Tiffany Starr McKeever has been appointed as a consultant to support the commercialisation of HeraCARE in USA. Tiffany has had a successful and very relevant career in commercialising health technologies, and it is expected that she will add significant value in supporting HeraMED's team. Further details on Ron and Tiffany are below.

Financial overview

The cash balance as at 30 June 2023, was US\$824k. In July 2023, the Company raised a further A\$2.58m (~US\$1.72m). Net cash of US\$984k was used in operating activities compared to US\$742k for the quarter ended 31 March 2023. During the quarter, receipts from customers decreased to \$66k compared to US\$340k for the prior quarter. The prior quarter receipts were unusually high due to upfront payments from e-Lövu as well as back payments from JHC. Over the coming quarters the Company expects quarterly receipts to begin to normalise in a more consistent uptrend as further paid pilots and deployments begin to materialise.

June 2023 quarter totals for key expense components were staff costs of US\$413k compared to US\$489k in the previous quarter, research & development costs of US\$214k compared to US\$142k in the previous quarter, administration, and corporate costs of US\$318k compared to US\$256k in the previous quarter, and product manufacturing and operating costs of US\$20k compared to US\$110k in the previous quarter.

About Ron Bacskai

Ron was President and CEO of Nanosonics Inc for eight years from 2010. During that time Ron worked with HeraMED Executive Chairman Dr Ron Weinberger who was Group CEO at Nanosonics, and Keith Koby who was Senior Vice President, North America. Ron has broad experience in launching medical technologies and

will be hugely valuable to HeraMED in particular in designing 'Go to Market' strategies across various channels. Ron has top management executive experience spanning multiple companies, both private and public, and has participated as Board Advisor for three companies.

About Tiffany Starr McKeever

Tiffany is the Founder and CEO of Consensus Healthcare Consultants Inc. Her experience over 25 years has spanned the entire healthcare life cycle from manufacturing, clinical, and commercial operations to healthcare service delivery management. This experience has leveraged business development activities with program management, compliance, and tech development at its core. With a goal to positively impact healthcare in the United States, Tiffany's end to end global experience from compound to patient outcomes mixed with strategic business development, negotiations, and financial acumen supports service partners and vendors from vision to execution. Tiffany's focus on population health and equity in women's health, led to an industry appointment as Top 500 Global Femtech Personality in 2021-22 and a HIMSS Future 50 Top Innovators Class of 2021. She is also a Founding Member of the MedFemTech Congress held in Paris in partnership with IVF Worldwide, Forbes France and Israel's Clalit Health Services and holds a Masters in Healthcare Service Delivery Management-Healthcare Analytics from Rutgers Business School and a Global Masters in Business Administration from Fairleigh Dickinson University.

-ENDS-

This announcement has been authorised by the Board of HeraMED Limited.

HeraMED Limited

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About HeraMED Limited (ASX:HMD):

HeraMED is an innovative medical data and technology company leading the digital transformation of maternity care by revolutionising the prenatal and postpartum experience with its hybrid maternity care platform. HeraMED offers a proprietary platform that utilises hardware and software to reshape the Doctor/Patient relationship using its clinically validated in-home foetal and maternal heart rate monitor, HeraBEAT, cloud computing, artificial intelligence, and big data.

The Company's proprietary offering, HeraCARE, has been engineered to offer a fully integrated maternal health ecosystem designed to deliver better care at a lower cost, ensure expectant mothers are engaged, informed and well-supported, allow healthcare professionals to provide the highest quality care and enable early detection and prevention of potential risks.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

HERAMED LIMITED

ABN

65 626 295 314

Quarter ended ("current quarter")

30 June 2023

Consolidated statement of cash flows	Current quarter \$USD'000	Year to date (6 months) \$USD'000
1. Cash flows from operating activities		
1.1 Receipts from customers	66	406
1.2 Payments for		
(a) research and development	(214)	(356)
(b) product manufacturing and operating costs	(20)	(130)
(c) advertising and marketing	(80)	(212)
(d) leased assets	(27)	(54)
(e) staff costs	(413)	(902)
(f) administration and corporate costs	(318)	(574)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	5	11
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	(7)
1.7 Government grants and tax incentives	-	-
1.8 Other – GST/VAT refunds	17	92
1.9 Net cash from / (used in) operating activities	(984)	(1,726)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	-	(1)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Quarterly cash flow report for entities subject to Listing Rule 4.7B

2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	(8)
2.6	Net cash from / (used in) investing activities	-	(9)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,827	2,617
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(984)	(1,726)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(9)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Quarterly cash flow report for entities subject to Listing Rule 4.7B

4.5	Effect of movement in exchange rates on cash held	(19)	(58)
4.6	Cash and cash equivalents at end of period	824	824

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$USD'000	Previous quarter \$USD'000
5.1	Bank balances	824	1,272
5.2	Call deposits	-	555
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	824	1,827

6.	Payments to related parties of the entity and their associates	Current quarter \$USD'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	136
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$USD'000	Amount drawn at quarter end \$USD'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-

7.5	Unused financing facilities available at quarter end	-
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7.6 Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.

8.	Estimated cash available for future operating activities	\$USD'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(984)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	824
8.3	Unused finance facilities available at quarter end (Item 7.5)	-
8.4	Total available funding (Item 8.2 + Item 8.3)	824
8.5	Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	0.84

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

1. Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

No. The Group has taken steps to adjust the level of net operating cash flows. Further details are included in our response to question 3 below.

2. Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

On 12 July 2023, the Group announced a capital raising of 2.58 M AUD. The Group remains confident on raising further funds as and when the need arises.

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Whilst the Group is expected to be cash-flow negative in the foreseeable future as a result of continued expenditures, the ability of the Group to continue as a going concern is dependent on securing additional funding to continue to fund its operational and technology development activities. The Group recently announced a capital raising of 2.58 M AUD (refer to ASX announcement dated 12 July 2023).

The Group is managing its level of expenditure and believes it can raise further financial resources as and when required to continue its operations and meet its business objectives.

Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.

Date: 31 July 2023

Authorised by: The Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

- This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
- If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.