

21 January 2022

ASX:GLH

Global Health Ltd December 2021

Quarterly Business Activity Report & Appendix 4C

Melbourne, Australia – Healthcare software provider Global Health Ltd (ASX: GLH) ("Global Health") is pleased to release its Appendix 4C Cash Flow Report for the quarter ended 31 December 2021, along with a Quarterly Business Activity Report.

The Financial Highlights are based on the unaudited management accounts for the quarter ended 31 December 2021.

Financial Highlights

- Continued growth in recurring revenues for the quarter notwithstanding unavoidable COVID-19 related delays in customer activations.
- Positive operating cashflow for the quarter, whilst maintaining a focused investment in future resourcing and capabilities.
- Balance Sheet remains strong, underpinned by a cash balance of \$7.04M and debt of \$0.23m.
- Continued investment in attracting key personnel to the team in the areas of sales, marketing and R&D to continue our growth and expansion plan.
- COVID-19 impacts on resourcing and facetime between the team and customers have reinforced a discipline and focus on the development of recurring revenue (long term) over project and professional services (short term).

In accordance with Listing Rule 4.7C.1, the expenditures of Global Health for the quarter ended 31 December 2021 are set out in the table below:

Expense Category	Amount (\$A'000)
Product manufacturing and operating costs	230
Advertising and marketing	69
Leased Assets	34
Staff costs	1,401
Administration and corporate costs	229
Interest and other costs of finance paid	6
Research and product development	224
Purchase of property, plant and equipment	2
Repayment of borrowings (HP Finance)	48

In accordance with Listing Rule 4.7C.3, payments to related parties and their associates during the quarter totalled \$102K. This related to directors' remuneration.

Customer receipts for the quarter are seasonally higher in Q2 and Q4 with lower collections traditionally occurring in Q1 and Q3.

Global Health Limited (ASX:GLH)

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Business Activity

COVID-19 has created logistical and personnel challenges for the business, leading to reduced facetime within the team, as well as with key and prospective customers. Notwithstanding these impacts, the team has performed well delivering material software upgrades and new customer activations.

The delivery of upgrades to cater for Services Australia's new payment portal for Medicare, DVA and Private Health Fund claims for all products is now being upgraded into customer platforms. The Company's MConnect mobile EMR application for Apple and Android has moved into Pilot phase. Both activities are expected to increase the appeal to new customers as well as the retention rates and satisfaction levels of the current customer base.

Forward Outlook

Global Health expects the COVID-19 related challenges to continue for the remainder of 2022, as well as longer lead times required to recruit new talent to the team. The focus will remain on recurring revenue value-add and product development of systems that maximise the future value of the business.

Whilst COVID-19 impacts have delayed some revenue activation for key Customers within FY22, those activations that did proceed this quarter have put the group in a good position for continued recurring revenue growth in the second half of the financial year.

Global Health will continue to execute on our strategy to accelerate growth, focussing on increasing our market share in three core areas, namely - Community Health services, Hospitals and Mental Health.

This announcement was approved for lodgement by the Board.

– ENDS –

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About Global Health Limited

Global Health (ASX: GLH) is a leading provider of Digital Health solutions to the Australasian Healthcare Industry. Innovation, consumer-centricity, and connectivity are the foundations of the Company's vision of 'Connecting Clinicians and Consumers.'

Global Health helps streamline the delivery of healthcare services and provide better health outcomes across various health sectors, including acute and community settings.

Global Health offers a range of solutions to help health businesses be more efficient and deliver excellent patient care. These include electronic medical records, patient administration systems, practice management systems, clinical records, secure message exchange, patient engagement platforms and consumer health records.

Find out more about Global Health Solution's at www.global-health.com

Appendix 4C

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

Name of entity

Global Health Limited

ABN

75 091 377 892

Quarter ended ("current quarter")

31 December 2021

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	2,016	3,379
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(230)	(1,130)
(c) advertising and marketing	(69)	(115)
(d) leased assets	(34)	(53)
(e) staff costs	(1,401)	(2,691)
(f) administration and corporate costs	(229)	(420)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(6)	(13)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	47	(1,043)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(2)	(2)
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	(224)	(309)
2.2	Proceeds from disposal of:		
	(g) entities	-	-
	(h) businesses	-	-
	(i) property, plant and equipment	-	-
	(j) investments	-	-
	(k) intellectual property	-	-
	(l) 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)	-	-
2.6	Net cash from / (used in) investing activities	(226)	(311)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	3,907
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	10
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	(268)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(48)	(94)
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	(48)	3,555

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	7,268	4,840
4.2	Net cash from / (used in) operating activities (item 1.9 above)	47	(1,043)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(226)	(311)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(48)	3,555
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	7,041	7,041

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 \$A'000	Previous quarter \$A'000
5.1	Bank balances	7,041	7,268
5.2	Call deposits	-	-
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)	7,041	7,268

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1 *	102
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>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.</i>		
<i>* Payments associated with item 6.1 relate to directors' fees/directors' remuneration.</i>		

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 \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	25	18
7.3	Other (please specify)	207	207
7.4	Total financing facilities	232	225
7.5	Unused financing facilities available at quarter end		7
7.6	<p>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.</p> <div> <p>7.2 Lender: Australia and New Zealand Banking Group Limited (ANZ) Company Credit Card Facility Interest rate: Up to 8-week Interest free period. Otherwise, 17.74% per annum on purchases if unpaid by the due date. 19.24% per annum on cash advances. Secured/unsecured: Unsecured</p> <p>7.3 Lender: HP Financial Services (Australia) Pty Ltd Interest rate: 8.5% per annum Maturity date: June 2023 Secured/unsecured: Unsecured</p> </div>		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	47
8.2	Cash and cash equivalents at quarter end (item 4.6)	7,041
8.3	Unused finance facilities available at quarter end (item 7.5)	7
8.4	Total available funding (item 8.2 + item 8.3)	7,048
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.		
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	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?	
Answer:		
N/A		
8.6.2	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?	
Answer:		
N/A		
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
Answer:		
N/A		
Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.		

Compliance statement

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

Date: 21 January 2022

Authorised by: Board of Directors

Notes

1. 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.
2. 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 – e.g. 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.