

## **Global Health Limited Annual General Meeting**

**Date:** 23 November 2022 (Wednesday) Time: 3:00pm

**Place:** Australian Institute of Company Directors Business Centre Level 26,  
367 Collins St, Melbourne, Victoria 3000

**Address to Shareholders by Mathew Cherian – Group Managing Director**

Dear Fellow Shareholders,

I take this opportunity to provide an update on our progress and the business in general.

Despite ongoing difficulties as a result of the fallout of COVID, and its impact on regional and community health, the business sector of Global Health has seen some positive growth, with plenty of scope moving forward, including recent new business in the Australian mental health and community sectors.

I would like to now outline the key financial and operational outcomes for the year ended 30 June 2022.

### **FY22 Financial Outcomes**

- Total Recurring revenue from customers has increased 10% to \$5.19M in FY22, up \$0.47M from \$4.72M in FY21
- Total Customer revenue has decreased in FY22 to \$6.54M, down 7% or \$0.49M on FY21 (\$7.03M) which had multiple major project implementations billed throughout the year
- Total Group revenue and income for FY22 closed at \$6.54M, \$0.94M down on prior year. A 13% reduction from the FY21 total of \$7.48M
- Operating expenses of \$8.22M, increased \$1.8M or 27% from prior year due to strategic investments in people to scale the business
- Global Health posted an adjusted operating EBITDA loss of \$1.69M for the year, combining the Total Customer revenue decrease of \$0.49M and the increase in Operating Expenses of \$1.8M, this result is \$2.30M lower than the prior year adjusted operating EBITDA profit of \$0.61M

- The Group reported a net loss after income tax of \$2.08M in FY22, compared to a \$0.49M loss in FY21

## Outlook

- Following the capital raising completed in August 2021, the Company revised and scaled up the organisational structure in anticipation of growth, driven by a new sales-focused leadership team
- The Company's ability to generate revenue growth has also been adversely impacted by challenges in the domestic market. There are healthcare staffing shortages across Australia resulting in healthcare providers deferring purchase decisions, delaying new contract execution, and slowing down the commissioning of new projects
- Due to the delays in new revenue, adverse global conditions and escalating staff salary pressures, the Board has determined that it is an appropriate time for a change in leadership and the implementation of appropriate cost efficiencies to improve margins
- Moving forward, the Company has a clear vision and strategy to grow the business both domestically and internationally, along with an M & A focus over the next two years
- Changing market dynamics in terms of skilled labour costs, inflationary and client budgetary pressures means that Global Health needs to focus on driving efficiencies and costs to improve operating margins
- The Company's Australian operations will be restructured commencing immediately with the focus on putting the right people in place, in both executive and leadership roles that fully embrace Global Health's ambition to continue to be a major force in providing digital health solutions to the Australian operations and the new opportunities to grow the business in the larger addressable markets across the Asia-Pacific region
- The Global Health Board appointed me as Group Managing Director and has tasked me with implementing the necessary restructure and cost efficiencies as a matter of urgency
- The Board has resolved to restructure the leadership and organisational structure and Michael Davies has left his role as Chief Executive Officer, as announced last week

- The Board thanks Michael for his commitment and dedication during this challenging period
- We have embarked on an organisational restructure, to drive efficiency and improve margins

## Priorities

Subject to market conditions and external factors, our intention is to:

- Complete the restructure by Christmas 2022
- Return the Australian operations to a positive EBITDA before R&D expenditure by June 2023
- Establish revenue streams in new markets in the Asia-Pacific region during 2023
- Manage our cash resources to enable growth opportunities in both Australia and overseas, including through M&A

All client facing funded activity will remain a strong focus of the organisation to deliver the best quality and outcomes for our customers.

## Governance Changes

Steven Pynt has decided to step down as Chair but will remain on the board as a non-executive director. On behalf of the board and shareholders I would like to thank Steven for his significant contribution and guidance over many years of dedicated service as Chair.

The Board has appointed Grant Smith as the new Chair, with effect from today. I look forward to working with Grant in his new capacity through the next period of the Company's evolution.

In light of Grant's appointment as Chair, the Board has appointed Karen Corry as the Chair of the Audit and Remuneration Committee. I look forward to her ongoing contribution in this new role.

As previously announced, Rob Knowles retired as a director in June and on behalf of the Board I thank him for his wise counsel and guidance during his tenure.

During the year Steven Strange joined the Board and brings valuable skills and experience as a non-executive director.

Finally, I would like to express my appreciation and thanks to all Board members and staff for their hard work and commitment in challenging times.

## **About Global Health Limited**

### **Connecting Clinicians and Consumers**

**Global Health (ASX: GLH)** is a leading provider of digital health solutions to the Australian 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 tailored software and SaaS solutions helping health businesses to be more efficient and deliver excellent patient care. These include electronic medical records for health delivery organisations, client management systems for community health, patient administration systems for hospitals, practice management systems, secure messaging for connected care, patient engagement platforms and consumer health records.

### **For further information please contact:**

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