

Global Health Limited
Appendix 4D
Half-Year Report

1. Company details

Name of entity: Global Health Limited
ABN: 75 091 377 892
Reporting period: For the half-year ended 31 December 2022
Previous period: For the half-year ended 31 December 2021

2. Results for announcement to the market

				A\$
Revenue from ordinary activities	up	8.62 %	to	3,183,425
Loss from ordinary activities after tax attributable to the owners of Global Health Limited	up	94.32 %	to	(2,714,525)
Loss for the year attributable to the owners of Global Health Limited	up	94.32 %	to	(2,714,525)

Dividends

There were no dividends paid, recommended or declared during the current financial period.

Comments

An explanation of the above figures is contained in the review of operations included within the attached Directors' Report.

3. Net tangible assets/(liabilities)

	Reporting period Cents	Previous period Cents
Net tangible assets/(liabilities) per ordinary security (including right-of-use assets arising under AASB 16)	(0.83)	6.33

4. Control gained over entities

Not applicable

5. Loss of control over entities

Not applicable

6. Dividends

Current period

There were no dividends paid, recommended or declared during the current financial period.

Current period

There were no dividends paid, recommended or declared during the previous financial period.

7. Dividend reinvestment plans

Not applicable

Global Health Limited
Appendix 4D
Half-Year Report

8. Details of associates and joint venture entities

Details of associates:

Name of associate: Trudokta Pty Ltd
Percentage holding: 33%

Name of associate: Asta Swisstec Health Pty Ltd
Percentage holding: 20%

These entities are remained dormant as at 31 December 2022.

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

International Financial Reporting Standards were applied by Global Health (Australia) Pte Ltd (wholly-owned subsidiary incorporated in Singapore).

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

This report is based on accounts which have been subject to review in accordance with ASRE 2410 *Review of an Interim Financial Report Performed by the Independent Auditor of the Entity*. A copy of the review report is attached.

11. Attachments

Details of attachments (if any):

The Half-Year Report of Global Health Limited for the half-year ended 31 December 2022 is attached.

12. Signed



Grant Smith
Non-Executive Chairman
On behalf of the Board of Directors
Global Health Limited
27 February 2023

Global Health Limited

ABN 75 091 377 892

Consolidated Interim Financial Statements

For the Half Year Ended 31 December 2022

Global Health Limited

ABN 75 091 377 892

Contents

For the Half Year Ended 31 December 2022

	Page
Consolidated Interim Financial Statements	
Directors' Report	1
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001	4
Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income	5
Consolidated Interim Statement of Financial Position	6
Consolidated Interim Statement of Changes in Equity	7
Consolidated Interim Statement of Cash Flows	8
Notes to the Financial Statements	9
Directors' Declaration	18
Independent Auditor's Review Report	19

Global Health Limited

ABN 75 091 377 892

Directors' Report

For the Half Year Ended 31 December 2022

The directors present their report, together with the consolidated interim financial statements of the Group, being Global Health Limited (the Company) and its controlled entities, for the financial half year ended 31 December 2022.

Directors

The names of the directors in office at any time during, or since the end of, the half year are:

Names	Position
Grant Smith	Independent Non-Executive Chairman (from 23 November 2022); Member of the Audit and Remuneration Committee; Chair of the Audit and Remuneration Committee (until 23 November 2022)
Mathew Cherian	Group Managing Director (from 17 November 2022); Executive Director (until 16 November 2022)
Karen Corry	Independent Non-Executive Director; Chair of the Audit and Remuneration Committee (from 23 November 2022)
Steven Leigh Pynt	Independent Non-Executive Director; Member of Audit and Remuneration Committee; Independent Non-Executive Chairman (until 23 November 2022)
Steve Strange (Appointed 6 July 2022)	Independent Non-Executive Director

Principal activities and significant changes in nature of activities

The principal activities of the Group during the financial half year were:

- the development, sales and support of application software for the healthcare sector; and
- the development of systems integration software that enables data to be securely exchanged between multiple, disparate applications within an enterprise and across the healthcare value chain.

The following significant changes in the nature of the principal activities occurred during the financial half year:

- From 1 July 2022, the Group has commenced pursuing opportunities, particularly in under-served markets, initially in the South East Asian economies, through its previously dormant wholly-owned subsidiary in Singapore, Global Health (Australia) Pte Ltd. This decision was a response to the impact of COVID-19 across the region which has accelerated the demand for digital engagement in a virtual healthcare ecosystem which has led to the Group experiencing an increased interest in its consumer/provider connectivity and digital engagement platforms.

There were no other significant changes in the nature of the Group's principal activities during the financial half year.

Operating result

The consolidated loss of the Group for the financial half year after providing for income tax amounted to \$2,714,525 (2021: consolidated loss of \$1,396,915).

Dividends paid or recommended

No dividends were paid or declared since the start of the financial half year. No recommendation for payment of dividends has been made.

Directors' Report

For the Half Year Ended 31 December 2022

Review of operations

A review of the operations of the Group during the financial half year and the results of those operations found that, during the period, the Group continued to engage in its principal activities, the result of which are disclosed in the attached financial statements.

The operating results of the Group in the first half of the 2023 financial year have been disappointing. Due to delays in commencement of contracted projects and delays in government funding for health technology, there was little or no income growth across several platforms. The continuation of difficult operating conditions and increased wage pressures contributed to an unsustainable increase in operating costs in Australia.

The Board has taken immediate and decisive steps to restructure the Group's Australian operations to enable it to operate more efficiently and effectively in the difficult market conditions in Australia, as a result of the post COVID-19 fallout and its continued economic pressures on the healthcare sector.

This restructure has seen a reduction of operating costs of \$1.4m, with the full benefits of these cost reductions to emerge in the second half of the financial year. The Board will continue to monitor costs across the Group's operations.

The investment in product re-platforming has resulted in the successful initial deployment of the Group's MasterCare Plus SaaS platform to support clinical functionality in acute (hospital) settings. The re-platforming will progressively enable our existing customers to transition to a single SaaS platform from the largely on-premise deployments of the Group's mature products – MasterCare EMR, MasterCare PAS and PrimaryClinic. The schedule of releases will target customer segments initially across the acute sector followed by the community health settings with multiple medical specialists and allied health practitioners.

Coupled with a healthy Australian operations pipeline, the Group's Asian business has built a solid pipeline which will hopefully result in new revenue in the latter half of the 2023 financial year. The Group is currently active in Thailand, Malaysia, Singapore, and Vietnam with the focus on the Group's four SaaS platforms comprising:

- Lifecard Personal Health Record (PHR) for healthcare consumers;
- MasterCare Plus for healthcare providers;
- ReferralNet for Secure Connectivity across the healthcare ecosystem; and
- HotHealth as the digital front door for provider engagement with their patients.

The Group continues also to engage in inorganic growth through M&A opportunities.

Events after the reporting date

On 31 January 2023, Mr Sam Butcher resigned as Company Secretary of the Group and was replaced by Mr James Barrie.

Except for the above, no other matters or circumstances have arisen since the end of the financial half year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Auditor's independence declaration

The auditor's independence declaration in accordance with section 307C of the *Corporations Act 2001* for the half year ended 31 December 2022 has been received and can be found on page 4 of the consolidated interim financial report.

Global Health Limited

ABN 75 091 377 892

Directors' Report
For the Half Year Ended 31 December 2022

Signed in accordance with a resolution of the Board of Directors:



Non-Executive Chairman:
Grant Smith

Dated this 27th day of February 2023

Auditor's independence declaration

As lead auditor for the review of the interim financial report of Global Health Limited for the half-year ended 31 December 2022, I declare that, to the best of my knowledge and belief, there have been no contraventions of:

- (a) the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review; and
- (b) any applicable code of professional conduct in relation to the review.

This declaration is in respect of Global Health Limited and the entities it controlled during the period.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Melbourne
27 February 2023



Michael Gummery
Partner

Consolidated Interim Statement of Profit or Loss and Other Comprehensive Income

For the Half Year Ended 31 December 2022

		31 December 2022	31 December 2021
	Note	\$	\$
Revenue			
Revenue from contracts with customers	4(a)	3,183,425	2,930,865
Finance income		-	138
Total income and revenue		3,183,425	2,931,003
Employee benefits expense		(3,620,914)	(2,708,574)
Third party product and service costs		(1,134,176)	(887,497)
General and administration costs		(166,210)	(135,374)
Bad debts and movements in loss allowance for financial assets		(16,389)	1,982
Marketing expenses		(142,667)	(104,507)
Professional fees		(248,592)	(181,162)
Rent and occupancy expenses		(83,864)	(48,366)
IT and telecommunications expense		(83,319)	(63,637)
Travel expenses		(104,123)	(2,027)
Finance expenses		(59,915)	(19,111)
Depreciation		(2,872)	(2,704)
Amortisation		(196,681)	(140,707)
Total expenses		(5,859,722)	(4,291,684)
Profit/(loss) before income tax		(2,676,297)	(1,360,681)
Income tax benefit/(expense)		(38,228)	(36,234)
Net profit/(loss) for the half year attributable to members of the parent entity		(2,714,525)	(1,396,915)
Other comprehensive income, net of income tax			
Items that will not be reclassified subsequently to profit or loss		-	-
Items that will be reclassified to profit or loss when specific conditions are met			
Exchange differences on translating foreign controlled entities		(18,239)	-
Other comprehensive income for the year, net of tax		(18,239)	-
Total comprehensive income/(loss) for the half year attributable to members of the parent entity		(2,732,764)	(1,396,915)
Earnings per share:			
Basic earnings/(loss) per share (cents)	7	(4.76)	(2.52)
Diluted earnings/(loss) per share (cents)	7	(4.76)	(2.52)

The accompanying notes form part of these financial statements.

Global Health Limited

ABN 75 091 377 892

Consolidated Interim Statement of Financial Position As At 31 December 2022

	31 December 2022	30 June 2022
Note	\$	\$
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	3,320,392	6,376,082
Trade and other receivables	555,666	520,009
Loans and advances	50,648	24,179
Other assets	221,685	251,459
TOTAL CURRENT ASSETS	4,148,391	7,171,729
NON-CURRENT ASSETS		
Investments in associates	348	240
Property, plant and equipment	12,033	9,041
Intangible assets	5 4,182,726	3,495,515
Deferred tax assets	358,813	414,357
Right-of-use assets	-	667
TOTAL NON-CURRENT ASSETS	4,553,920	3,919,820
TOTAL ASSETS	8,702,311	11,091,549
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	1,058,422	909,101
Contract liabilities	2,893,235	2,941,910
Borrowings	72,000	141,106
Lease liabilities	-	727
Provisions	1,139	-
Employee benefits	856,052	827,746
TOTAL CURRENT LIABILITIES	4,880,848	4,820,590
NON-CURRENT LIABILITIES		
Contract liabilities	45,682	76,136
Deferred tax liabilities	42,177	59,493
Employee benefits	31,087	48,852
TOTAL NON-CURRENT LIABILITIES	118,946	184,481
TOTAL LIABILITIES	4,999,794	5,005,071
NET ASSETS	3,702,517	6,086,478
EQUITY		
Issued capital	6 27,687,770	27,292,786
Reserves	1,962,878	2,135,577
Accumulated losses	(25,948,207)	(23,341,961)
Total equity attributable to equity holders of the Company	3,702,441	6,086,402
Non-controlling interest	76	76
TOTAL EQUITY	3,702,517	6,086,478

The accompanying notes form part of these financial statements.

Consolidated Interim Statement of Changes in Equity

For the Half Year Ended 31 December 2022

	Issued Capital \$	Accumulated Losses \$	Foreign Currency Translation Reserve \$	Option Reserve \$	Non- controlling Interests \$	Total \$
Balance at 1 July 2022	27,292,786	(23,341,961)	24,234	2,111,343	76	6,086,478
Net profit/(loss) for the period	-	(2,714,525)	-	-	-	(2,714,525)
Total other comprehensive income for the year	-	-	(18,239)	-	-	(18,239)
Transactions with owners in their capacity as owners						
Contribution of equity, net of transaction costs	338,403	-	-	-	-	338,403
Share based payment transactions	-	-	-	10,400	-	10,400
Lapsed employee share options	-	108,279	-	(108,279)	-	-
Exercised options	56,581	-	-	(56,581)	-	-
Balance at 31 December 2022	27,687,770	(25,948,207)	5,995	1,956,883	76	3,702,517
Balance at 1 July 2021	24,354,141	(21,372,160)	24,234	1,034,030	76	4,040,321
Net profit/(loss) for the period	-	(1,396,915)	-	-	-	(1,396,915)
Transactions with owners in their capacity as owners						
Contribution of equity, net of transaction costs	2,924,422	-	-	697,281	-	3,621,703
Share based payment transactions	-	-	-	15,042	-	15,042
Options issued to joint lead managers	-	-	-	432,932	-	432,932
Lapsed employee share options	-	79,289	-	(79,289)	-	-
Exercised options	1,742	-	-	(1,742)	-	-
Balance at 31 December 2021	27,280,305	(22,689,786)	24,234	2,098,254	76	6,713,083

The accompanying notes form part of these financial statements.

Consolidated Interim Statement of Cash Flows

For the Half Year Ended 31 December 2022

	31 December 2022 \$	31 December 2021 \$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Receipts from customers (inclusive of GST)	3,348,308	3,378,951
Payments to suppliers and employees (inclusive of GST)	(5,746,040)	(4,410,923)
Interest received	-	138
Finance costs	(4,632)	(11,666)
Net cash provided by/(used in) operating activities	(2,402,364)	(1,043,500)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from sale of plant and equipment	-	355
Payment for intangible assets	(883,892)	(309,397)
Purchase of property, plant and equipment	(8,296)	(1,544)
Loans to related parties	(11,084)	-
Net cash provided by/(used in) investing activities	(903,272)	(310,586)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issue of shares	338,403	3,917,417
Repayment of borrowings	(69,106)	(93,147)
Payment of transaction costs	-	(267,823)
Repayment of lease liabilities	(735)	(1,225)
Net cash provided by/(used in) financing activities	268,562	3,555,222
Effects of exchange rate changes on cash and cash equivalents	(18,616)	-
Net increase/(decrease) in cash and cash equivalents held	(3,055,690)	2,201,136
Cash and cash equivalents at beginning of period	6,376,082	4,840,318
Cash and cash equivalents at end of the half year	3,320,392	7,041,454

Notes to the Financial Statements

For the Half Year Ended 31 December 2022

The consolidated interim financial report covers Global Health Limited and its controlled entities ('the Group'). Global Health Limited is a for-profit listed public company limited by shares, incorporated and domiciled in Australia.

Global Health Limited shares are listed on the Australian Securities Exchange (ASX code: GLH).

Each of the entities within the Group prepare their financial statements based on the currency of the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

The financial report was authorised for issue by the Directors on 27 February 2023.

When required by Accounting Standards, or when deemed appropriate by management for financial reporting clarity, comparative figures have been adjusted to conform to changes in presentation for the current financial period.

1 Basis of Preparation

This consolidated interim financial report for the reporting period ended 31 December 2022 has been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134: *Interim Financial Reporting*.

The interim financial report is intended to provide users with an update on the latest annual financial statements of Global Health Limited. As such it does not contain information that represents relatively insignificant changes occurring during the half year within the Group. This interim financial report does not include all the notes normally included in an annual financial report. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2022, together with any public announcements made during the half year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

The financial statements, except for the cash flow information, have been prepared on an accruals basis and are based on historical costs modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities.

Going concern

As at 31 December 2022, the Group has cash reserves of \$3,320,392 (30 June 2022: \$6,376,082) and a working capital ratio of 0.85 (current liabilities of \$4,880,848 and current assets of \$4,148,391) (30 June 2022: 1.49 - current liabilities of \$4,820,590 and current assets of \$7,171,729) with an excess of current liabilities over current assets of \$732,457 (30 June 2022: \$2,351,139).

The current half-year loss before tax was \$2,676,297 (31 December 2021: \$1,360,681).

The Directors consider that the Group has sufficient resources to meet all of its obligations as and when they fall due. Therefore, the financial statements have been prepared on a going concern basis, which assumes that the Group will be able to realise its assets and discharge its liabilities in the normal course of business.

In concluding this, management has considered the Group's liquidity position, any risks to the cash flows and funding, and the future outlook. The demand for software in the health sector has been slow to recover over the pandemic period but there have been signs of increased activity in late 2022. Total customer revenue has increased by 8.6% from the previous corresponding period to \$3.18M and new contracts have been signed for implementation during 2023. There will be a renewed focus on expanding the professional consulting services revenue which has underperformed over the last 18 months. Management expects that this activity will contribute to an increase in sales and cash flows, thereby providing the resources to enable the Group to repay its debts as they fall due over the long term.

Notes to the Financial Statements

For the Half Year Ended 31 December 2022

1 Basis of Preparation (continued)

From November 2022, the Directors have taken a number of measures to reduce the Group's operating costs in response to the underperformance of sales activity. In particular, redundancy costs accounted for approximately \$240,000 of the increased employee benefits expense for this reporting period. The Directors are confident that these measures will optimise the Group's cash flow and liquidity position to strengthen its financial position.

The Group continues its activities in the domestic and international markets (Malaysia, Thailand, Vietnam and Singapore). Management anticipates it will leverage this position to increase operating cashflows through the sale of software and services targeted towards the Asia-Pacific markets. This includes sales of new software developed by the Group.

As the Group is an ASX-listed entity, the Group has the ability to raise additional funds by way of capital raising(s), if required, and has a past history of raising capital successfully when required.

There is a material uncertainty related to these events that may cast significant doubt on the Group's ability to continue as a going concern. If the Group is not successful in these matters, the going concern basis may not be appropriate, with the result that the Group may have to realise its assets and extinguish its liabilities, other than in the ordinary course of business and at amounts different from those stated in the financial report. No allowance for such circumstances has been made in the financial report.

2 Changes to the Group's Accounting Policies

Adoption of new and revised accounting standards

The Group has adopted all standards which became effective for the first time at 1 July 2022. The adoption of these standards has not resulted in material adjustments to the reported financial position, performance or cash flow of the Group.

Notes to the Financial Statements

For the Half Year Ended 31 December 2022

3 Operating Segments

Segment information

Identification of reportable segments

The Group has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision maker) in assessing performance and determining the allocation of resources.

The Group operates in a single segment, being the computer technology, software and services industry with particular emphasis on healthcare and associated professional services. In respect of geographical segments, other than in Singapore, the Group does not conduct material activities outside the Australia geographic area.

Basis of accounting for purposes of reporting by operating segments

(a) Accounting policies adopted

Unless stated below, all amounts reported to the Board of Directors, being the chief operating decision maker with respect to operating segments, are determined in accordance with accounting policies that are consistent with those adopted in the annual financial statements of the Group.

(b) Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

(c) Segment liabilities

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

Global Health Limited

ABN 75 091 377 892

Notes to the Financial Statements For the Half Year Ended 31 December 2022

3 Operating Segments (continued)

(d) Segment performance

	Australia		Singapore		Eliminations		Total	
	31 December	31 December	31 December	31 December	31 December	31 December	31 December	31 December
	2022	2021	2022	2021	2022	2021	2022	2021
	\$	\$	\$	\$	\$	\$	\$	\$
Revenue								
Revenue from external customers	3,168,324	2,930,865	15,101	-	-	-	3,183,425	2,930,865
Interest revenue	-	138	-	-	-	-	-	138
Total segment revenue	3,168,324	2,931,003	15,101	-	-	-	3,183,425	2,931,003
Depreciation and amortisation	198,961	143,411	592	-	-	-	199,553	143,411
Interest paid	10,400	16,359	1,496	-	-	-	11,896	16,359
Other segment expenses	4,768,909	4,131,914	927,795	-	(48,431)	-	5,648,273	4,131,914
Income tax expense	38,228	36,234	-	-	-	-	38,228	36,234
Total segment expenses	5,016,498	4,327,918	929,883	-	(48,431)	-	5,897,950	4,327,918
Segment net loss	(1,848,174)	(1,396,915)	(914,782)	-	48,431	-	(2,714,525)	(1,396,915)

Global Health Limited

ABN 75 091 377 892

Notes to the Financial Statements For the Half Year Ended 31 December 2022

3 Operating Segments (continued)

(e) Segment assets

	Australia		Singapore		Eliminations		Total	
	31 December	30 June	31 December	30 June	31 December	30 June	31 December	30 June
	2022	2022	2022	2022	2022	2022	2022	2022
	\$	\$	\$	\$	\$	\$	\$	\$
Segment assets	6,195,457	9,479,884	22,068	10,534	1,592,598	960,835	7,810,123	10,451,253
Segment asset increases for the period:								
- Capital expenditure	887,402	640,296	4,786	-	-	-	892,188	640,296
Total segment assets	7,082,859	10,120,180	26,854	10,534	1,592,598	960,835	8,702,311	11,091,549

(f) Segment liabilities

	Australia		Singapore		Eliminations		Total	
	31 December	30 June	31 December	30 June	31 December	30 June	31 December	30 June
	2022	2022	2022	2022	2022	2022	2022	2022
	\$	\$	\$	\$	\$	\$	\$	\$
Segment liabilities	4,899,639	5,002,588	1,968,307	963,318	(1,868,152)	(960,835)	4,999,794	5,005,071
Total segment liabilities	4,899,639	5,002,588	1,968,307	963,318	(1,868,152)	(960,835)	4,999,794	5,005,071

Notes to the Financial Statements

For the Half Year Ended 31 December 2022

4 Revenue and other income

(a) Revenue from contracts with customers

Disaggregation of revenue

The disaggregation of revenue from contracts with customers is as follows:

	31 December 2022	31 December 2021
	\$	\$
<i>Major product lines:</i>		
- Recurring software subscriptions	2,245,336	2,119,926
- Expansion revenue and additional usage fees	596,199	389,141
- Professional services rendered	341,848	421,740
- Other product revenue	42	58
Total revenue	3,183,425	2,930,865
<i>Geographical regions:</i>		
- Australia	3,183,425	2,930,865
Total revenue	3,183,425	2,930,865
<i>Timing of revenue recognition:</i>		
- Point in time	554,376	618,649
- Over time	2,629,049	2,312,216
Total revenue	3,183,425	2,930,865

5 Intangible Assets

	31 December 2022	30 June 2022
	\$	\$
Developed products		
Cost *	7,244,429	5,900,104
Accumulated amortisation and impairment	(4,584,358)	(4,387,677)
Net carrying value	2,660,071	1,512,427
Products under development		
Cost	1,522,655	1,983,088
Net carrying value	1,522,655	1,983,088
Total Intangibles	4,182,726	3,495,515

* Developed products have finite useful lives of 10 years which are amortised on a straight-line basis over their effective life. The current amortisation charges for intangible assets have been separately presented as amortisation expense in the consolidated interim statement of profit or loss and other comprehensive income.

Notes to the Financial Statements

For the Half Year Ended 31 December 2022

5 Intangible Assets (continued)

(a) Movements in carrying amounts of intangible assets

Movement in the carrying amounts for each class of intangible assets between the beginning and the end of the current financial half year:

	Products under development \$	Developed products \$	Total \$
Half Year ended 31 December 2022			
Balance at the beginning of the half year	1,983,088	1,512,427	3,495,515
Additions	870,598	13,294	883,892
Transfers in/(out)	(1,331,031)	1,331,031	-
Amortisation expense	-	(196,681)	(196,681)
Closing value at 31 December 2022	1,522,655	2,660,071	4,182,726

(b) Impairment testing of products under development

Irrespective of whether there is any indication of impairment, the Group will test an intangible asset with an indefinite useful life or an intangible asset not yet available for use for impairment at least annually by comparing its carrying amount with its recoverable amount. This impairment test is performed as at the end of the financial period. Further, all intangible assets are assessed for indication of impairment at each reporting period. If indicators of impairment are identified, a detailed impairment assessment is performed. Impairment testing is performed based on the cash generating units (CGUs) identified by software product lines.

As at 31 December 2022, impairment indicators were identified which triggered the performance of a detailed impairment assessment. On completion of the impairment assessment, management concluded that no impairment was required to be recognised for the half year ended 31 December 2022.

The recoverable amount of each cash-generating unit is determined based on value-in-use calculations. Value-in-use is calculated based on the present value of cash flow projections over a 5 year period, except for products which are in the early stages of their lifecycle, where an extended cash flow projection over a maximum 10 year period is applied instead. The cash flows are discounted using a pre-tax discount rate of 20.00% (30 June 2022: 17.25%). Further, the estimation of terminal values for each product has been excluded from the value-in-use calculations on the basis that cash flows are not expected to continue into perpetuity and the useful life of intangible assets is estimated to be 10 years. The following key assumptions were used in the value-in-use calculations:

- Growth rates (sales) - 7% to 36% growth (30 June 2022: 5% to 36%)

Management has based the value-in-use calculations on budgets for each type of product. Costs are calculated taking into account historical gross margins as well as estimated weighted average inflation rates over the period, which are consistent with inflation rates applicable to the locations in which the Group operates.

Notes to the Financial Statements

For the Half Year Ended 31 December 2022

6 Issued Capital

	31 December 2022	30 June 2022
	\$	\$
58,003,381 (2022: 56,609,392) fully paid Ordinary shares	28,720,391	28,325,407
Share issue costs	(1,032,621)	(1,032,621)
Total issued capital	27,687,770	27,292,786

(a) Ordinary shares

	31 December 2022	30 June 2022
	No.	No.
At the beginning of the reporting period	56,649,767	56,609,392
Shares issued during the half year:		
Shares issued upon exercise of options at 25 cents per share	1,353,614	40,375
At the end of the reporting period	58,003,381	56,649,767

The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company. On a show of hands at meetings of the Company, each holder of ordinary shares has one vote in person or by proxy, and upon a poll each share is entitled to one vote.

The Company does not have authorised capital or par value in respect of its shares.

7 Earnings per Share

(a) Reconciliation of earnings to profit or loss from continuing operations

	31 December 2022	31 December 2021
	\$	\$
Net profit/(loss) for the half year attributable to the owners of the parent entity	(2,714,525)	(1,396,915)
Earnings used to calculate basic EPS from continuing operations	(2,714,525)	(1,396,915)
Earnings used in the calculation of dilutive EPS from continuing operations	(2,714,525)	(1,396,915)

(b) Earnings used to calculate overall earnings per share

Earnings used to calculate overall earnings per share	(2,714,525)	(1,396,915)
--	--------------------	--------------------

Notes to the Financial Statements

For the Half Year Ended 31 December 2022

7 Earnings per Share (continued)

(c) Weighted average number of ordinary shares outstanding during the half year used in calculating basic EPS

	31 December 2022 No.	31 December 2021 No.
Weighted average number of ordinary shares outstanding during the half year used in calculating basic EPS	57,038,021	55,369,935
Weighted average number of ordinary shares outstanding during the half year used in calculating dilutive EPS	57,038,021	55,369,935

As the Group generated losses in the financial periods ended 31 December 2022 and 2021, options on issue would decrease loss per share and are therefore anti-dilutive. Accordingly, issued options were excluded from the calculations of diluted earnings per share for the half years ended 31 December 2022 and 2021.

8 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 December 2022 (30 June 2022: None).

9 Events Occurring After the Reporting Date

The consolidated interim financial report was authorised for issue on 27 February 2023 by the board of directors.

On 31 January 2023, Mr Sam Butcher resigned as Company Secretary of the Group and was replaced by Mr James Barrie.

No matters or circumstances have arisen since the end of the financial half year which significantly affected or could significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Global Health Limited

ABN 75 091 377 892

Directors' Declaration

The directors of the Company declare that:

1. The consolidated interim financial statements and notes, as set out on pages 5 to 17 are in accordance with the *Corporations Act 2001*, including:
 - (a) complying with Accounting Standard AASB 134: Interim Financial Reporting and *Corporations Regulations 2021*; and
 - (b) give a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable based on the factors outlined in Note 1 "Going Concern".

This declaration is made in accordance with a resolution of the Board of Directors.



Non-Executive Chairman:
Grant Smith

Dated this 27th day of February 2023

Independent Auditor's Review Report to the Members of Global Health Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Global Health Limited ("the Company") which comprises the consolidated interim statement of financial position as at 31 December 2022, the consolidated interim statement of profit or loss and other comprehensive income, the consolidated interim statement of changes in equity and the consolidated interim statement of cash flows for the half-year ended on that date, a summary of significant accounting policies and other explanatory information, and the directors' declaration for the Group comprising the company and the entities it controlled at the half-year end or from time to time during the half-year.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of the Group does not comply with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2022 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 Going Concern in the interim financial report, which indicates that the Group incurred a loss before tax of \$2,676,297 (2021: loss before tax of \$1,360,681) for the 6-month period ended 31 December 2022 and, as of that date, its current liabilities exceed its current assets by \$732,457 (30 June 2022: current assets exceeded current liabilities by \$2,351,139). As stated in Note 1 Going Concern, these events or conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001* which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's review report.

hlb.com.au

HLB Mann Judd (VIC Partnership) ABN 20 696 861 713

Level 9, 550 Bourke Street, Melbourne VIC 3000 | GPO Box 2850, Melbourne VIC 3001

T: +61 (0) 3 9606 3888 F: +61 (0) 3 9606 3800 E: mailbox@hlbvic.com.au

Liability limited by a scheme approved under Professional Standards Legislation.

HLB Mann Judd (VIC Partnership) is a member of HLB International, the global advisory and accounting network

Responsibility of the Directors for the half-year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility for the Review of the half-year Financial Report

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2022 and its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

HLB Mann Judd

HLB Mann Judd
Chartered Accountants

Melbourne
27 February 2023

A handwritten signature in black ink, appearing to read 'M Gummery', with a stylized flourish at the end.

Michael Gummery
Partner