

26<sup>th</sup> April 2023

ASX:GLH

## Global Health Ltd

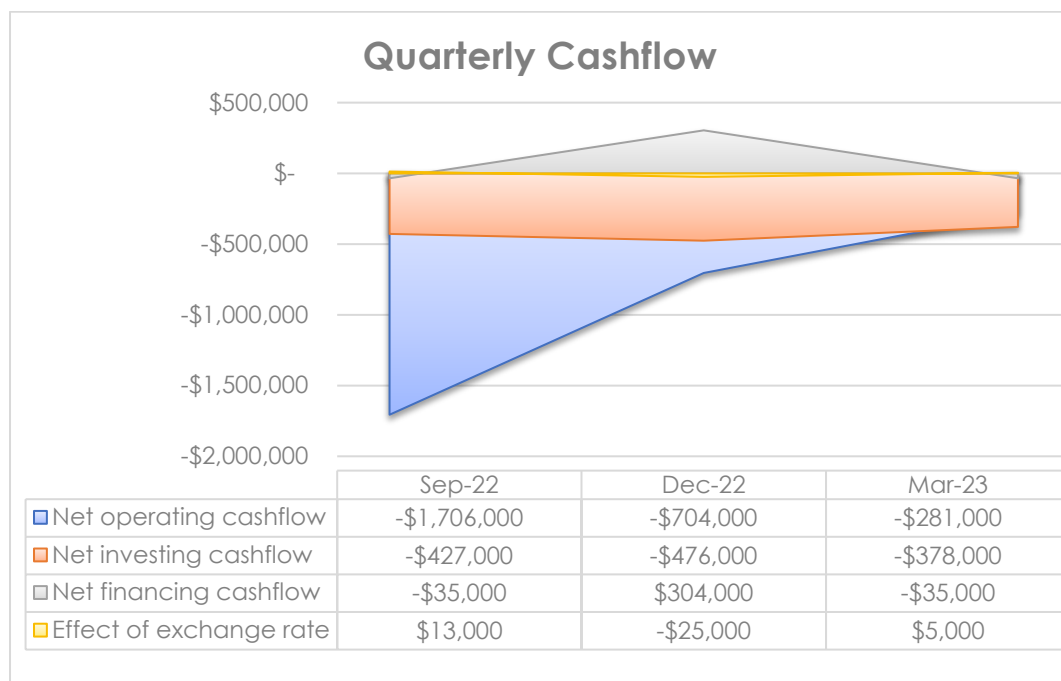
### March Quarterly Business Activity Report & Appendix 4C

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 March 2023, along with a **Quarterly Business Activity Report**.

### Highlights

- Group remains focused on returning to positive net operating cashflow by December 2023
- Australian operations are tracking to achieve revenue of approximately \$7.5M for the 12 months ending June 2023
- Monthly Recurring Revenue (MRR) is up 12%
- Professional Services revenue is up 79%
- EBITDA is up 24%

### Financial Overview



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- The net operating cashflow deficit for the quarter has reduced 60% from \$704K in the December Quarter to \$281K in the March Quarter for the Group. The overseas operations generated an operating cashflow deficit of (\$365K) while the Australian operations generated \$84K of positive operating cashflow
  - The Australian operations are focused on maintaining positive operating cashflow in the June quarter
  - Total investing cashflow (capitalised product development) remained steady over the 9 months to March at an average of \$427K per quarter.
  - Total cashflow deficit for the quarter has reduced by approximately 24% from \$901K in the December quarter to \$689K in the March Quarter
  - The impact of staff and contractor reductions has resulted in a reduction of Administration, Sales & Marketing costs from an average of \$420K pm (Jul-22 to Dec-22) to around \$300K pm representing an annual reduction of approximately \$1.4M

### March Activity

#### Major activity in the March quarter includes:

- The implementation of the MasterCare inpatient Electronic Medical Record SaaS platform at the Matilda Nepean Private Hospital in New South Wales
  - The partnership with Woolworth's HealthyLife initiative where the Company's portfolio of platforms is used to support consumers seeking telehealth consultations from General Practitioners, nutritionist and other holistic health providers
  - The implementation of MasterCare Patient Administration System in the Acurio Health Group's George Private Hospital in NSW
  - The commencement of the implementation of MasterCare Community health platforms at La Trobe Regional Community Health and Peninsula Community Health
  - The commencement of the implementation of MasterCare Discharge Summary at 6 private hospitals nationally
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For the 9 months to March 2023, compared to the PCP (Prior Comparable Period) being 9 months to March 2022:

- Monthly Recurring Revenue (MRR) is up 12%
- Professional Services revenue is up 79%
- Total Revenue is up 17%
- Net Revenue or Gross Margin is up 40%
- EBITDA is up 24%

A continued focus on the important role that R&D plays for the Company creates expenses of approximately \$225K per month. This investment is directed to the transition of our client/server hospital, community health and primary care platforms across to the next generation, multi-tenanted (SaaS) platform for healthcare providers (MasterCare Plus), and consumer applications focused on empowered and engaged consumers working with their clinical care teams for improved health outcomes. The velocity of re-platforming is reviewed every quarter based on cashflow forecasts.

### Forward Outlook & Growth Strategy

The Australian operations are tracking well to achieve full year revenue of approximately \$7.5M and positive operating EBITDA (pre-R&D expense & capitalisation).

The benefit of the Company executing on operating cash savings during the past 9 months will have a positive impact during the June Quarter and into the 2023/24 financial year.

The COVID-19 pandemic has seen a greater focus and acceleration on the digital transformation in the healthcare sector with an emphasis on the importance of the patient journey with the overall aim to deliver better patient outcomes. This has been Global Health's long-term strategy that the patient is the focus of our healthcare solutions. Woolworth's HealthyLife initiative confirms our view.

Healthcare providers have seen a significant increase in reporting to governments, funders and other agencies, Global Health has included these requirements in our existing and future digital platforms. This will enable healthcare providers to meet these new requirements as well as improve their operating efficiency and productivity.

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With the ageing of the Australian population together with the Commonwealth Government's proposed increase in immigration to 900,000 people over the next 3 years, Global Health is seeing significant investment across the board in private hospitals, short-term stay hospitals, mental health facilities and programs, community health, primary health rationalisation and general healthcare services. This has resulted in record tendering for digital healthcare platforms. Global Health's sales pipeline is both robust and strong in Australia and the ASEAN region.

The Group continues to explore M & A opportunities with synergistic organisations.

In accordance with Listing Rule 4.7C.1, the expenditures of Global Health for the quarter ended 31 March 2023 are set out in the table below:

Expense Category	Amount (\$A'000)
Product manufacturing and operating costs	751
Advertising and marketing	26
Leased assets	46
Staff costs	1,388
Administration and corporate costs	395
Interest and other costs of finance paid	1
Property, plant and equipment	1
Research and product development	377
Repayment of borrowings (HP Finance)	35

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In accordance with Listing Rule 4.7C.3, payments to related parties and their associates during the quarter totalled \$125K. This related to directors' remuneration.

**This announcement was approved for lodgement by the Board.**

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For further information please contact:

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**About Global Health Limited**

**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.

Located in Melbourne, Victoria the company is ISO27001 compliant.

Find out more about Global Health Solution's at [www.global-health.com](http://www.global-health.com)

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## 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 March 2023

**Consolidated statement of cash flows**

**Current quarter  
\$A'000**

**Year to date  
(9 months)  
\$A'000**

1.1	Receipts from customers	2,326	5,674
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(751)	(2,027)
	(c) advertising and marketing	(26)	(182)
	(d) leased assets	(46)	(139)
	(e) staff costs	(1,388)	(5,009)
	(f) administration and corporate costs	(395)	(994)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	-	-
1.5	Interest and other costs of finance paid	(1)	(6)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
<b>1.9</b>	<b>Net cash from / (used in) operating activities</b>	<b>(281)</b>	<b>(2,683)</b>

<b>2.</b>	<b>Cash flows from investing activities</b>		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	(1)	(9)
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	(377)	(1,261)
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	-	(11)
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(378)</b>	<b>(1,281)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
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	-	338
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(35)	(105)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>(35)</b>	<b>233</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	3,320	6,376
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(281)	(2,683)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(378)	(1,281)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(35)	233
4.5	Effect of movement in exchange rates on cash held	5	(14)
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>2,631</b>	<b>2,631</b>



<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	2,631	3,320
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>2,631</b>	<b>3,320</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1 *	125
6.2	Aggregate amount of payments to related parties and their associates included in item 2 **	-
<p><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></p> <p><i>* Payments associated with item 6.1 relate to directors' fees/directors' remuneration.</i></p> <p><i>**Payments associated with item 6.2 relate to a loan to an associate company.</i></p>		

7.	Financing facilities	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
	<i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i> <i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	28	28
7.3	Other (please specify)	36	36
7.4	<b>Total financing facilities</b>	<b>64</b>	<b>64</b>
7.5	<b>Unused financing facilities available at quarter end</b>	NIL	
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.		
7.2	<i>Lender: Australia and New Zealand Banking Group Limited (ANZ)</i> <i>Company Credit Card Facility</i> <i>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.</i> <i>Secured/unsecured: Unsecured</i>		
7.3	<i>Lender: HP Financial Services (Australia) Pty Ltd</i> <i>Interest rate: 8.5% per annum</i> <i>Maturity date: June 2023</i> <i>Secured/unsecured: Unsecured</i>		

<b>8.</b>	<b>Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1	Net cash from / (used in) operating activities (item 1.9)	(281)
8.2	Cash and cash equivalents at quarter end (item 4.6)	2,631
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	2,631
8.5	<b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	<b>9.36</b>
<p><i>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.</i></p>		
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?	
<p>Answer: N/A</p>		
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?	
<p>Answer: N/A</p>		
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?	
<p>Answer: N/A</p>		
<p><i>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.</i></p>		

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## 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: 26 April 2023

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.
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