

Global Health achieves 20% customer revenue growth to \$7.8M

Investment highlights

- Customer Revenue up 20% to \$7.81M
- Annual Recurring Revenue Up 11% to \$5.73M
- Gross Margin Up 47% to \$4.12M
- \$3,897,289 of Intangibles written down to zero
- R&D fully expensed from Jan-23

Global Health Limited (ASX:GLH) (“Global Health” or “the Group”) is pleased to announce strong progress in key areas:

- Customer Revenue, Recurring Revenue and Gross Margin achieved double digit growth.
- Operating expenses have been re-directed to customer facing roles.
- Investment of resourcing in product engineering was accelerated to ensure the Group's focus on delivering patient-centric SaaS based platforms will be substantially completed by December 2024.

\$3.9M Impairment of Intangibles

The Board has determined it prudent to fully impair the capitalised value of developed software to the value of \$3.9M.

The recent increases in interest rates and weighted average cost of capital have meant an annual discount rate of 22.8% has been applied to the Discounted Cashflow Forecast when determining impairment of intangible assets.

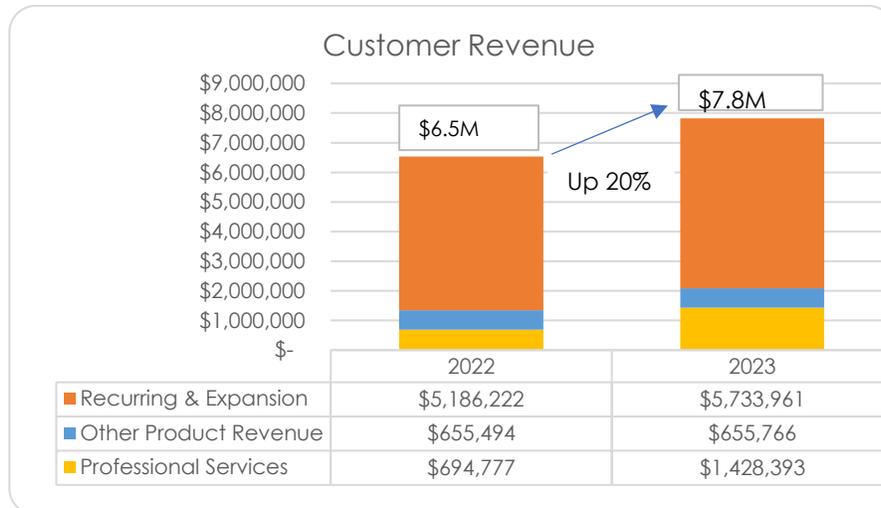
The underperformance of revenue growth over the last 3 years (COVID-19 period) compared to budget, and the decision to accelerate R&D investment in re-platforming the products to a SaaS model, combined with the increased discount rate, have required the Board to prudently impair the capitalised value of intangible assets.

This enables the Group to re-set the development roadmap as operational expenditure until the economic conditions start to shift and the health sector invests in expenditure on data and digital technology, as highlighted through the recent release of the Australian Government's 2023 Intergenerational Report.

Customer Revenue up 20%

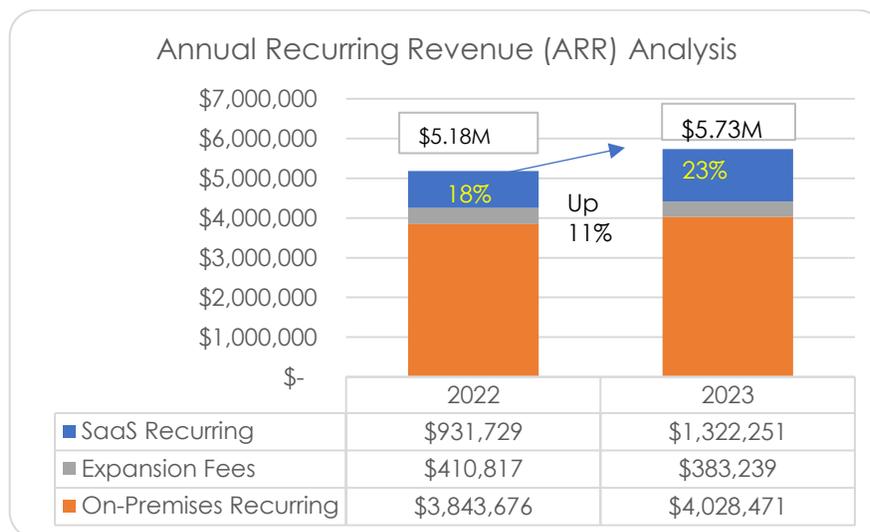
Over the year, over 30 new customers were onboarded across our portfolio of platforms contributing to a 20% increase in revenues (up \$1.28M) to \$7.81M. One-off Professional

Services revenue represented 57% (\$733K) of the increase while the increase in recurring revenue represented 43% (\$548K) of the revenue growth.



An additional \$1M in contracted projects are scheduled for delivery in FY24 and beyond.

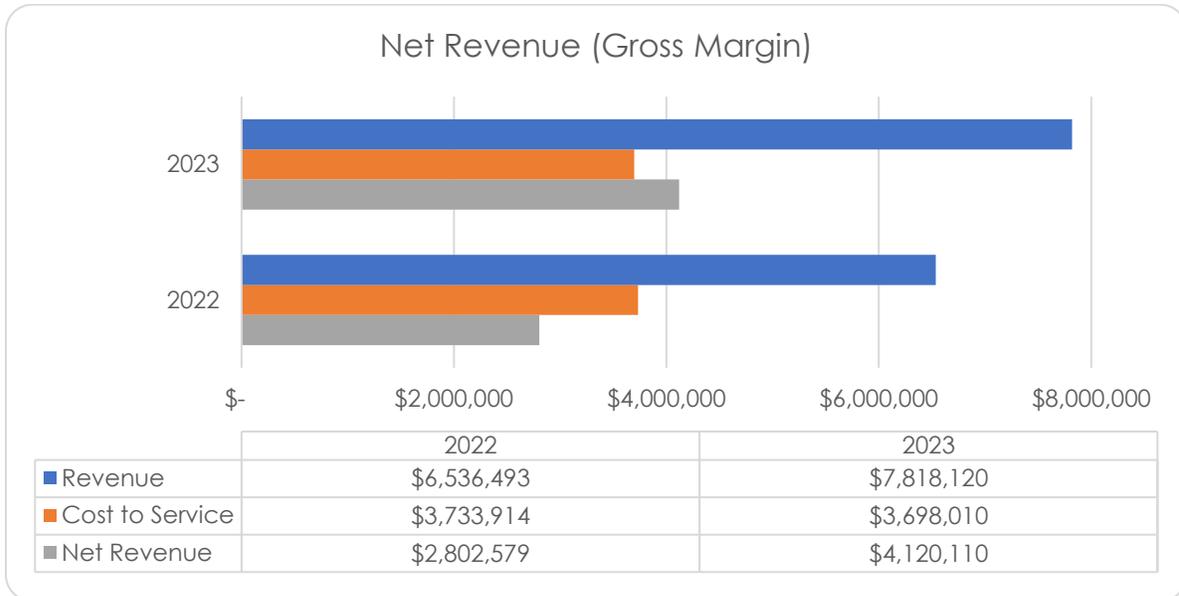
SaaS ARR up 42% to 23% of Total ARR



As the Group transitions its platforms from on-premises client/server architecture to cloud-based platforms, SaaS recurring has grown by 42% (up \$390K) to \$1.32M and now represents 23% of total Annual Recurring Revenue (up from 18% of ARR).

Annual Recurring Revenue represents 73% of the total Customer Revenue.

Gross Margin up 47%



The Group's management accounts identify expenses directly related to revenue as the "Cost to Service".

The Cost to Service includes:

- 3rd party software such as Atlassian, Zendesk, Hubspot, Amazon Web Services, Microsoft Azure, MIMS, SMS and other 3rd party software.
- Staff and contractor costs for Customer Support, Product Maintenance and Professional Services.

Net Revenue or Gross Margin improved by 47% (up \$1.3M) to \$4.1M.

Product Re-platforming R & D up \$1.9M (400%)

The Australian Government's 2023 Intergenerational Report identifies health, aged care, and the National Disability Insurance Scheme (NDIS) as three of the fastest growing areas of expenditure. The report encourages the better use of digital and data technology to meet the growing demand for high-quality care to support an ageing and longer-living population.

The opportunity to deliver improved productivity to healthcare operators and improved outcomes for patients is driving the demand for technology across the entire healthcare sector. COVID-19 has normalised the remote delivery of healthcare services.

The Group has elected to accelerate the re-platforming of our MasterCare and PrimaryClinic “on-premises” provider platforms to a multi-tenanted SaaS platform for use anywhere, anytime and on any device.

The Provider platforms are being integrated via the emerging Fast Healthcare Interoperability Resources standard (HL7 FHIR) to the following Group SaaS platforms, designed to deliver an optimised, exceptional experience for clinicians and consumers.

- ReferralNet (www.referralnet.com.au) for secure sharing of clinical and patient data across allied health, medical and consumer applications,
- Lifecard Personal Health Record (PHR) (www.lifecard.com) for patient empowerment enabling consumers to proactively manage their health with a prescribed care plan in collaboration with their team of clinicians, and,
- HotHealth Digital Front Door (www.hothealth.com) for an exceptional and optimised engagement between providers and their customers.

The development roadmap is targeting the delivery of a streamlined patient journey for allied health and medical specialists by December 2023 followed by a streamlined patient journey for overnight and day hospitals by June 2024 and a streamlined patient journey for people living with chronic or lifelong conditions by December 2024.

This roadmap requires an investment of approximately \$250K per month in design, development and testing resources to December 2024. The Board recognises the challenging economic conditions however based on current forecasts, the accelerated R&D investment will not require new equity capital raising.

Forward Outlook

Global Health Managing Director Mathew Cherian said: “The healthcare-wide sector faces structural, financial and technological challenges over the next decade. Healthcare costs in all settings continue to escalate, with longer life-expectancy confronted by chronic and lifestyle diseases. Innovative technology solutions, the exponential rise in artificial intelligence, consumer-based wearables and devices, will underpin the opportunities to address the structural change required in healthcare across the globe.

The Group’s vision to streamline the patient journey and better engage consumers with their care team has been our mantra for over a decade, where the consumer is in more control of their care and their data. The Internet-enabled digital world and COVID-19 has accelerated the demand for patient-centred innovation.

Global Health has the technology solutions that can service improved consumer and care experiences. Our decision to accelerate the implementation of our streamlined patient-centric vision, and explore Asian markets in a considered manner, has the potential to positively transform shareholder value. As part of this process, the Group has pivoted from setting up offices and employing staff to supporting local partners in each overseas jurisdiction.

We look forward to an exciting future enabling a shift to a fully integrated portfolio of multi-tenanted, cloud-based solutions that will deliver better outcomes for consumers, improved efficiencies for healthcare operators and optimised decision making for clinicians in a global market.”

For further information, please contact:

Global Health Limited (ASX:GLH)

Mathew Cherian
Managing Director
M: 0409 099 788
E: Mathew.cherian@global-health.com

About Global Health Limited (ASX:GLH)

Global Health Limited (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.

This ASX announcement has been authorised by the Board of Global Health Limited (ASX:GLH).

For more information



Subscribe on our [YouTube](#)



Follow us on [LinkedIn](#)



Subscribe to our [mailing list](#) to receive



Visit our investor website: <http://www.global-health.com/>