
September Quarterly Business Activity Report & Appendix 4C
25th October 2023
Global Health Limited (ASX: GLH)

Revenue up 18% on Previous Corresponding Period (PCP)
Overheads reduced by \$360K from \$1.079m Sept-22 to \$701K Sept-23.
EBITDA (normalised for expensed R&D) improves 34% from (\$923K) Sept-22 to (\$611K) Sept-23.
Total cashflow deficit reduced by \$1.296m from Sept-22 deficit of \$2.155m to \$859K Sept-23.

Global Health Limited (ASX: GLH) ("Global Health" or "the Group") is pleased to release its Appendix 4C Cash Flow Report for the quarter ended 30 September 2023 (Q1 FY24), and the accompanying Quarterly Business Activity Report. The financial performance commentary for the Sept-23 Quarter is relative to the Previous Corresponding Period (PCP) being the Sept-22 Quarter. From 1 July 2023 all R&D expenditure has been expensed.

Financial Commentary

Total revenue for the Quarter is up 18% on PCP to \$1.89M

Professional services billings of approximately \$350K from project milestones achieved for customers scheduled to "go-live" in the June-24 quarter. A further \$900K in contracted project revenue is yet to be invoiced for contracted project services to June-24.

Annual Recurring Revenue (ARR) was up 10% on the PCP to \$1.51M for the quarter and tracking to \$6M ARR for the 12 months to June-24.

Overheads (Corporate, Sales & Marketing) are down 34% from \$1.079m in Sept-22 to \$701K in Sept-23. Expenses for the Sept-23 qtr. This included \$139K in one-off terminations payments, bringing the total one-off terminations payments due to staffing re-structures to over \$466K over the last 4 quarters.

EBITDA (normalised for expensed R&D) is up 34% from (\$924K) in Sept-22 to (\$612K) in Sept-23.

Sept-23 Quarter Activity

The September quarter is seasonally the period of demand generation rather than new contract execution. The Company finalised further staff re-structuring resulting on one-off termination payments of approximately \$140K. The total one-off termination payments over the last 4 quarters (Dec-22 through to Sept-23) is in excess of \$465K.

The Singapore office staff have been released and cash outflow reduced to statutory, corporate related expenses and some travel and accommodation expenses.

The focus overseas is now on in-country channel partners and resellers. The recent Fujitsu Strategic Agreement announced on the 16th October 23 covers 12 Asia Pacific countries, Australia, New Zealand, China, Hong Kong, India, Indonesia, Korea, Malaysia, Singapore, Taiwan, Thailand and Vietnam.

In the September quarter, project work commenced for the previously announced implementation of MasterCare at the Westside and Adeney private hospitals as well as the La Trobe Community Health Centre. A further 11 existing hospital PAS customers are now in the process of implementing MasterCare Discharge Summaries.

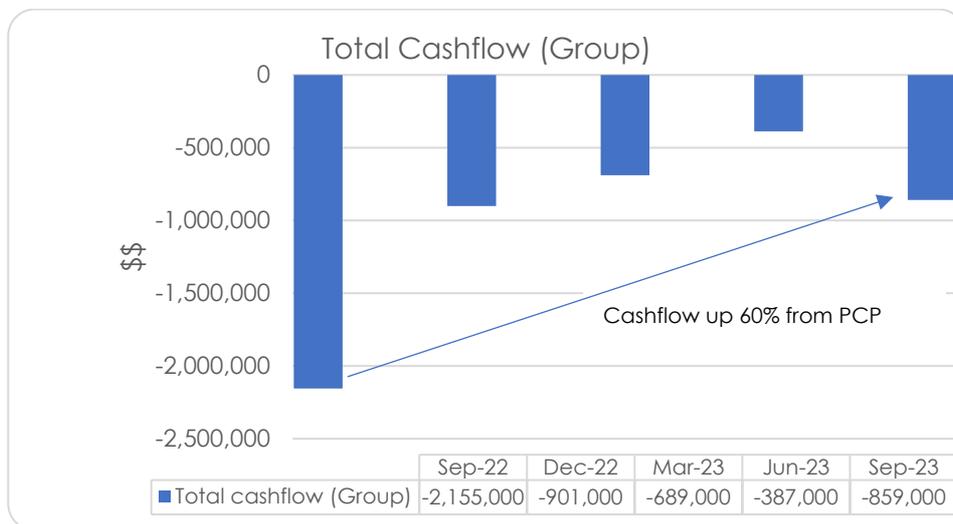
The re-platforming of the Company's established PAS, EMR and Practice Management to our MasterCare Plus SaaS platform is on track to progressively deliver MasterCare SaaS for Allied Health by December 2023, MasterCare SaaS for Specialists by March 2024, MasterCare SaaS for Hospitals by June-2024 with MasterCare SaaS for Community Health and MasterCare SaaS for General Practice currently due by December 2024.

From 1 July 2023, all R&D expenditure is fully expensed, therefore EBITDA and Net Profit is expected to remain negative until the second half of FY2025.

The Company has secured a debt facility of \$500K to assist in maintaining our spend on re-platforming.

Based on the current external conditions, contracted projects and ARR invoicing cycles, the Company does not expect a need for raising capital in the foreseeable future.

Total cashflow deficit reduced by 60% from (\$2.155m) to (\$859K).



Global Health Managing Director Mathew Cherian commented "It has been a challenging 12 months with a significant restructure and a renewed emphasis on customer facing staff. The restructure was timely given the adverse economic conditions and has resulted in reduced operating expenses. With the addition of indirect sales channels such as Fujitsu, the forecast is for a continuation of revenue growth."

Forward outlook & growth strategy

There is an increase in demand for technology upgrades to SaaS platforms. There are several avenues to scale that the Company is pursuing to meet this increase in demand.

This includes organic Business As Usual growth in our traditional markets, sales through existing sales force, value-add upsells to deliver a better value to our existing customers, partnerships with 3rd party "best-of-breed" vendors and, through indirect sales channels such as Fujitsu, to drive growth in new markets.

Required disclosures in accordance with Listing Rule 4.7C

In accordance with Listing Rule 4.7C.1, the expenditures of Global Health for the quarter ended 30 September 2023 are set out in the table below:

Expense Category	Amount (\$A'000)
Product manufacturing and operating costs	882
Advertising and marketing	5
Leased assets	40
Staff costs	1,603
Administration and corporate costs	200
Interest and other costs of finance paid	9

In accordance with Listing Rule 4.7C.3, payments to related parties and their associates during the quarter totalled \$114K. This related to directors' remuneration.

This announcement was approved for lodgement by the Board.

– ENDS –

For further information please contact:

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About Global Health Limited

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.

To learn more about Global Health please visit: 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	Quarter ended ("current quarter")	
75 091 377 892	30 September 2023	
Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from customers	1,665	1,665
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(882)	(882)
(c) advertising and marketing	(5)	(5)
(d) leased assets	(40)	(40)
(e) staff costs	(1,603)	(1,603)
(f) administration and corporate costs	(200)	(200)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid	(9)	(9)
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	(1,072)	(1,072)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
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	-	-

3.	Cash flows from financing activities		
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	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Net proceeds from borrowings	202	202
3.6	Net repayment of borrowings	-	-
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	202	202

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,244	2,244
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,072)	(1,072)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	202	202
4.5	Effect of movement in exchange rates on cash held	11	11
4.6	Cash and cash equivalents at end of period	1,385	1,385

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	1,385	2,244
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)	1,385	2,244

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 *	114
6.2	Aggregate amount of payments to related parties and their associates included in item 2 **	-

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.

** Payments associated with item 6.1 relate to directors' fees/directors' remuneration.*

***Payments associated with item 6.2 relate to a loan to an associate company.*

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	13	13
7.3 Other (please specify)	500	272
7.4 Total financing facilities	513	285
7.5 Unused financing facilities available at quarter end		228
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.		
<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: iQumulate Premium Funding – Insurance premium funding Interest rate: 6.4073% per annum Maturity date: 31 December 2023 Secured/unsecured: Unsecured</p> <p>Lender: HP Financial Services (Australia) Pty Ltd Interest rate: 12.748% per annum Maturity date: September 2026 Secured/unsecured: Unsecured</p>		

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,072)
8.2	Cash and cash equivalents at quarter end (item 4.6)	1,385
8.3	Unused finance facilities available at quarter end (item 7.5)	228
8.4	Total available funding (item 8.2 + item 8.3)	1,613
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	1.5
<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:</p> <p>No, we expect an improvement due to revenue growth through contracted projects and a lower operating cost structure.</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:</p> <p>Yes. The company has secured a \$500K debt facility.</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:</p> <p>Yes. The company has a well-formed strategy in place aimed at revenue growth and improved cashflow. The company has taken agile position to respond to market conditions.</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>		

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: 25th October 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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