

## Global Health reports improved first half financial performance

### Result highlights

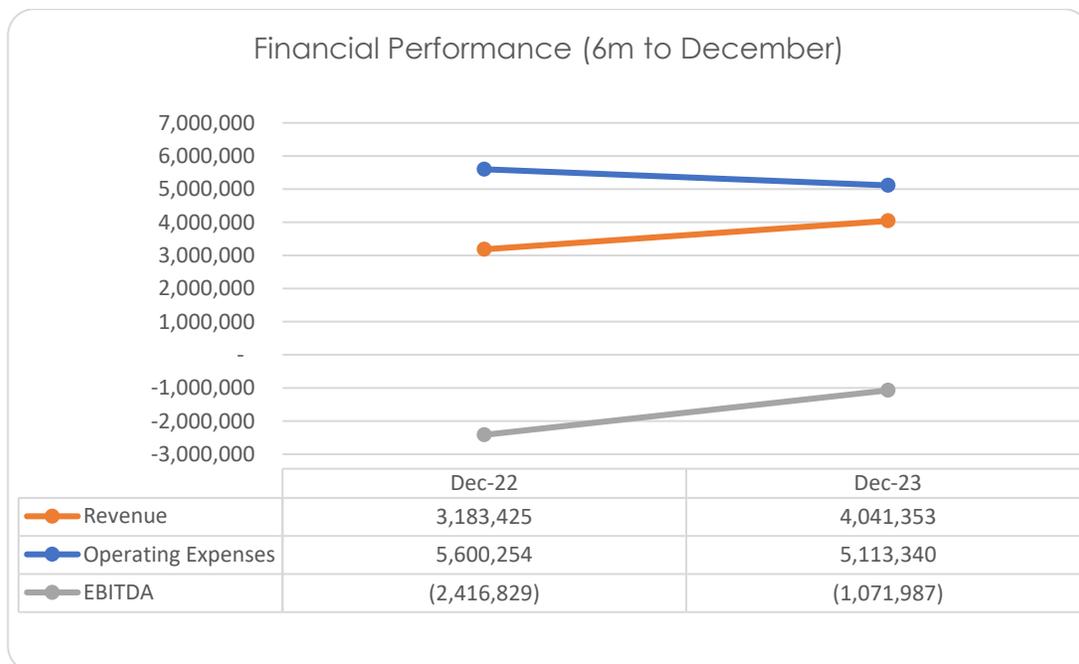
- Revenue up 27% or \$856K to \$4.039M
- Expenses reduced by 12% or \$0.69M to (\$5.2M)
- EBITDA up 58% or \$1.5M to (\$1M)
- Innovation investments (R&D) increase 84% to \$1.468M

**Global Health Limited (ASX: GLH)** ("Global Health" or "the Group") is pleased to release its Appendix 4D Report for the Half Year ended 31 December 2023.

The financial performance commentary for the 6 months to December 2023 is relative to the Previous Corresponding Period (PCP) being the 6 months to December 2022.

The Group has taken the decision that innovation is core to the operating expenses of a technology business consequently, the Group's investment in innovation (R&D) is fully expensed as operating expenses.

The current forecast is to maintain the increased level of investment in innovation with increasing revenues from new sales progressively narrowing the cash deficit and achieving a cash surplus.



### **Revenue up 27% (\$856K) to \$4.039M**

Professional Services revenue relating to Project and Implementation services for the 6 months to December 2023 was more than 58% higher than the PCP.

In September 2023, the Group announced a contract for the implementation of the Group's MasterCare Patient Administration software and FHIR integration platform at Adeney Private Hospital in Kew, Victoria, due to open in 2024. The zero-gap, state-of-the-art facility features 5 theatres, 30 beds and 12 oncology chairs.

The implementation of MasterCare at the new Weststate Private Hospital in Townsville announced in early July 2023 has been delayed due to external factors, with the go-live unlikely this financial year.

The Group had previously announced the transitioning of our overseas business development aspirations from directly employed staff to distributors and channel partners. In October 2023, the Group executed a strategic Reseller agreement with Fujitsu Australia to promote, sell and deliver implementation and support services to the healthcare industry across 13 countries within the Asia Pacific region.

The revenue of \$4.039M represents an increase of \$856K (+27%) over the PCP.

### **Expenses reduced by 12% (\$0.69M) to \$5.2M**

Over the reporting period, the Group continued the re-structuring activity begun in December 2022 with a focus on increased customer facing roles, reduced shared services overheads, and the use of external specialist contractors where appropriate.

The Group on-boarded new sales personnel based in New South Wales covering the NSW, ACT and Queensland markets and in Victoria covering existing customers and new-logo opportunities in Victoria, Tasmania, South Australia, Western Australia, and the Northern Territory.

A new Client Liaison group was established in September with Customer Liaison Officers or "CLOs", tasked with ensuring customers are kept updated on the status of their support and development requests, managing inbound queries and identifying opportunities to value-add services and products to existing customers.

The re-structure activities have resulted in expenses being reduced by over \$0.69M in the 6 months to December 2023 compared to the Previous Corresponding Period (PCP).

### **EBITDA up 58% (\$1.5M) to (\$1M)**

We deployed significant resource effort and enhancements to our established BAU client/server solutions to generate new features and improved performance. In combination, the increased revenue and reduced expenses have resulted in a net favourable turnaround of over \$1.5M in the Half Year to December 2023 compared to the PCP.

Investments in customer-facing roles and new revenue initiatives are delivering a healthy pipeline of new revenue opportunities and improved customer experiences.

## ***Investment in Innovation (R&D) increased 84% to \$1.469M over 6 months***

The Group has increased our Innovation expenditure (R&D) by 84% from \$0.796M in the PCP to \$1.469M in the 6 months to December 2023. Innovation investment now represent 28% of the Group's total expenditure, which is double the PCP levels of 14%. Our R&D is aligned to support the recent government Digital Health goals and objectives.

The priority remains to complete the re-platforming to MasterCare Plus (M+) SaaS platform in 2024 augmented with Data Analytics platforms and partnering with best-of-breed and proven AI vendors and solutions. The re-platforming of our BAU client/server applications to the new multi-tenanted, responsive SaaS platform (MasterCare Plus) is on track to commence commercial release in the June quarter.

MasterCare Plus delivers a fully featured Electronic Medical Record (EMR) as well as an Australian-centric Revenue Cycle Management module for the complex funding and billing models that support Australian hospitals, community health, specialists, and primary care providers.

MasterCare Plus SaaS platform integrates a digital front door, Personal Health Records (PHRs) for consumers, secure message delivery to the wider community of external healthcare providers, and a data analytics platform for Business Intelligence and the reporting of over 25 Minimum Data Sets that are required for state and commonwealth funding programs.

The current forecast is to maintain the increased level of investment in innovation with increasing revenues from new sales progressively narrowing the cash deficit to achieve a sustainable cash.

### **Forward outlook & growth strategy**

The healthcare sector in Australia is underpinned by strong tailwinds over the next couple of decades. These include:

- the pace of innovation in digital technology and medical devices,
- the impact of artificial intelligence, robotics, genomics, and machine learning, on the detection and treatment of health conditions,
- The rising incidence of chronic health conditions, like Diabetes and Mental health,
- The increasing healthcare expenditure as a percentage of GDP
- A growing and ageing population
- Government debt putting pressure on the public healthcare system.

The impact of Artificial Intelligence (AI) on healthcare systems, is expected to be very significant soon. The optimal application of AI requires digital data at a granular level rather than paper-based or digitised, scanned images. As the market seeks to adopt AI there will be an increase in demand for digital atomic data as represented by the Group's MasterCare Clinical platform, our HotHealth digital front door platform for patient engagement and our Lifecard Personal Health platforms.

The integration of data from wearables and remote monitoring devices in the home or in institutions will also drive demand for our MasterCare and LifeCard platforms.

Our priority remains the completion of the re-platforming of our on-premises, provider platforms to MasterCare Plus (M+) SaaS in 2024, augmented with a Data Analytics platforms and partnering with best-of-breed vendors.

Many healthcare providers are facing significant challenges with a shortage of skilled staff, increased labour costs increased cost of compliance and an inability to pass these costs on to health insurers and patients. Global Health's platforms provide exceptional value for improvements in productivity and efficiency.

As the re-platforming is completed, the Group will continue to implement innovation directed initially towards incorporating AI for improved business efficiencies and productivity and better outcomes for consumers.

The combination of in-house business development, indirect channels and best-of-breed partner vendors continues to be the path to growth. There is renewed energy across the group and a sense of optimism that the Group will deliver consistent revenue growth and improvement in margins for shareholders.

**Global Health Managing Director Mathew Cherian said:** "Our commitment to innovation is driven by our passion to transform the patient journey to deliver productivity gains for healthcare business operators, enhanced decision support for clinicians, and empowered consumers that better manage their health and wellness."

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

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**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 healthcare 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: <http://www.global-health.com/>

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