

June 2024 Quarterly Business Activity Report & Appendix 4C
17 July 2024
Global Health Limited (ASX: GLH)

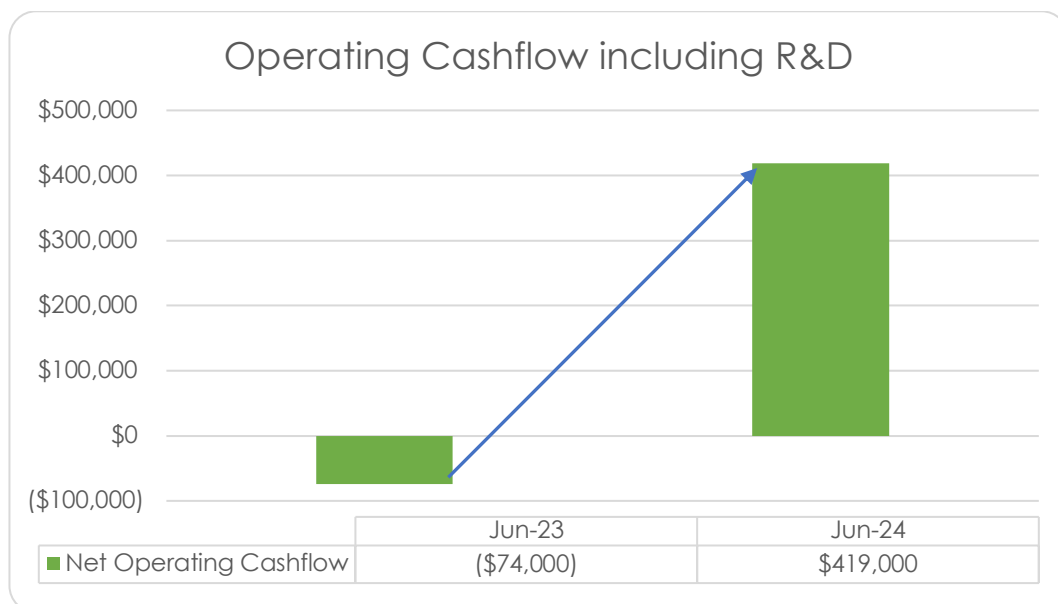
Positive Operating cashflow up 666% on PCP to \$419K for the June Quarter
Positive Operating cashflow of \$199K for the 6 months to 30-June 2024
Closing Cash Balance of \$2.066M includes \$596K of Convertible Notes

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 June 2024 (Q4 FY24), and the accompanying Quarterly Business Activity Report. The financial performance commentary for the June-24 Quarter is relative to the Previous Corresponding Period (PCP) being the June-23 Quarter. From 1 July 2023 all R&D expenditure has been expensed. PCP comparisons have been adjusted with Capitalised R&D added back to operating expenses to ensure like-for-like comparisons. Financial estimates of revenue, expenses and profitability are subject to audit.

Financial Commentary

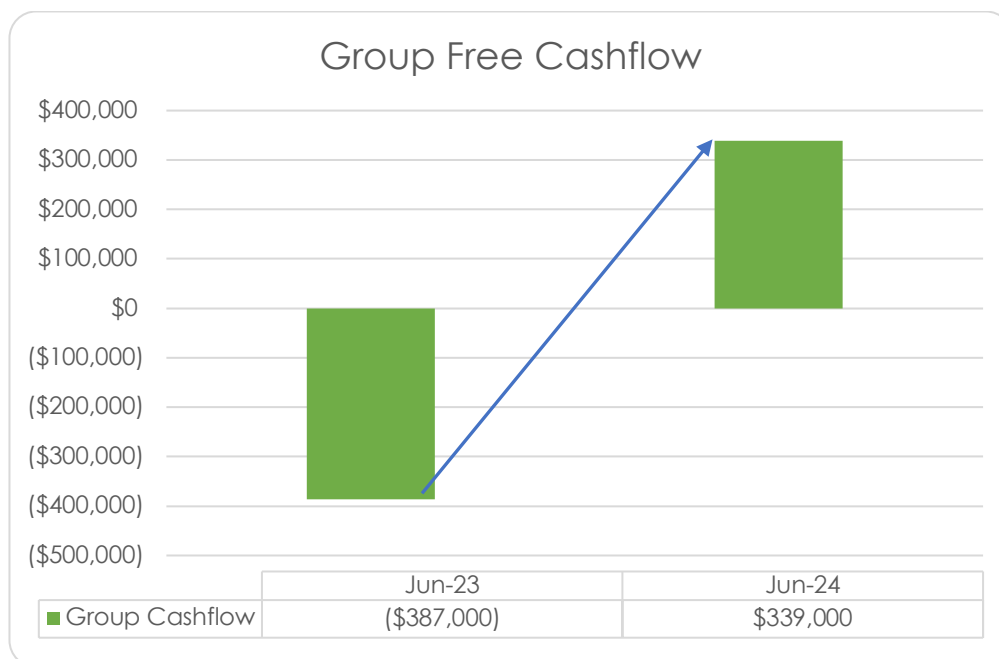
Operating Cashflow improves by 666% on PCP

The Company continued to improve our cashflow with YTD revenue up 11% to \$8.7M and total Operating expenses reducing by 15%. This resulted in an operating cashflow surplus of \$419K, up 666% on the PCP.



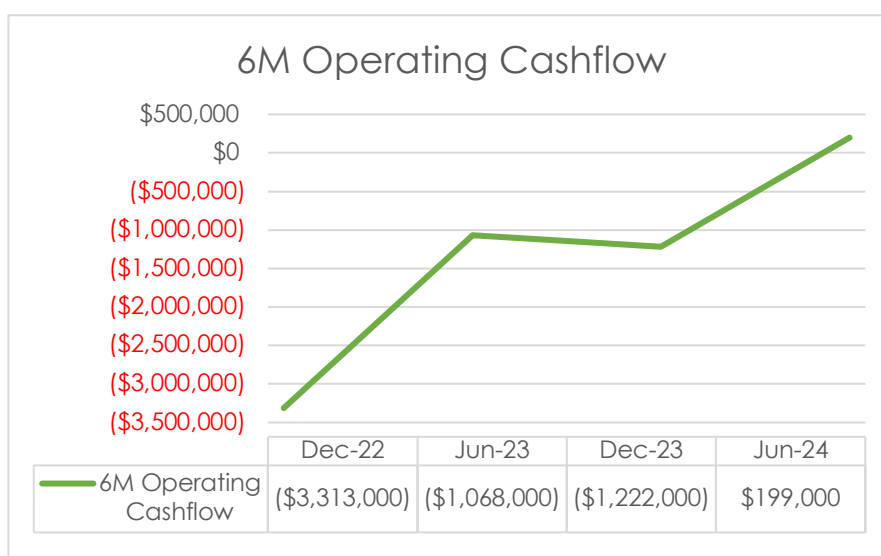
Group Free Cashflow improves by 188% from (\$387K) to \$339K

The positive operating cashflow flowed through to the overall group cashflow with a 188% improvement from (\$387K) to \$339K, representing an improvement of over \$727K or 188% on the PCP.



The closing cash balance as at 30 June 2024 was \$2.066M which included \$596K of convertible notes maturing on 17 June 2027.

Over the six months to 30 June 2024, the Company generated an operating cash surplus of \$199K representing an improvement of 116% or \$1.421M over the 6 months to 30 June 2023.



The return to profitable half-year operations with R&D 100% expensed is a significant milestone for the Company.

June-24 Quarter Activity

The major activity in the June quarter was supporting the implementation of MasterCare across the Latrobe Community Health Service (LCHS). This involved the transfer of one terabyte of data from the previous systems and the configuration and training of over 800 end users. LCHS successfully went live on 1 July.

The other activity was the re-commencement of the re-platforming of our Provider Systems to the composable SaaS architecture of the MasterCare Plus successor for our on-premises applications, and the integration of our Digital Front Door to our on-premises applications as well as the MasterCare Plus SaaS platform.

In the June quarter, the Company successfully completed the transition of our Data Centre from Macquarie Telecom to Microsoft Azure. The Company also published two MasterCare Plus packages for Referral Management and Secure Messaging on the Microsoft Global Marketplace. Further MasterCare Plus bundles will progressively be published on the Microsoft Global marketplace. In parallel, the Company has initiated incorporating Artificial Intelligence into our SaaS platforms working initially with Microsoft, given their leadership in this area.

A significant backlog of functional and performance issues across our provider platforms have been addressed with the sales and marketing team now focusing on new revenue growth from new and existing customers. In the June quarter, over \$360K of new revenue was secured.

Due to the challenging external environment confronting the healthcare industry and the capital markets, the Board took the decision to secure contingency funds of up to \$1M through the issue of Convertible Notes to sophisticated Investors. As of 30 June, \$596K in Convertible Notes were issued with the remainder expected to be completed by early August.

Forward outlook & growth strategy

The Board's decision to restructure and re-focus the Company's operations are reflected in the increased revenue and reduced operating expenses. These benefits are expected to continue in FY24/25.

There is much media coverage of the challenges facing the private hospital sector and debt levels of the state and federal government which fund public sector healthcare services. Increased labour costs, higher energy costs and increased interest rates combined with ongoing inflationary pressure has resulted in healthcare providers needing to improve their productivity and efficiency. This presents opportunities for Global Health to offer digital solutions across the healthcare sector.

The Company's broad portfolio covering the full patient journey from initial assessment through to rehabilitation and recovery. The secure sharing of sensitive clinical information through secure messaging, the wide support for Mental Health services through our clinical and administrative systems and the exceptional value of our solutions provides a confidence that the Company will continue to track towards sustainable positive cashflow and profitable operations.

Research and development expenses have averaged more than \$200K per month over the last two financial years, representing over 30% of revenue each year. This will trend down

towards more acceptable industry standard levels of 20%, as the revenue continues to grow with the new R&D incorporating **AI** into our platforms and the release of a Data Lake for enhanced business intelligence initially using Microsoft's Power BI.

Required disclosures in accordance with Listing Rule 4.7C

In accordance with Listing Rule 4.7C.1, the operating expenditures of Global Health for the quarter ended 30 June 2024 are set out in the table below:

Expense Category	Amount (\$A'000)
Product manufacturing and operating costs	823
Advertising and marketing	28
Leased assets	34
Staff costs	1,423
Administration and corporate costs	274

In accordance with Listing Rule 4.7C.3, payments to related parties and their associates during the quarter totalled \$103K. 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

75 091 377 892

Quarter ended ("current quarter")

30 June 2024

Consolidated statement of cash flows
**Current quarter
\$A'000**
**Year to date
(12 months)
\$A'000**

1.1	Receipts from customers	2,995	9,787
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(823)	(3,890)
	(c) advertising and marketing	(28)	(68)
	(d) leased assets	(34)	(147)
	(e) staff costs	(1,423)	(5,804)
	(f) administration and corporate costs	(274)	(868)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	5	9
1.5	Interest and other costs of finance paid	1	(24)
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	419	(1,005)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	(17)
	(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	-	(17)

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	596	1,058
3.6	Net repayment of borrowings	(76)	(209)
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	520	849

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,131	2,243
4.2	Net cash from / (used in) operating activities (item 1.9 above)	419	(1,005)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(17)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	520	849
4.5	Effect of movement in exchange rates on cash held	(4)	(4)
4.6	Cash and cash equivalents at end of period	2,066	2,066

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	2,066	1,131
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)	2,066	1,131

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 *	103
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
	<p><i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i></p> <p><i>Add notes as necessary for an understanding of the sources of finance available to the entity.</i></p>		
7.1	Loan facilities	596	596
7.2	Credit standby arrangements	20	20
7.3	Other (please specify)	366	366
7.4	Total financing facilities	982	982
7.5	Unused financing facilities available at quarter end		NIL
7.6	<p>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>		
	<p>7.1 Lender: Various sophisticated investors – Convertible Note Interest rate: 12% per annum Maturity date: 17 June 2027</p> <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: Hunter Premium Funding Limited – Insurance premium funding Interest rate: 5.73% per annum Maturity date: 31 December 2024 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)	419	

8.2	Cash and cash equivalents at quarter end (item 4.6)	2,066
8.3	Unused finance facilities available at quarter end (item 7.5)	NIL
8.4	Total available funding (item 8.2 + item 8.3)	2,066
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A

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.

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?

Answer:

Not applicable

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?

Answer:

Not applicable

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?

Answer:

Not applicable

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.

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: 17th July 2024

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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