

Quarterly Activities & Cashflow Report**HeraMED continues to progress commercial adoption,
underpinned by further technical and efficacy validation****Q3 FY22 and Subsequent Events Highlights**

- Commercial deployment of the HeraCARE platform at Joondalup Health Campus (JHC) continues to gain momentum, with more than 200 pregnant mothers added to the platform each month
- Discussions with JHC, part of Ramsay Health Care, progressing well for an extended long-term contract to include all pregnant women under JHC's care (approximately 2,700 births annually)
- Several discussions underway in Australia with both public and private hospitals and a major health insurer, to initiate paid pilots
- Australian market represents strategic focus with a strong and growing pipeline of opportunities
- A key channel partner in the US, e-Lövu is on schedule to begin its first site during Q4 2022
- Positive feedback from the Project Rozana team as they deliver improved healthcare services to expectant mothers in Palestine's West Bank
- Emily Slade appointed to the HeraMED Board in September to support commercialisation
- Completed a AU\$4 million private placement to provide working capital to support commercialisation

HeraMED Limited (ASX:HMD) ("HeraMED" or the "Company"), a leader in the digital transformation of maternity care with its proprietary remote monitoring maternity care platform, is pleased to provide its Appendix 4C cash flow statement for the September 2022 quarter (Q3 FY22) along with the following financial and operational update.

On the September quarter's progress, HMD CEO David Groberman commented, "The quarter represented another period of solid progress on our commercialisation journey, and pleasingly the momentum continues to build.

The AU\$4 million in additional capital that was raised during the period will enable us to progress our development journey and further strengthen our sales and marketing resources to capitalise on the strong and growing pipeline," he said.

Commercial deployment continues to gain momentum at Joondalup Health Campus (JHC)

HeraMED first began working collaboratively with JHC in 2020 through a clinical trial that delivered clinical and functional validation of the HeraBEAT device, which forms the backbone of the HeraCARE solution.

On completion of the clinical trial and publication of the results in the 'Green Journal', which is the globally renowned, leading scientific journal for gynaecology and obstetrics, HeraMED and JHC undertook a paid pilot of the HeraCARE platform.

Following successful completion of the paid pilot In January 2022, JHC entered into a commercial agreement with HeraMED to adopt the HeraCARE solution as the primary standard of care for their expectant mothers.

JHC has now registered its 1,500 pregnancies covered under the initial commercial contract. Both parties are focused on progressing the long-term contract to include all pregnant women under JHC's care (approximately 2,700 births annually).

During the period there was further positive media coverage of the HeraCARE technology including this news story: <https://www.facebook.com/7NEWSPerth/videos/1140211303556687/>

A growing pipeline of opportunities in Australia

In July 2022, Ms Anoushka Gungadin was appointed to the role of Director of Strategic Partnerships, Australia & New Zealand. With a career spanning over 20 years in several CEO and Non-Executive Director roles, Anoushka has already demonstrated her ability to grow and expand the pipeline of opportunities across Australia. Anoushka has a hands-on understanding of the delivery of digital health tech solutions and has a successful record of commercialisation in this space.

Discussions are underway with public and private hospitals as well as other channels with the aim of starting several new paid pilots of the HeraCARE platform in the coming months.

As an increasing number of hospitals and other medical professionals elect to undertake paid pilots, the growth in the pipeline is expected to gather momentum. To capitalise on these opportunities, additional resources may be added to strengthen the Australian-based Business Development and customer success team.

e-Lövu on track to start in United States during Q4.

In July 2022, HeraMED signed a binding term sheet with e-Lövu Health, a clinically guided digital ecosphere and marketplace that brings together best of breed technology and services companies on behalf of healthcare providers to revolutionize maternity care in the United States (US).

e-Lövu Health brings a new level of service and an innovative business model to the pregnancy and maternity care market in the US. The company is using a range of proprietary and patent-pending technologies, for which the HeraCARE platform operates as the backbone. Their goal is to improve healthcare access and outcomes for expectant mothers and to optimize operational efficiencies for professional obstetrics health-service providers.

The founding team of e-Lövu championed the remote maternity strategy within Mednax Inc, including the Virtual OB program's clinical lead Dr. Santosh Pandapati. Importantly, this business has been established with the blessing and support of Mednax and thus preserves all the learnings to date. The Virtual OB program is still operational within Mednax and is actively enrolling patients.

Under the terms of the agreement, subject to funding of e-Lövu, 1,000 remote pregnancy monitoring kits, including HeraBEATs with HeraCARE connectivity, will be supplied to up to 1,000 expectant mothers at several e-Lövu Health partner healthcare providers in the United States. The first site is expected to launch in the coming months, with an estimated full deployment within 12 months.

Once the proper technological and logistical infrastructure is laid, tested, and validated along with the innovative business model that e-Lövu Health is planning to present, the parties plan to enter a long-term strategic partnership, which is expected to deliver significant growth.

Maternal telemedicine program servicing Palestinian mothers in the West Bank

In July 2022, HeraMED announced that its remote monitoring technology was chosen as one of the key components of a collaboration between Israel's Sheba Medical Center and Project Rozana, an Australian-inspired, non-profit organization building bridges to better understanding between Israelis and Palestinians through health. This collaboration is targeting improved healthcare services for expectant mothers in Palestine's West Bank.

The feedback has been positive from both the teams at Sheba and Project Rozana.

Strengthened Board

In September 2022, HeraMED announced the appointment of Emily Slade as a Non-Executive Director. Emily has gained broad experience across Legal and Business Affairs, Intellectual Property and Strategy in a range of sectors, and has already contributed significantly to the Company and its commercialisation strategy.

Financial overview

The cash balance as at 30 September 2022 was US\$ 2.995m. Net cash of US\$930K was used in operating activities compared with US\$788K for the quarter ending 30 June 2022.

September 2022 quarter totals for key expense components were advertising and marketing expenses of US\$63K; research & development expenses of US\$162K; and administration and corporate costs of US\$303K. Staff costs decreased from US\$465K in Q2 FY22 to US\$402K in Q3 FY22.

In August 2022, HeraMED announced the completion of a AU\$4.0m (before costs) private placement to sophisticated and professional investors. The raising was priced at AU\$0.13 per share. Participants were also allocated an attaching option on a 1-for-3 basis with a strike price of AU\$0.22 per share.

The funds will be used to continue the investment in business development as well as sales and marketing initiatives, to capitalise on the growing pipeline of commercial opportunities.

Payments to related parties of the entity and their associates

In item 6 of the attached Appendix 4C cash flow report for the quarter, payments to related parties and their associates of US\$101K comprised director fees paid to executive and non-executive directors.

-ENDS-

This announcement has been authorised by the Board of HeraMED Limited.

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About HeraMED Limited (ASX:HMD):

HeraMED is an innovative medical data and technology company leading the digital transformation of maternity care by revolutionising the prenatal and postpartum experience with its hybrid maternity care platform. HeraMED offers a proprietary platform that utilises hardware and software to reshape the Doctor/Patient relationship using its clinically validated in-home foetal and maternal heart rate monitor, HeraBEAT, cloud computing, artificial intelligence, and big data.

About HeraCARE

The Company's proprietary offering, HeraCARE, has been engineered to offer a fully integrated maternal health ecosystem designed to deliver better care at a lower cost, ensure expectant mothers are engaged, informed and well-supported, allow healthcare professionals to provide the highest quality care and enable early detection and prevention of potential risks.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

HERAMED LIMITED

ABN

65 626 295 314

Quarter ended ("current quarter")

30 September 2022

Consolidated statement of cash flows	Current quarter \$USD'000	Year to date (9 months) \$USD'000
1. Cash flows from operating activities		
1.1 Receipts from customers	30	135
1.2 Payments for		
(a) research and development	(162)	(300)
(b) product manufacturing and operating costs	(44)	(111)
(c) advertising and marketing	(63)	(206)
(d) leased assets	(25)	(78)
(e) staff costs	(402)	(1,447)
(f) administration and corporate costs	(303)	(648)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	8	8
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – GST/VAT refunds	31	95
1.9 Net cash from / (used in) operating activities	(930)	(2,552)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(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:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) 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)	2,326	2,326
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	115
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(157)	(157)
3.5	Proceeds from borrowings	-	-
3.6	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	2,169	2,284

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,858	3,560
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(930)	(2,552)
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)	2,169	2,284

Quarterly cash flow report for entities subject to Listing Rule 4.7B

4.5	Effect of movement in exchange rates on cash held	(102)	(297)
4.6	Cash and cash equivalents at end of period	2,995	2,995

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 \$USD'000	Previous quarter \$USD'000
5.1	Bank balances	2,995	1,858
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)	2,995	1,858

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

**Current quarter
\$USD'000**

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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

7. Financing facilities

*Note: the term "facility" includes all forms of financing arrangements available to the entity.
Add notes as necessary for an understanding of the sources of finance available to the entity.*

- 7.1 Loan facilities
- 7.2 Credit standby arrangements
- 7.3 Other (please specify)
- 7.4 **Total financing facilities**

Total facility amount at quarter end \$USD'000	Amount drawn at quarter end \$USD'000
-	-
-	-
-	-
-	-

7.5 Unused financing facilities available at quarter end

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- 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.

8.	Estimated cash available for future operating activities	\$USD'000
8.1	Net cash from / (used in) operating activities (Item 1.9)	(930)
8.2	Cash and cash equivalents at quarter end (Item 4.6)	2,995
8.3	Unused finance facilities available at quarter end (Item 7.5)	-
8.4	Total available funding (Item 8.2 + Item 8.3)	2,995
8.5	Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	3.2

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

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?

N/A

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?

N/A

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

N/A

Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.

Date: 28 October 2022

Authorised by: The Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

- 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.
- 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.
- 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.
- 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 – eg 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".
- 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.