

Global Health September 2020 Business Update

26 October 2020: In view of the uncertainty resulting from the COVID-19 environment, Australian Healthcare Software provider, **Global Health Ltd (ASX: GLH)** (“**Global Health**” or the “**Company**”) is pleased to provide a brief **Business Update** to shareholders and the general market for the quarter ended 30 September 2020.

Key Financial & Operational Highlights:

- ❖ Monthly Recurring Revenue from SaaS platforms is up 13%
- ❖ Underlying Customer Revenue is up 21% to approximately \$1.464M
- ❖ EBITDA is up over 315% to approximately \$262K
- ❖ Net Profit Before Tax is up 188% to \$225K
- ❖ Healthcare services now having less face to face patient contact
- ❖ Mental Health Services a big focus on fallout from COVID-19
- ❖ \$4m sales pipeline for **MasterCare EMR**

The financial highlights above are based on unaudited management accounts with comparisons against the previous corresponding period i.e. 3 months to Sept-2019.

Impact of COVID-19 Restrictions

Operationally, management and staff continue to operate efficiently and effectively from home using the Microsoft TEAMS collaboration platform with no unexpected impacts on productivity and support tickets maintaining expected levels.

The COVID-19 landscape has had an expected, deferred impact on new sales and project revenue particularly in the State of Victoria. Decisions relating to sales commitments from key Victorian Community Health opportunities remain firmly under consideration as are other Community Health prospects which require interstate travel.

Contracted projects and associated billings from Victorian contracts have now slipped by six months with the implementation of **MasterCare EMR** at Bellarine Community Health now scheduled to go-live on 1-Dec-20, Ballarat Community Health on 1-Mar-2021 and Peninsula Health on 1-Jul-2021.

Significant Pipeline Opportunities -\$4m of Proposals under Consideration

Healthcare providers have turned to digital technology as an effective conduit to improve their service delivery in the COVID-19 environment. This is particularly evident in support of the increasing Mental Health services now required to deal with the human fallout of the contracted nature of the Coronavirus pandemic. Consequently, the Company’s flagship **MasterCare EMR** is currently involved in over \$4m of proposals which are expected to be decided in the coming months. Due to the expected growth in this area, the Company has enhanced its delivery capacity through the use of implementation partners outside Victoria.

Financial Performance

The financial performance of the Company over the quarter continues to track the positive trend of the past two years. Based on unaudited management accounts to 30-Sept-2020:

- ❖ Monthly Recurring Revenue from SaaS platforms is up 13% on the Previous Corresponding Period (PCP);
- ❖ Underlying Customer Revenue is up 21% on PCP to \$1.464m
- ❖ EBITDA is up over 315% on PCP to \$262K
- ❖ Net Profit Before Tax is up 188% to \$225K

Research and Development

The Government has announced a reversal on previously proposed cuts to research and development tax incentives. For small companies like Global Health which have a turnover less than \$20 million, the refundable Research and Development (R&D) tax offset will be set at 18.5% above the company tax rate. There will be no cap on annual cash refunds.

Global Health is currently reviewing its R&D program with a view to taking advantage of the new incentives and bringing forward new product features in the Company's next generation SaaS platform for Health Delivery Organisations, MasterCare+ (<https://www.mastercare.net.au/mastercare-plus/>).

Given the current environment and industry trends, the Company believes that this will enhance revenue growth over the coming years.

Outlook

The impact of COVID--19 on Australia's healthcare landscape will be substantial and long term. While as a country Australia has handled the pandemic relatively well, there are some long-term issues that will have to be addressed.

The full impact of the alarming growth of Mental Health issues has yet to be measured or fully understood. Global Health is the preeminent provider of digital platforms for mental health, drug and alcohol and other long-term chronic disease issues. Consequently, we see expansion opportunities in this area, particularly for the Company's Lifecard Personal Health platform (www.lifecard.com) which empowers patients to better comply with management plans and better collaborate with their care team.

Virtual Care which includes Telehealth, is an emerging area where GLH has built compelling capability. Virtual Care consultancies have skyrocketed since COVID-19. The Company's Patient Engagement platform, HotHealth (www.hothealth.com) is a fully featured Virtual Care platform that is positioned as the digital doorway for a streamlined patient journey.

Global Health believes many new healthcare services will be provided without physical face to face consultations. Healthcare services will be much more accessible to remote and rural communities in a global marketplace. The Company's HotHealth platform is well placed to take advantage of these changes.

People have become more aware of taking responsibility for their own and the family's healthcare needs. People are now conscious of the need to closely monitor themselves personally and their loved one's health on a constant basis, Global Health's portfolio of Connected Health SaaS platforms is uniquely placed to deliver on this vision.

"Many areas of the Australian Life have been forever changed by Covid19 pandemic. Businesses have to be more aware of the physical and mental health of their workforce. Sporting organisations also have to rethink their approach to the healthy participation of their members, coaching staff and volunteers to ensure that sporting activities can go ahead in a responsible manner. Special attention of the needs of the elderly members of our community also needs to be addressed. Global Health's digital technology platforms can make a significant contribution to these issues as Australia works towards effectively managing the environment we face" said Mathew Cherian, Managing Director, **Global Health Ltd.**

This document was authorised for release to the ASX by Mathew Cherian, Managing Director of **Global Health Ltd.**

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About Global Health Limited

Global Health (ASX: GLH) is a leading provider of Digital Health solutions to the Australasian 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 solutions to help health businesses be more efficient and deliver excellent patient care. These include electronic medical records, patient administration systems, practice management systems, clinical records, secure message exchange, patient engagement platforms and consumer health records.

Find out more about Global Health Solution's at www.global-health.com or visit any of the product websites.

