

22 July 2021

ASX: GLH

Global Health Ltd June 2021 Quarterly Business Activity Report & Appendix 4C

Positive operating cashflow with 5 major Projects to deliver \$650K in additional Annual Recurring Revenue (ARR); demand for Global Health products and services remains strong despite prevailing COVID-19 conditions.

Melbourne, Australia – Healthcare Software provider **Global Health Ltd (ASX: GLH)** (“**Global Health**” or “**Company**”) is pleased to release its Appendix 4C Cash Flow Report for the quarter ending 30 June 2021 along with their Quarterly Business Activity Report.

Financial Highlights (based on unaudited management accounts for FY 2021)

- Customer Revenue of **\$7.032M** for the 12 months to June-21 **up 18%** on the previous year revenue of \$5.969M
- **12-month operating cash flow up 10.7 times to a \$1.370M surplus** from the (\$141K) deficit in the previous year
- EBITDA of **\$933K up 146%** on the previous year (FY20: \$379K)
- EBIT of **\$62K up 126%** on the previous year (FY20: (\$242K) deficit)
- **Debt Repayment of \$516K** in the 12 months to June-21
- **Closing Cash balance of \$4.840M** as at 30-June 2021

Business Activity

Business remains strong with the following implementations of the Company's MasterCare Provider applications successfully going live in the month of June 2021:

- Wolper Jewish Private Hospital in New South Wales
- Butterfly Foundation's Wandl Nerida eating disorder recovery residential centre in Queensland's Sunshine Coast

Two further COVID-19 related lockdowns in the 6 months to 30 June 2021 have resulted in the slippage of the following implementations to FY 2022:

- WA Mental Health Commission
- Peninsula Health Network in Victoria
- Ballarat Community Health Service in Victoria

ARR and expansion revenue for FY21 has increased by 9% to \$4.7M with an additional \$650K in ARR to be brought to account when the 3 COVID-19 delayed projects go-live in the current year.

A\$7.8M Capital Placement

In the June quarter, the Company raised \$7.8M via a placement to sophisticated investors and leading institutional investors, conducted in two tranches. The second tranche is subject to shareholder approval at a general meeting to be held on Tuesday, 27 July.

Bell Potter Securities Limited and Baker Young Limited acted as joint Lead Managers to the Placement.

Proceeds from the placement will provide the Company with:

- a stronger Balance Sheet
- support for an expanded sales force to accelerate revenue growth rates and
- support for an expanded R & D team to accelerate the progression of customers to the Company's SaaS platforms comprising:
 - MasterCare Plus (www.mastercare-plus.net.au)
 - ReferralNet Secure Connectivity platform (www.referralnet.com.au)
 - HotHealth Patient Engagement platform (www.hothealth.com) and
 - Lifecard consumer-empowerment platform (www.lifecard.com).

Growth and Expansion

To lead the Company through the next stage of growth and expansion, the Company announced the appointment of Mr Michael Davies as the Company's Chief Executive Officer commencing 1 July.

Mr Davies has an extensive background leading technology adoption, driving sales and go-to-market strategies in the public and private sectors. He brings over 20 years of sales and business development experience across leading organisations including Telstra, Optus and most recently as Head of Revenue at Macquarie Telecom. His sales and leadership experience will be vital as the Company focuses on revenue growth and also raising Global Health's profile with enterprise buyers across the healthcare sector.

Previous CEO and major shareholder, Mathew Cherian will take on a new role as Executive Director with a focus on ensuring a smooth transition, and leading Global Health's strategic focus and expansion into new markets.

Forward Outlook

The focus over the next two quarters is to:

- continue to manage the business successfully as an industry leader and early adopter into remote office efficiency and productivity despite the challenges of the current COVID-19 environment
- successfully deliver the backlog of contracted projects which will generate an additional \$650K of revenue
- recruit new talent in a number of new roles to support expansion and growth
- accelerate revenue growth rates through M&A opportunities and
- develop strategic channel partners that augment the Global Health's direct sales team.

The continuing uncertainty resulting from COVID-19 has highlighted the need for healthcare providers to accelerate the use of digital technology to upgrade their delivery of services. The market for the Global Health's healthcare platform solutions is both strong and growing, and the Company is ideally positioned for growth.

This announcement was approved for lodgement by the Board.

– ENDS –

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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

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 2021

Consolidated statement of cash flows	Current quarter	Year to date (12 months)
	\$A'000	\$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	2,032	7,951
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(316)	(1,637)
(c) advertising and marketing	(49)	(154)
(d) leased assets	(78)	(107)
(e) staff costs	(1,027)	(3,914)
(f) administration and corporate costs	(265)	(718)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	1	3
1.5 Interest and other costs of finance paid	(12)	(54)
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	286	1,370
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	(156)	(695)

Consolidated statement of cash flows		Current quarter	Year to date (12 months)
		\$A'000	\$A'000
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 (R&D tax offset)	-	267
2.6	Net cash from / (used in) investing activities	(156)	(428)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	3,907	3,907
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	62	97
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(256)	(256)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(131)	(516)
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	3,582	3,232

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,128	666
4.2	Net cash from / (used in) operating activities (item 1.9 above)	286	1,370
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(156)	(428)

Consolidated statement of cash flows		Current quarter	Year to date (12 months)
		\$A'000	\$A'000
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3,582	3,232
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	4,840	4,840

5.	Reconciliation of cash and cash equivalents	Current quarter	Previous quarter
at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		\$A'000	\$A'000
5.1	Bank balances	4,840	1,128
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)	4,840	1,128

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 *	48
6.2	Aggregate amount of payments to related parties and their associates included in item 2	NIL
<p><i>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.</i></p> <p>* Amount included in 6.1 above relates to remuneration paid to directors (please refer to the quarterly activity report for more information)</p>		

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. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>		
7.1 Loan facilities	NIL	NIL
7.2 Credit standby arrangements	NIL	NIL
7.3 Other (please specify)	NIL	NIL
7.4 Total financing facilities	NIL	NIL
7.5 Unused financing facilities available at quarter end		NIL
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.		
N/A		

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (item 1.9)	286
8.2 Cash and cash equivalents at quarter end (item 4.6)	4,840
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	4,840
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	N/A
<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>	
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: N/A as the Group generated positive net operating cash flows	
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: N/A as the Group generated positive net operating cash flows	
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: N/A as the Group generated positive net operating cash flows	
<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>	

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.

Authorised by the Board of Directors on 21 July 2021

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 – 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".
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.