

18 October 2021

ASX:GLH

## Global Health Ltd September 2021

### Quarterly Business Activity Report & Appendix 4C

Melbourne, Australia – Healthcare software provider Global Health Ltd (ASX: GLH) (“Global Health” or “Group”) is pleased to release its Appendix 4C Cash Flow Report for the quarter ended 30 September 2021, along with a Quarterly Business Activity Report.

The Financial Highlights are based on the unaudited management accounts for the quarter ended 30 September 2021.

#### Financial Highlights

- Successful completion of tranche 2 capital raising a further \$3.9M
- Balance Sheet strengthened with a cash balance of \$7.3M
- Recruitment of five marketing, sales and other customer-facing personnel to implement revenue growth and expansion

In accordance with Listing Rule 4.7C.1 the expenditures of the Group for the quarter ended 30 September 2021 are set out in the table below:

Expense Category	Amount (\$A'000)
Product manufacturing and operating costs	754
Advertising and marketing	41
Leased Assets	17
Staff costs	1,290
Administration and corporate costs	342
Interest and other costs of finance paid	9
Research and product development	85
Transaction costs related to issues of equity securities	268
Repayment of borrowings (HP Finance)	46

In accordance with Listing Rule 4.7C.3 payments to related parties and their associates during the quarter totalled \$134K. This related to directors' remuneration.

Customer receipts for the quarter are seasonally lower in Q1 and Q3 with larger collections traditionally occurring in Q2 and Q4.

Following the decision to impair the capitalised value of 4 software platforms in June 2021, the related R&D expenses are now included as operating activities rather than capitalised as investing activities.

**Global Health Limited (ASX:GLH)**

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## Business Activity

Sales & marketing activities are displaying positive early signs, with the commencement of new staff and digital campaigns. Pipeline growth and sales focus are progressing with account management of existing customers being a priority.

Marketing campaigns are underway, and the early signals are positive.

The Group has engaged a Sydney based sales organisation to cover new-logo sales opportunities in New South Wales and Queensland. User group forums are also expanding to improve customer engagement.

Research and Development expenditure was lower than planned with a tight job market creating a shortage of suitable candidates with the required skills and experience.

## Forward Outlook

Significant investment in key personnel has taken place across marketing, sales and customer success divisions to ensure we can leverage the considerable impetus for change within the sector.

While COVID-19 impacts have delayed revenue activation for key projects to date, these delayed revenues are expected to occur in FY22 and serve as a foundation for material expansion of our MasterCare deployment to meet the growing demand for Community Health and Mental Health services in Australia.

Lockdown 6 and the delayed re-opening has resulted in further delays in new revenue activation to date.

Global Health's current and in-train capabilities for in-home care positions the Group well to capitalise on this rapidly emerging demand in the health care sector.

Global Health will continue to execute on our strategy to accelerate growth, focussing on increasing our market share in three core areas, namely - Community Health services, Hospitals and Mental Health.

With a combined focus on product expansion within the existing customer bases and the acquisition of new customers the Group is targeting to achieve an average revenue growth rate of 25% p.a. over the next three years.

Further, exploration of overseas and adjacent market growth will be a focus for the 2<sup>nd</sup> half of the financial year.

These new market initiatives are expected to be driven by our consumer engagement applications specifically, our HotHealth digital front door platform and our Lifecard Patient empowerment platform.

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](http://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 September 2021

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date (3 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	1,363	1,363
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(754)	(754)
(c) advertising and marketing	(41)	(41)
(d) leased assets	(17)	(17)
(e) staff costs	(1,290)	(1,290)
(f) administration and corporate costs	(342)	(342)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(9)	(9)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(1,090)</b>	<b>(1,090)</b>

<b>2.</b>	<b>Cash flows from investing activities</b>		
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	(85)	(85)
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)	-	-
<b>2.6</b>	<b>Net cash from / (used in) investing activities</b>	<b>(85)</b>	<b>(85)</b>

<b>3.</b>	<b>Cash flows from financing activities</b>		
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	10	10
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(268)	(268)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	(46)	(46)
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
<b>3.10</b>	<b>Net cash from / (used in) financing activities</b>	<b>3,603</b>	<b>3,603</b>

<b>4.</b>	<b>Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1	Cash and cash equivalents at beginning of period	4,840	4,840
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,090)	(1,090)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(85)	(85)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3,603	3,603
4.5	Effect of movement in exchange rates on cash held	-	-
<b>4.6</b>	<b>Cash and cash equivalents at end of period</b>	<b>7,268</b>	<b>7,268</b>

<b>5.</b>	<b>Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1	Bank balances	7,268	4,840
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
<b>5.5</b>	<b>Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>7,268</b>	<b>4,840</b>

<b>6.</b>	<b>Payments to related parties of the entity and their associates</b>	<b>Current quarter \$A'000</b>
6.1	Aggregate amount of payments to related parties and their associates included in item 1 *	134
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<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><i>* Payments associated with item 6.1 relate to directors' fees/directors' remuneration.</i></p>		

<b>7. Financing facilities</b>	<b>Total facility amount at quarter end \$A'000</b>	<b>Amount drawn at quarter end \$A'000</b>
<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	-	-
7.2 Credit standby arrangements	-	-
7.3 Other (please specify)	254	254
<b>7.4 Total financing facilities</b>	<b>254</b>	<b>254</b>
<b>7.5 Unused financing facilities available at quarter end</b>		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.	
	Lender: HP Financial Services (Australia) Pty Ltd Interest rate: 8.5% per annum Maturity date: June 2023 Secured/unsecured: Unsecured	

<b>8. Estimated cash available for future operating activities</b>	<b>\$A'000</b>
8.1 Net cash from / (used in) operating activities (item 1.9)	(1,090)
8.2 Cash and cash equivalents at quarter end (item 4.6)	7,268
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	7,268
8.5 <b>Estimated quarters of funding available (item 8.4 divided by item 8.1)</b>	<b>6.67</b>
<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	
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	
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	
<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.

Date: 18 October 2021

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.