

**September 2024 Quarterly Business Activity Report & Appendix 4C
18th October 2024
Global Health Limited (ASX: GLH)**

- Annual Recurring Revenue up 13% on PCP
- Cash receipts up 13% on the Previous Corresponding Period (PCP)
- Net Operating and Investing cashflow reduced by 14% from PCP
- Group Cashflow deficit reduced by 28% from PCP

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 September 2024 (Q1 FY25), and the accompanying Quarterly Business Activity Report. The financial performance commentary for Q1 FY25 Quarter is relative to the Previous Corresponding Period (PCP) being Q1 FY24 (Jul-23 to Sep-23). From 1 July 2023 all R&D expenditure is expensed.

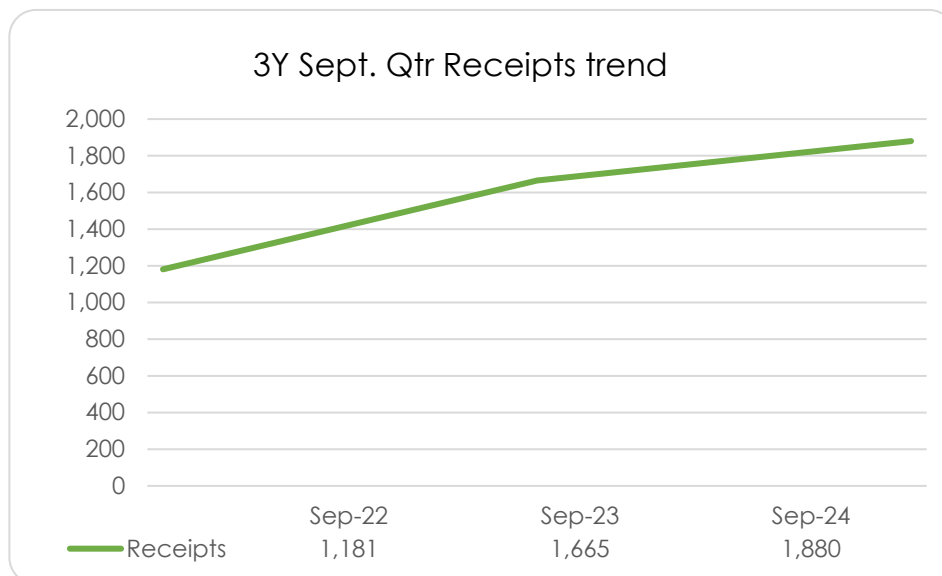
Financial Commentary

Annual Recurring Revenue (ARR) up 13% on PCP to \$1.7M

The Company's ARR in Q1 FY25 was \$1.71M which was an 11.62% increase on the June Qtr. (Q4 FY24) and a 13% increase on the PCP.

ARR for FY25 is tracking to \$7M ARR for the 12 months to June-25.

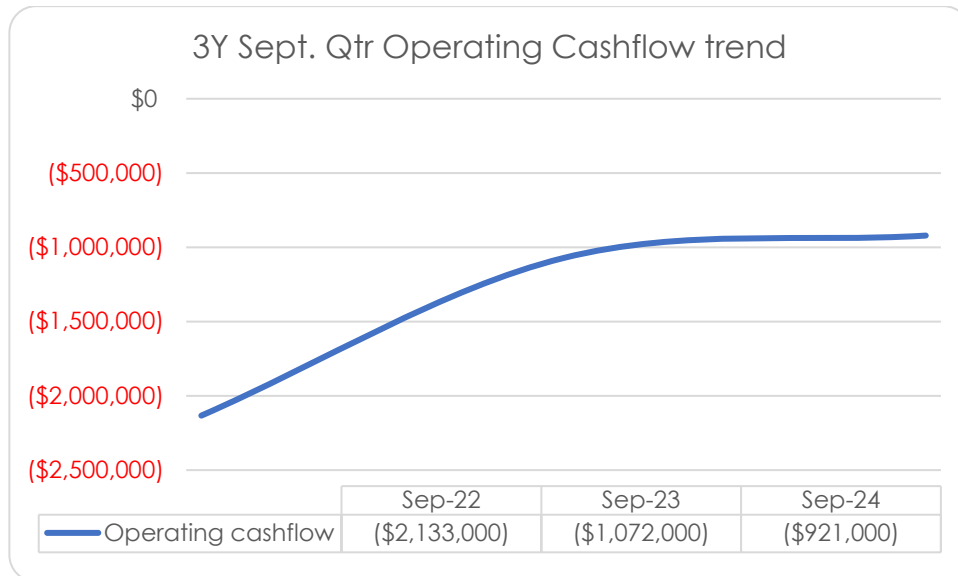
Cash receipts up 13% on Previous Corresponding Period (PCP)



The Company's cash collection continued to trend up with a 13% increase on the PCP to \$1.88M in receipts.

Net Operating and Investing cashflow reduced by 14% from PCP

The Company's Net Operating and Investing cashflow in Q1 FY25 was (\$0.92M) which was a 14.1% improvement (reduction) on the PCP.



The cash outlay in Q1FY25 was due to a few recurring and one-off factors:

- A variety of 3rd party software components and platforms are renewed annually in advance in the September quarter.
- There are salary reviews that take effect in the September quarter which from 1 July also included a 0.5% increase in the superannuation statutory rate.
- There were 7 salary fortnight (payments) in Q1 FY.
- Quarterly Convertible Note interest payments were made in the period.

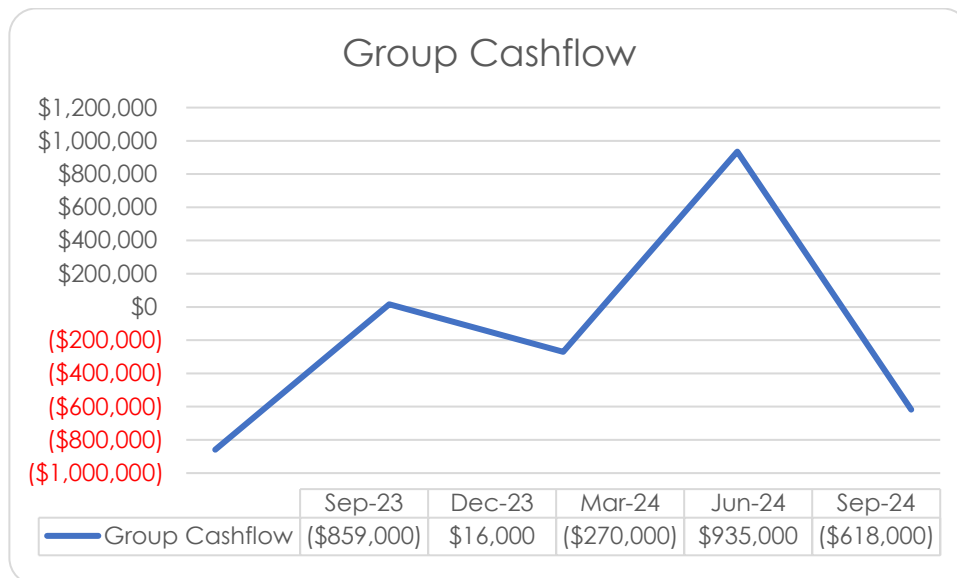
A key one-off was the expenses related to the transition of our Data Centre from Macquarie Telecom to Microsoft Azure which required payments more than \$200K. In addition to professional services expenses related to the transfer, there were hosting fees paid to both parties during the transition, essentially doubling our hosting costs.

The decision to transition to Microsoft was influenced by their leadership in AI and their commitment to assist with the integration of AI within our SaaS platforms as well as their global market share. Our platforms achieved compliance to gain listings on the Microsoft marketplace globally.

With the increased negative publicity on cybersecurity and privacy breaches, the Company is expecting above average growth in our hosting services (<https://www.master-care.com.au/cloud-hosting/>), that is expected to provide an accelerated payback on these one-off expenses.

Group Cashflow deficit reduced by 28% from PCP

As depicted in the chart below, the Company's cashflow profile is seasonal with positive group cashflow in Q2 and Q4 and the worst quarter being the first 3 months of each financial year (Q1).



The September quarter is seasonally the period of demand generation rather than new contract execution. The Company continues to refine our staffing, with a few reductions in growth R&D resources following the gains in our Providers SaaS re-platforming. The \$2.7M incurred in Growth R&D in FY24 is budgeted to reduce by 25% to around \$2M.

The transition of our three provider platforms (MasterCare PAS, EMR and PrimaryClinic) is underway and over the medium term will deliver more expense savings as the need to support four platforms deployed as client/server or "on-premises" reduces to a single SaaS application.

Sept-24 Quarter Activity

Several "new logo" customers went live in the September quarter, the most significant being Latrobe Community Health Service with over 250 concurrent users across 850 login accounts.

The project involved the migration of over 1.2 Terabytes of data from two legacy applications that are now on a single MasterCare EMR deployment, covering General Practice, dental services, allied health and Home Care packages for aged care and disability services in support of the National Disability Insurance Scheme (NDIS).

The counselling services support a variety of chronic diseases and lifestyle conditions such as diabetes, and people living with gambling, drug and alcohol issues with funding from over a dozen state and federal programs.

Forward outlook & growth strategy

There is significant pressure on both the private and public healthcare operators with the well documented growing and aging population coupled with the increasing incidence of people living with chronic or lifelong, lifestyle conditions. There is also the heightened awareness of privacy and cybersecurity obligations on Companies and Directors.

This has generated an increase in demand for technology upgrades to SaaS platforms to mitigate cybersecurity risks associated with on-premises deployment and increased demand for technology that automates workflow and repetitive tasks, improves business productivity and improves patient outcomes.

With our portfolio of SaaS platforms that addresses the full patient journey, the Company is well placed to continue steady growth and achieve positive cashflow and earnings in the short-term.

Despite the challenging macro-environment, with our sales pipeline, our comprehensive composable SaaS portfolio and growing ARR, the Company does not expect a need for raising capital in the foreseeable future.

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	1,064
Advertising and marketing	19
Leased assets	32
Staff costs	1,537
Administration and corporate costs	154

In accordance with Listing Rule 4.7C.3, payments to related parties and their associates during the quarter totalled **\$113K** This related to directors' remuneration.

This announcement was approved for lodgement by the Board.

– ENDS –

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About Global Health Limited

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 September 2024

Consolidated statement of cash flows

**Current quarter
\$A'000**

**Year to date
(3 months)
\$A'000**

1.1	Receipts from customers	1,880	1,880
1.2	Payments for		
	(a) research and development	-	-
	(b) product manufacturing and operating costs	(1,064)	(1,064)
	(c) advertising and marketing	(19)	(19)
	(d) leased assets	(32)	(32)
	(e) staff costs	(1,536)	(1,536)
	(f) administration and corporate costs	(154)	(154)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	12	12
1.5	Interest and other costs of finance paid	(13)	(13)
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	(926)	(926)

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	-	-
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	5	5
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	5	5

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	350	350
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		-
3.6	Net repayment of borrowings	(72)	(72)
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	278	278
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,066	2,066
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(926)	(926)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	5	5
4.4	Net cash from / (used in) financing activities (item 3.10 above)	278	278
4.5	Effect of movement in exchange rates on cash held	25	25
4.6	Cash and cash equivalents at end of period	1,448	1,448

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	1,448	2,066
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)	1,448	2,066

6.	Payments to related parties of the entity and their associates	Current quarter \$/A'000
6.2	Aggregate amount of payments to related parties and their associates included in item 2 **	113

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	946	946
7.2 Credit standby arrangements	24	24
7.3 Other (please specify)	359	359
7.4 Total financing facilities		
7.5 Unused financing facilities available at quarter end		NIL
<p>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.</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 Funding – 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)	(926)
8.2 Cash and cash equivalents at quarter end (item 4.6)	1,448
8.3 Unused finance facilities available at quarter end (item 7.5)	-
8.4 Total available funding (item 8.2 + item 8.3)	1,448
8.5 Estimated quarters of funding available (item 8.4 divided by item 8.1)	1.56
<p><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></p>	
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?	
<p>Answer: No. The 1st Quarter (September Quarter) is traditionally the Company's weakest Quarter for collections and high expenses. The December and June quarters have the higher collection rates.</p>	
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?	
<p>Answer: No. Based on current forecasts, the Company does not expect to raise further cash.</p>	
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?	
<p>Answer: Yes. Operating cashflows will improve with revenue in subsequent quarters higher than the first quarter. Expenses in the first quarter included some one-off transactions which are not recurring</p>	
<p><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></p>	

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: 18th October 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.