GL BAL HEALTH
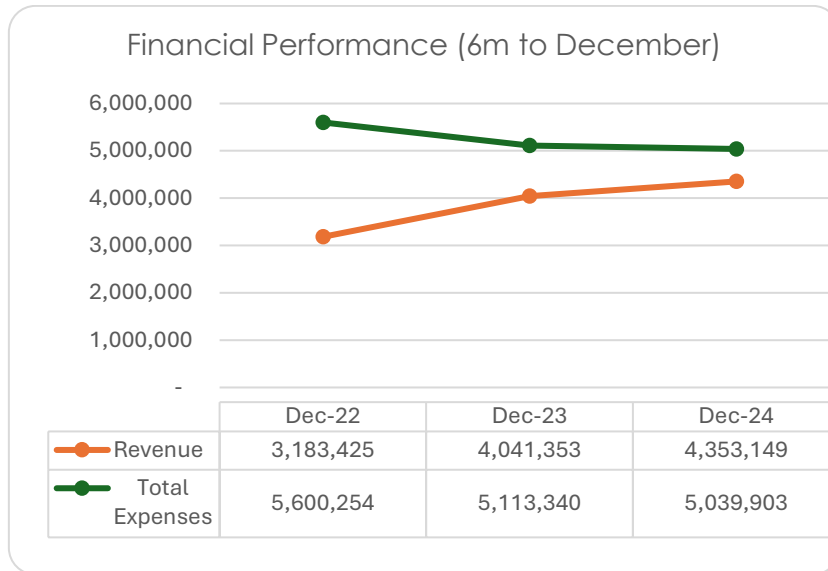Connecting Clinicians and Consumers

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Review of operations For the Half Year Ended 31 December 2024

The Group continued to engage in its principal activities being the development, sales and support of healthcare applications for healthcare providers operating in a variety of delivery settings. The results are disclosed in the attached financial statements.

Financial Performance

Group revenue of $4.353M represents an increase of 8% during the 6 months to 31 December 2024 compared to the 6 months ending 31 December 2023 ("previous corresponding period" or "PCP"). This was achieved despite challenging external conditions with sales to new customers and value-add sales to existing customers exceeding the value of customers that ceased operations, were acquired or transitioned out to alternatives.

The total expenses of 5.040M represent a 3% reduction in expenses compared to the PCP.

Financial Performance (6m to December)

	Dec-22	Dec-23	Dec-24
Revenue	3,183,425	4,041,353	4,353,149
Total Expenses	5,600,254	5,113,340	5,039,903

The steady increase in revenue combined with the steady reduction of expenses over the last 3 years has moved the Group closer to positive cashflow with a $591K (55%) improvement in EBITDA to ($480K) in comparison to the PCP.
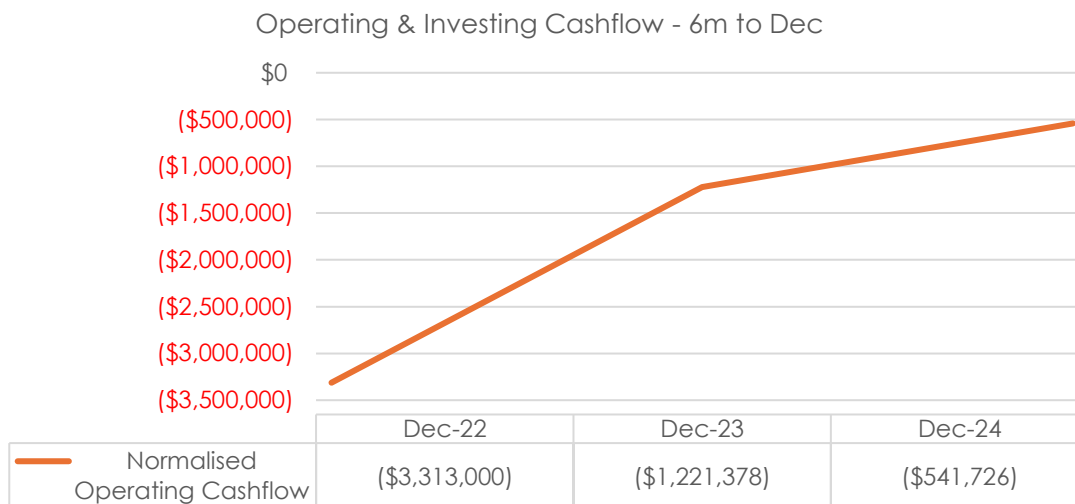
EBITDA (6m to December)

	Dec-22	Dec-23	Dec-24
EBITDA	(2,416,829)	(1,071,987)	(480,251)
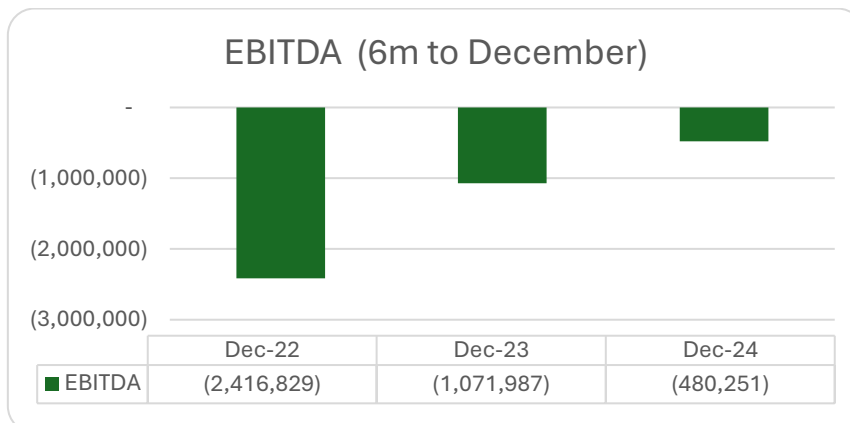
Research and Development expenses were reduced by $359K (24%) to $1.110M compared to the PCP. This represented 22% of total expenses compared to 28% of total expenses in the PCP.

Cashflow

Operating and investment cashflow continued to trend towards positive cashflow.

Operating & Investing Cashflow improves by 56% (up $683K) to ($541)

Operating & Investing Cashflow - 6m to Dec

	Dec-22	Dec-23	Dec-24
Normalised Operating Cashflow	($3,313,000)	($1,221,378)	($541,726)

The Company raised $350K through the issue of convertible notes and repaid $136K of debt for a net financing cost over the 6 months to 31 December of $214K. The result was a reduction in group cash outflow of ($473K) for the half-year to Dec 2024.

Group Cashflow improves by 70% (up $589K) to ($254)

Group Cashflow - 6m to Dec

	Dec-22	Dec-23	Dec-24
6m Group Cashflow	($3,056,000)	($843,000)	($254,000)
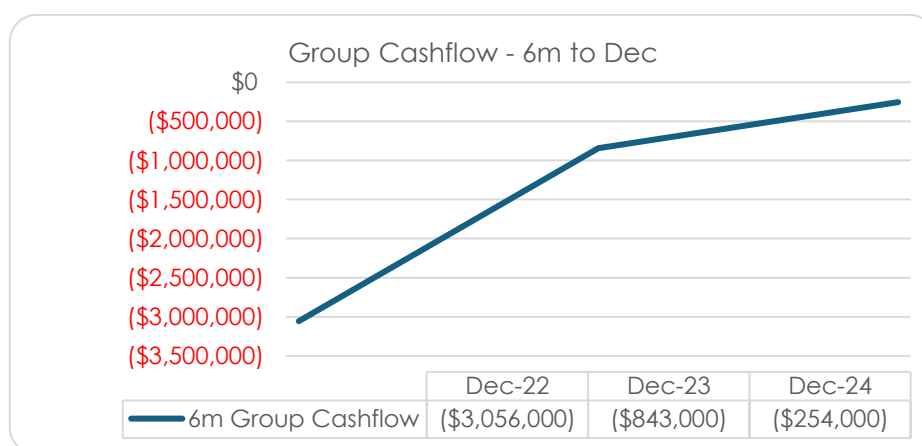
The closing cash balance as at 31-December 2024 was $1.813M

<u>Half-Year to Dec-24</u>

Activity in the half-year was balanced between Business Development and expenditure for future revenue (R&D), to support new market segments and value-add features for existing customers. The difficult economic conditions of private hospitals have been widely reported in the press and required a pivot in focus to the areas where demand was better, particularly

in support of healthcare providers supporting people living with mental health issues and other non-communicable diseases (NCD).

There was significant investment in additional features for the Company's MasterCare Plus SaaS platform to expand our reach beyond our traditional focus on hospitals and multi-disciplinary community health centres to more targeted segments across medical specialties and allied health disciplines. These will be progressively released to the market over the next 12 to 18 months.

Our HotHealth digital front door was also a focus enabling better automation of engagements between patients and their clinicians, delivering administrative workflow efficiencies and financial savings for our customers.

Given significant development work completed over the past two years, our expenditure in future revenue applications was reduced by 24% from $1.469M in the PCP to just over $1.110M for the 6 months to December 2024. This represents 22% of total expenses compared to 28% of total expenses in the PCP. As a percentage of revenue, the investment in future revenue was 26% compared with 36% of revenue in the PCP.

As revenue increases and products achieve market readiness, the on-going expenditure will trend lower, aiming to meet industry standard levels of between 15% and 20% of revenue.

Much effort was also directed at improving performance and turnaround times for customer enhancement requests and improvements. The decision was also made to increase the release frequency of the mature MasterCare client/server applications (EMR & PAS). This resulted in over 50% reduction in tickets by 31 December compared to 12 months prior.

These initiatives had a positive impact on client satisfaction, with account management conversations now focussed on upgrades to the MasterCare Plus SaaS platforms and value-add modules.

Investments in digital marketing initiatives have generated a healthy pipeline of new logo and upgrade opportunities for 2025.

The increased public awareness of cybersecurity and privacy breaches has resulted in significantly increased obligations of software vendors to perform appropriate due diligence and restrictions. The Company successfully completed the annual ISO 270001 certification and penetration testing of all our applications. Additionally, a much more rigorous and formal Integration agreement will be executed with third parties that integrate with the Company's portfolio.

Forward outlook & growth strategy

Global Health is well placed to generate better results in the 2HY 2025, with a growing pipeline of new clients and upgrades to existing clients.

The healthcare sector in Australia continues to face operating challenges:

- Private hospitals continue to face significant cost pressures through wage demands from its workforce, increasing energy costs, and the high interest costs impacting those groups with debt.
- Health insurance companies are at logger heads with private hospitals because reimbursements are not keeping pace with increased operating costs. The Commonwealth Government has rejected the initial Health Insurers premium increases, and this is expected to take until April/May 2025 to resolve.
- Global Health is focussed on improving operating efficiencies and productivity of its private hospital clients.
- Mental Health and Community Healthcare continue to grow and are not impacted to the same extent as private hospital due to being funded by governments. We

expect this sector to continue to grow and Global Health is well placed to benefit due to existing and new Saas platforms.

Artificial Intelligence ("AI") will be the big changer for the healthcare industry going forward. There are many areas where AI can improve the productivity and efficiency of the delivery of healthcare services:

- Reduction in bureaucracy – AI is already impacting management reporting and Global Health is developing our MasterCare "Data Lake" application which gathers data from the various silos in healthcare organisations and delivers management reports in a timely fashion. This allows for better insights and timely decision making to improve operations.
- Tools like ChatGPT and Microsoft co-pilot is already improving record keeping and reporting of consultations by doctors and healthcare professionals.
- AI can be used to manage the use of energy more efficiently, which is a significant cost for healthcare operations.

Global Health is working to ensure that all its platforms incorporate AI wherever appropriate, considering the ethical considerations for clients, to progressively use the benefits of AI in their operations.

Many hospital and healthcare facilities and are no longer fit for purpose in the current and future economic environments.

Paper based systems are too cumbersome, labour intensive and costly. The immediate issues that the healthcare sector in Australia face, are the need to take advantage of digital technologies and AI, to reshape their operations, and help ensure survival in an increasingly difficult operating environment. Adoption of technology is now being recognised as the catalyst to significantly improve bottom line results.

Global Health is working with existing and future clients to help achieve this.

This ASX announcement has been authorised by the Board of Global Health Limited (ASX:GLH) and released by the Company Secretary.

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About Global Health Limited (ASX:GLH)

Global Health Limited (ASX:GLH) is a leading provider of Digital Health solutions to the Australian 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 tailored software and SaaS solutions helping health businesses to be more efficient and deliver excellent patient care. These include electronic medical records for health delivery organisations, client management systems for community health, patient administration systems for hospitals, practice management systems, secure messaging for connected care, patient engagement platforms and consumer health records.

Located in Melbourne, Victoria the company is ISO27001 compliant.

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