

Quarterly Activities & Cashflow Report**HeraMED continues to show commercial adoption and growth
as well as technical validation and effectiveness**

- Virtual OB Pilot jointly undertaken by HeraMED and US-based Pediatrix Medical Group well-received by patients and providers.
- Commercial rollout of the HeraCARE platform at Joondalup Health Campus continues to be a very successful deployment with 200-300 pregnant mothers being added to the platform each month.
- Results from a second independent clinical study conducted by Joondalup Health Campus in Western Australia validate superiority of HeraBEAT smart foetal heart rate monitor.
- A study by Israel's largest hospital, the Sheba Medical Center concludes HeraMED technology solves earlier limitations of telemedicine.
- HeraMED's remote monitoring technology is the core component of a collaborative effort to deliver improved healthcare services to expectant mothers in Palestine's West Bank.
- HeraMED appoints highly regarded senior executive and entrepreneur Ms. Anoushka Gungadin as its director of strategic partnerships Australia and New Zealand.
- Binding Term sheet signed with e-Lōvu Health for HeraCARE rollout in the US, for a total of 1000 licenses and revenues of US\$550K for the first 12 months.

HeraMED Limited (ASX:HMD) ("HeraMED" or the "Company"), a leader in the digital transformation of maternity care with its proprietary remote monitoring maternity care platform, is pleased to provide its Appendix 4C cash flow statement for the June 2022 quarter (Q2 FY22) along with the following financial and operational update.

HeraMED-Pediatrix Virtual OB Pilot reveals promising results for patients and providers

In April 2022, HeraMED and US-based Pediatrix Medical Group, an affiliate of major American prenatal, neonatal and pediatric services provider Mednax, announced that their joint Virtual OB Pilot had been well-received by patients and providers (see ASX Announcement, dated 19 April 2022). The Pilot reduced office visits while providing the same or superior-level care.

The aim of this Pilot, which took place in Pediatrix's San Jose and Atlanta practices, was to shift the care model from the traditional circa 12-14 in-office visits to a hybrid model of in-office and telemedicine visits coupled with remote patient monitoring. Patients were given access to connected devices, including HeraMED's HeraBEAT fetal doppler, a blood pressure cuff and a scale. Participating patients were tasked to take their vitals, measure their emotional health and read gestational age-specific educational content from the Mayo Clinic. Data was uploaded in real time to the powerful HeraCARE clinician-facing population management dashboard.

Key findings of the Pilot included:

- Excellent satisfaction scores
- Broad patient and provider satisfaction with hybrid maternity care model
- Reduction of office visits while providing the same or superior-level care
- Earlier detection of hypertensive pathology in select patients, as early as 25 weeks
- Evidence that early indicators can potentially lead to improved health outcomes and possible reductions to overall cost of care
- Patients in the Virtual OB Program captured more than 2.5 times as many vital measurements compared to traditional maternity care

In the light of the promising findings coming out of the pilot, the partnership between Pediatrix and HeraMED will continue to offer Virtual OB care as an official program to low-risk maternity patients in selected Pediatrix OBGYN practices on an ongoing basis.

Results of second JHC clinical trial provide clinical and functional validation of HeraBEAT

In May 2022, HeraMED informed the market of the results coming out of a second, independent clinical study conducted by Joondalup Health Campus (JHC) in Western Australia, which was conducted during the second half of 2021 and into early 2022 (see ASX Announcement, dated 2 May 2022).

The study was specifically designed to examine the accuracy, reliability, usability and acceptability of the HeraBEAT smart foetal heart rate monitor in prolonged Non-Stress Test (NST) or Cardiotocography (CTG), Foetal Heart Rate (FHR) monitoring sessions. Such sessions are often required for more detailed medical assessment in cases of high-risk pregnancies or when there is an increased concern for the health of the baby.

The study additionally assessed the ability of:

- Pregnant women to record these NST measurements unsupervised at home without diminishing results accuracy and clinical utility.
- Obstetricians to review the NST recordings remotely using the HeraCARE platform and analyse it clinically compared to a paper-based, in-hospital professional CTG machine.

As a group, the results from this study further validated and supported HeraBEAT's superiority for extended, CTG-equivalent remote and home monitoring of FHR. Key findings follow:

- The foetal heart rate (FHR) was detected on 100% of the occasions.
- High level of accuracy was found compared to an industry-leading, hospital-grade professional CTG machine.
- HeraBEAT accurately detected the essential clinical features present in CTGs needed for obstetricians to make clinical decisions.
- When using the special HeraBEAT CTG adaptor, 95% of HeraBEAT recordings showed a Signal-Loss-Ratio (SLR) of <20%.
- Time taken to detect FHR on smartphones ranged from less than 15 seconds to 1 minute (n = 62) to 6 minutes (n=1).
- Average duration of HeraBEAT monitoring was 32.4 minutes.
- Women were able to use the device independently at home and were satisfied with the experience.

Sheba study concludes HeraMED technology solves earlier limitations of telemedicine

After the end of the June 2022 quarter, HeraMED announced the results of a study undertaken by Israel's largest hospital, the Sheba Medical Center (see ASX Announcement, dated 19 July 2022). The study found that remote telemedicine monitoring delivers high-quality, reliable, and accurate vital signs measurements of both the expectant mother and fetus.

A link to the study, titled 'Novel Remote Fetal Wellbeing Assessment: Feasible, Time-saving and Associated With High Patient Satisfaction - A Prospective Pilot Study', follows: <https://fetalmedicine.org/abstracts/2022/var/pdf/abstracts/2022/04211.pdf>

The study comprised ten patients, nine of which were able to complete remote modified biophysical profile assessments. These participants were recruited at the time of their first full-term in-person visit and scheduled for an observation telemedicine visit using the novel self-operated fetal monitoring specifically, HeraMED's HeraBEAT smart Fetal HR monitor.

Importantly, among the nine women completing the remote assessment, one was referred for additional assessment in the delivery room due to non-reactive fetal heart rate and lack of fetal body movements.

Telemedicine encounter length was measured at 93.1 ±33.1 minutes, significantly shorter than the in person visit 247.2 ±104.7 minutes, p<0.01. This is a 60% reduction on average, potentially saving over 2.5 hours for both patients and, more importantly, already stressed medical staff.

The completed 'Six Simple Questions' questionnaires accompanying the study indicated high patient satisfaction with the remote care assessment.

HeraMED part of maternal telemedicine program servicing Palestinian mothers in the West Bank

In another post-June 2022 quarter development, HeraMED announced that its remote monitoring technology was chosen as one of the key components of a collaboration between Israel's Sheba Medical Center and Project Rozana, an Australian-inspired, non-profit organization building bridges to better understanding between Israelis and Palestinians through health. This collaboration is targeting improved healthcare services for expectant mothers in Palestine's West Bank (see ASX Announcement, dated 18 July 2022).

HeraMED's remote pregnancy monitoring platform HeraCARE is enabling the initiative to provide virtual, remote care. It is now underway, with Sheba Medical Center having launched a training and health delivery program for female Palestinian healthcare professionals in collaboration with HeraMED and Project Rozana.

HeraMED and OB-GYN Beyond (Sheba's virtual OBGYN department), have pioneered maternal-fetal telemedicine, creating a breakthrough in remote fetal assessment by providing remote care for pregnant women. The collaboration between HeraMED, Sheba and Project Rozana aims to establish a remote OBGYN unit in the rural Hebron area that will be fully operated by Palestinian healthcare teams. Stage 1 is defined as an initial soft launch and includes 30 pregnant mothers that will use the technology and services; HeraMED's expected revenues from this stage are US\$15,000 based on the Company's SaaS model.

The Palestinian team of healthcare professionals involved in this Sheba/Project Rozana/HeraMED initiative will undertake hands-on training with some of the cutting-edge telehealth technologies now used by OBGYN Beyond. The virtual clinics created will provide services to women in the target communities of Khursa, Um

Al-Kheir and Deir al-Asal al-Fuqua, screening for health issues and referring for medical treatment if necessary.

At the end of the training program, this team, comprising gynaecologists, midwives, nurses, a paediatrician, a nutritionist, a physical therapist, and a psychologist, will receive ongoing clinical support on a bi-monthly basis from Sheba Medical Center staff.



Figure 1: Project Rozana staff training in progress by HeraMED's head midwife Maya Steele and Dr Azi Tsur (director of the Women's Health Innovation Center) at Sheba Medical Center.

HeraMED appoints Ms. Anoushka Gungadin as its director of strategic partnerships, ANZ

Post 30 June 2022, HeraMED announced the appointment of highly regarded senior executive and entrepreneur Ms. Anoushka Gungadin as its director of strategic partnerships Australia and New Zealand (see ASX Announcement, dated 26 July 2022).

Her appointment comes as HeraMED continues to build scale in the Australasian region and works towards full commercialisation of its unique medical technology. The appointment of Ms. Gungadin will help deliver on the latter goal. Her working career spans more than 20 years. Over this time, she has held a number of senior roles in Australia, Asia, Europe and Africa, building a reputation as a quality CEO and Non-Executive Director creating value by finding the optimal mix of human capital and technology.

Through time she has developed a deep understanding of the rapidly evolving medtechs and digital health and solutions segments of the global healthcare sector. Ms. Gungadin has also become a successful entrepreneur and in-demand international speaker.

HeraMED continues to build its commercial partner list

The Company also recently signed a binding term sheet with e-Lövu Health, a clinically guided digital ecosphere and marketplace that brings together best of breed technology and services companies on behalf of healthcare providers to revolutionize maternity care in the United States.

e-Lövu Health brings a new level of service and an innovative business model to the pregnancy and maternity care market in the United States. The company is using a range of proprietary and patent-pending technologies, for which the HeraCARE platform operates as the backbone. Their goal is to improve healthcare access and outcomes for expectant mothers and to optimize operational efficiencies for professional obstetrics health-service providers.

The founding team of e-Lövu championed the remote maternity strategy within Mednax Inc, including the Virtual OB program’s clinical lead Dr. Santosh Pandapati. Importantly, this business has been established with the blessing and support of Mednax and thus preserves all of the learnings undertaken to date. The Virtual OB program is still operational within Mednax and is actively enrolling patients.

Under the terms of the agreement, 1,000 remote pregnancy monitoring kits, including HeraBEATs and Bluetooth-connected blood pressure cuffs with HeraCARE connectivity, will be supplied to up to 1,000 expectant mothers at several identified e-Lövu Health partner healthcare providers in the United States. The first site is expected to launch before the end of 2022 with an estimated full deployment within 6-12 months from signing this agreement.

Once the proper technological and logistical infrastructure is laid, tested, and validated along with the innovative business model that e-Lövu Health is planning to present, the parties plan to enter into a long-term strategic partnership, which is expected to deliver significant growth.



Figure 2: The HeraCARE platform hierarchy to be used by e-Lövu

HeraMED CEO and Co-founder, Mr. David Groberman said: “We are thrilled about the recent commercial progress with JHC’s adoption continuing at a pace of 250-300 users per month, and the latest e-Lövu agreement for the commercial rollout of the HeraCARE in the US. In parallel, more trials, pilots and studies validating the effectiveness of HeraMED’s medical technology have been released throughout the April to July 2022 period. All indicated that HeraMED’s remote monitoring technology, and the hybrid maternity care model it facilitates, delivered satisfactory outcomes to both pregnant mothers and healthcare providers.

We were also very proud that our remote monitoring technology has been chosen as one of the core components of a collaboration between Israel’s Sheba Medical Center and non-profit organization Project Rozana, which is targeting improved healthcare services for expectant mothers in Palestine’s West Bank.

As these positive developments kept on coming, we have remained focussed on progressing the commercialisation of the HeraMED technology platform. These efforts have delivered further expansion of our commercial partners list. We recently signed a binding term sheet with e-Lövu Health, a group currently bringing together best of breed technology and services companies on behalf of healthcare providers to revolutionize maternity care in the United States.

We look forward to informing investors about other exciting developments now in the pipeline over the months ahead.”

Financial overview

The cash balance as at 30 June 2022 was US\$1.858 million. Net cash of US\$788K was used in operating activities compared with US\$834K for the quarter ending 31 March 2022.

June 2022 quarter totals for key expense components were: Advertising and marketing expenses US\$94K; research & development expenses US\$67K; and administration and corporate costs US\$140K. Staff costs decreased from US\$580K in Q1 FY22 to US\$465K in Q2 FY22.

The company continues to invest in business development as well as sales and marketing initiatives, to capitalise on the growing pipeline of commercial opportunities.

Payments to related parties of the entity and their associates

In item 6 of the attached Appendix 4C cash flow report for the quarter, payments to related parties and their associates of US\$101K comprised director fees paid to executive and non-executive directors.

-ENDS-

This announcement has been authorised by the Board of HeraMED Limited.

HeraMED Limited

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About HeraMED Limited (ASX:HMD):

HeraMED is an innovative medical data and technology company leading the digital transformation of maternity care by revolutionising the prenatal and postpartum experience with its hybrid maternity care platform. HeraMED offers a proprietary platform that utilises hardware and software to reshape the Doctor/Patient relationship using its clinically validated in-home foetal and maternal heart rate monitor, HeraBEAT, cloud computing, artificial intelligence and big.

About HeraCARE

The Company's proprietary offering, HeraCARE, has been engineered to offer a fully integrated maternal health ecosystem designed to deliver better care at a lower cost, ensure expectant mothers are engaged, informed and well-supported, allow healthcare professionals to provide the highest quality care and enable early detection and prevention of potential risks.

Appendix 4C

Quarterly cash flow report for entities subject to Listing Rule 4.7B

Name of entity

HERAMED LIMITED

ABN

65 626 295 314

Quarter ended ("current quarter")

30 June 2022

Consolidated statement of cash flows	Current quarter \$USD'000	Year to date (6 months) \$USD'000
1. Cash flows from operating activities		
1.1 Receipts from customers	12	105
1.2 Payments for		
(a) research and development	(67)	(138)
(b) product manufacturing and operating costs	(20)	(67)
(c) advertising and marketing	(94)	(143)
(d) leased assets	(26)	(53)
(e) staff costs	(465)	(1,045)
(f) administration and corporate costs	(140)	(345)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other – GST/VAT refunds	12	64
1.9 Net cash from / (used in) operating activities	(788)	(1,622)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(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:		
	(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 (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

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	-	-
3.3	Proceeds from exercise of options	-	115
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
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	-	115

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	2,845	3,560
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(788)	(1,622)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	115
4.5	Effect of movement in exchange rates on cash held	(199)	(195)

4.6	Cash and cash equivalents at end of period	1,858	1,858
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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 \$USD'000	Previous quarter \$USD'000
5.1	Bank balances	1,858	2,845
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)	1,858	2,845

6. Payments to related parties of the entity and their associates

- 6.1 Aggregate amount of payments to related parties and their associates included in item 1
- 6.2 Aggregate amount of payments to related parties and their associates included in item 2

Current quarter \$USD'000
101
-

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

7. Financing facilities

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.

- 7.1 Loan facilities
- 7.2 Credit standby arrangements
- 7.3 Other (please specify)
- 7.4 **Total financing facilities**

Total facility amount at quarter end \$USD'000	Amount drawn at quarter end \$USD'000
-	-
-	-
-	-
-	-

7.5 Unused financing facilities available at quarter end

-

- 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.

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8. Estimated cash available for future operating activities

\$USD'000

- 8.1 Net cash from / (used in) operating activities (Item 1.9)

(788)

8.2	Cash and cash equivalents at quarter end (Item 4.6)	1,858
8.3	Unused finance facilities available at quarter end (Item 7.5)	-
8.4	Total available funding (Item 8.2 + Item 8.3)	1,858
8.5	Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	2.4

8.6 If Item 8.5 is less than 2 quarters, please provide answers to the following questions:

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?

N/A

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?

N/A

3. Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

N/A

Compliance statement

- This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- This statement gives a true and fair view of the matters disclosed.

Date: 29 July 2022

Authorised by: The Board of Directors
(Name of body or officer authorising release – see note 4)

Notes

- 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.
- 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.
- 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.
- 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".
- 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.