

Shareholder Update & Strategic Progress Report

Advanced Health Intelligence Ltd

Dear Shareholder,

First and foremost, Advanced Health Intelligence Ltd ('the Company' or 'AHI') would like to sincerely apologise for the recent reduction in communication and for any uncertainty this may have created. We fully recognise the importance of transparency, particularly during a period of structural transition and capital markets repositioning for the Company.

This update is intended to provide clarity regarding:

- The delisting from the Australian Securities Exchange ('ASX');
- The Company's capital markets strategy and alternative listing pathways;
- Ongoing investor engagement and advisory interest;
- Strategic discussions in the United States of America ('USA');
- Recent commercial progress, including the signing of Alliance Care Technologies; and
- The Company's broader operational and strategic direction.

Our objective is to ensure shareholders have a clear and comprehensive understanding of where the Company stands and how we are progressing toward restoring market presence and long-term value.

ASX Delisting and Current Position

AHI was unable to complete its outstanding audit requirements within the timeframe mandated by the ASX. As a result, the Company was removed from the ASX official list.

While this outcome is clearly disappointing, it is important to emphasise what has *not* changed:

- Shareholder ownership remains valid and intact;
- The underlying technology platform remains fully operational;
- Commercial activities continue; and
- The Company's strategic objectives remain unchanged.

The Board and management team continue to prioritise completion of all outstanding audits and full restoration of financial compliance. These steps are foundational to any capital markets re-engagement strategy.

Capital Markets Strategy and Alternative Pathways

Upon completion of audit and regulatory obligations, the Company intends to pursue an alternative public listing venue. The primary pathway under evaluation remains the Nasdaq Capital Market.

This direction reflects:

- The Company's expanding commercial footprint in the USA;
- Active engagement with USA-based investors;
- Alignment with global digital health capital markets; and
- Access to a deeper healthcare-focused investor base.

In parallel, AHI is engaged in advanced discussions with an OTC-listed company in the USA that maintains a strategic focus on the healthcare sector. That company is actively pursuing its pathway toward an uplisting to the Nasdaq exchange and has identified AHI as a potentially complementary strategic platform within that broader Healthcare strategy.

The parties are engaged in structured and substantive discussions regarding potential strategic alignment, transaction architecture, and capital markets positioning. These discussions reflect mutual interest in exploring a framework that could support both organisations' objectives, including the potential re-establishment of active public trading for AHI.

While no binding agreement has been entered into and there can be no assurance that a transaction will be concluded, the dialogue is progressing constructively. Any potential transaction remains subject to customary due diligence, negotiation of definitive documentation, regulatory and shareholder approvals, and other standard conditions.

This avenue represents one of several pathways as the Company continues to evaluate multiple capital markets avenues as part of a broader strategy designed to restore trading liquidity and maximising shareholder value.

Simultaneously, AHI continues progressing all audit, governance, and regulatory compliance requirements necessary to facilitate its own independent return to the capital markets.

Investor Engagement and Capital Market Support

Beyond listing strategy, the Company remains actively engaged with potential capital partners.

AHI is currently in discussions with multiple prospective investors across the USA and international markets. These discussions involve structured capital participation aligned with the Company's next phase of growth and alternative exchange entry.

Importantly, the Company has received strong interest from two USA-based investment banks in relation to potential advisory mandates and capital markets support. While no formal mandates have been executed at this stage, this level of engagement reflects external recognition of:

- The depth of the Company's technology platform;
- Its intellectual property estate;
- Its commercial positioning; and

- Its long-term capital markets scalability and appeal.

All discussions remain subject to customary due diligence, documentation, regulatory processes, and prevailing market conditions.

Commercial Progress – New Commercial Partner Signed

Alliance Care Technologies

Despite capital markets challenges, the Company has continued to make tangible commercial progress.

AHI has signed Alliance Care Technologies, a United Arab Emirates-based healthcare technology organisation. This agreement will see the Company's technology implemented across multiple health agencies within the region.

This development reinforces continued institutional demand for scalable, non-invasive cardiometabolic screening infrastructure and demonstrates that commercial momentum has been maintained during the capital markets transition.

About Alliance Care Technologies

Alliance Care Technologies has deep roots in value-based healthcare innovation.

Its journey traces back nearly four decades to Dr. Bill Mohlenbrock, Emeritus Chief Medical Officer and active advisor, who collaborated with Edward Deming and Michael Porter in shaping early value-based healthcare methodologies.

Today, Alliance Care Technologies operates six proprietary algorithms that calculate value-based care performance at the physician–patient Diagnosis-Related Group procedure level. The organisation is preparing to release a new version of its platform that provides three integrated dashboards designed for:

1. Executive leadership (C-suite);
2. Department Chairs; and
3. Individual Physicians.

Alliance Care Technologies develops and deploys advanced technology and artificial intelligence solutions that address structural healthcare challenges, including:

- Enhancing patient experience;
- Streamlining administrative processes;
- Managing cost structures; and
- Improving long-term health outcomes.

The organisation has developed strong capabilities in:

- Population health management;
- Patient–physician engagement;

- Remote patient monitoring;
- Artificial intelligence diagnostic decision support; and
- Community health management.

The partnership integrates AHI's non-invasive biometric screening infrastructure with institutional value-based healthcare analytics. This strengthens deployment capability across the Middle East and reinforces the Company's strategic positioning within preventative healthcare ecosystems.

Ongoing Operations and Funding Position

AHI continues to operate through disciplined capital management and the support of existing financial partners.

Capital discussions remain active. Engagement with prospective investors, USA advisory institutions, and the OTC-listed healthcare-focused company collectively demonstrate that multiple capital markets pathways are under evaluation.

The Company remains focused on restoring active trading as efficiently as possible while ensuring:

- Audit completion;
- Regulatory compliance;
- Governance alignment; and
- Financial stability.

Corporate Overview

Company Foundation and Strategic Direction

Advanced Health Intelligence Ltd is a digital health technology company focused on smartphone-based cardiometabolic risk assessment, obesity-driven health analytics, and scalable chronic disease screening infrastructure.

The Company has developed a proprietary, patent-protected platform that enables large-scale, non-invasive health risk identification using only a consumer smartphone. The system does not require:

- Blood tests;
- Wearable devices;
- Laboratory processing; and
- Specialist clinical equipment.

Instead, it leverages advanced computational biology, image-based analytics, multi-sensor signal aggregation, to extract clinically meaningful physiological insights directly from smartphone-based sensing.

Founded in 2014, the Company has spent more than a decade developing, validating, and refining its platform. AHI is currently a public unlisted company, with established operations across:

- North America;
- The United Arab Emirates;
- Australia;
- Europe;
- Asia-Pacific; and
- Africa.

The Company is now undertaking a strategic re-establishment designed to:

- Facilitate structured commercial expansion;
- Consolidate intellectual property assets within a strengthened corporate vehicle; and
- Position the organisation for future capital markets engagement.

The long-term objective is to support a valuation trajectory over a three-year horizon driven by population-scale deployment in the United Arab Emirates, the USA, and China, while maintaining active expansion in additional global markets.

What the Company Does

Advanced Health Intelligence Ltd develops non-invasive digital health assessment technologies that enable individuals, insurers, governments, and healthcare institutions to identify cardiometabolic and chronic disease risk using only a smartphone.

At its core, the Company transforms everyday mobile devices into precision - grade pre-screening instruments.

Through advanced machine learning, image capture, multi-sensor signal processing, and computational modelling, the platform extracts clinically relevant biometric and physiological indicators that traditionally require laboratory testing or in-clinic instrumentation.

The Company's solutions are designed to:

- Improve access to preventative health assessment without requiring in-person visits;
- Enable early detection of obesity-driven cardiometabolic risk;
- Support longitudinal monitoring and measurable outcome tracking;
- Inform clinical decision-making and insurance underwriting; and
- Provide scalable population-level health screening infrastructure.

Unlike many digital health applications that rely primarily on self-reported information or integration with third-party wearable devices, AHI generates objective physiological insights derived directly from smartphone-based signal capture integrated with validated biological models.

Technology Platform

The technology platform integrates smartphone sensing capabilities, computational biology, and machine learning to produce outputs aligned closely with clinical standards.

The system includes:

- Advanced image-based body composition modelling validated against gold-standard Dual-Energy X-ray Absorptiometry scanning;
- Facial photoplethysmography for non-contact capture of vital signs and cardiometabolic indicators;
- Cardiac rhythm analysis incorporating regulatory-cleared cardiovascular screening functionality;
- Multi-sensor signal aggregation designed to enhance signal fidelity and reduce noise;
- Machine learning-driven modelling across forty-seven measurable health markers and thirty-five disease risk indicators; and
- Longitudinal tracking functionality to monitor physiological changes over time.

The platform uses proprietary algorithm digitisation frameworks that convert complex machine learning and computational biological models into real-time computational outputs. This enables health risk pre-screening within minutes rather than requiring traditional laboratory turnaround times.

The architecture is privacy-first and incorporates on-device processing where appropriate. It is compliant with USA, European, Chinese, and United Arab Emirates data protection regulations, ensuring readiness for deployment in highly regulated healthcare environments.

Scientific Validation and Intellectual Property

Over more than ten years of sustained research and development, the Company has built a substantial intellectual property estate and clinical validation foundation.

The Company holds:

- Twenty-five issued patents globally;
- Forty-five additional patents pending or published; and
- Patent protection across imaging methodologies, disease prediction modelling, and body volume analytics frameworks.

Platform outputs have been validated against gold-standard clinical comparators including:

- Dual-Energy X-ray Absorptiometry;
- Electrocardiogram-based cardiovascular diagnostics; and
- Blood-based cardiometabolic measurements.

AHI partners with best in class technologies to enhance its proprietary computational models with platforms that have achieved regulatory clearance for cardiovascular screening functionality, with additional regulatory pathways progressing simultaneously with AHI's own capabilities.

Importantly, the intellectual property portfolio protects system-level architecture rather than isolated features. This creates meaningful barriers to replication and establishes a defensible competitive moat across biometric capture, computational modelling, and digital health assessment methodologies.

Commercial Applications and Market Fit

The Company operates across multiple institutional sectors, including:

- Life and health insurance underwriting;
- Enterprise workforce wellness programmes;
- Government and public health screening initiatives;
- Safety-critical workforce environments; and
- Healthcare provider networks and managed care systems.

AHI has demonstrated market fit particularly within insurance and healthcare environments where scalable, non-invasive pre-screening:

- Reduces underwriting friction;
- Improves participant engagement;
- Supports preventative intervention strategies; and
- Enhances risk stratification accuracy.

Commercial models include:

- Software-as-a-Service licensing;
- Per-screening pricing structures;
- Revenue-sharing arrangements; and
- Programme-based population health deployments.

Revenue is generated through enterprise contracts, institutional partnerships, and large-scale population screening initiatives.

Closing Remarks

AHI is navigating a complex but constructive transition period.

The Company is:

- Completing audit and compliance obligations;
- Engaging capital partners;
- Exploring structured listing alternatives;
- Maintaining commercial momentum; and
- Expanding strategic partnerships.

The Board and management remain fully committed to restoring public market trading, strengthening financial positioning, and acting in the best interests of shareholders.

We appreciate your continued patience and support as we progress toward the next phase of growth.

Forward-Looking Statements

This update contains forward-looking statements within the meaning of applicable securities laws. Forward-looking statements include, but are not limited to, statements regarding potential capital markets transactions, listing pathways, strategic partnerships, investor discussions, commercial deployment, regulatory approvals, revenue expectations, and future corporate positioning.

These statements are based on current expectations, assumptions, and information available to the Company as of the date of this communication. Forward-looking statements are inherently subject to risks, uncertainties, regulatory requirements, market conditions, and other factors beyond the Company's control, which may cause actual outcomes to differ materially from those expressed or implied.

No assurance can be given that any proposed transaction, listing, funding arrangement, or strategic initiative will be completed on the terms described, within anticipated timeframes, or at all.