



Connecting clinicians and consumers

GLH AGM CEO Presentation

24 November 2009



Good Afternoon Shareholders, Ladies and Gentlemen and welcome to our 2009 Annual General Meeting – the first full year of operations as a Healthcare Information Technology (HIT) Company.

Financial Performance Highlights

Despite the depressed environment of the Global Financial Crisis (GFC) and the slower than expected resolution of the e-health direction nationally, the Company revenue grew by a modest 2%.

Group revenue	up \$152,014	(+2%)	to \$6,853,256
Group EBITDA	up \$186,835	(+59%)	to (\$129,458)
Underlying EBITDA	up \$594,929	(+214%)	to \$278,635
Operating EBITDA	up \$602,720	(+35%)	to \$2,341,808
Net Profit after Tax	up \$220,859	(+42%)	to (\$301,237)
Earnings per Share	up 0.22 cents per share	(+88%)	to (0.245) cents per share

Underlying Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA) grew a healthy 214%.

This resulted in an 88% increase in Earnings Per Share (EPS).

Nevertheless, despite our best endeavours, the Company was unable to achieve our target of full year profitability.

The full-year result was a small loss for the twelve months to June 2009 in a tale of two halves:

During the first six months of the financial year, i.e. July to December 2008, customer demand was flat. Businesses focused on how the GFC would impact them and new spending was non-existent. Within Global Health, our budgetted cost base was over-optimistic for the depressed environment. The Company therefore undertook a series of cost-saving measures largely through staff redundancies, resulting in a half-year loss of (\$454,173).

However, in the second 6 months to June 2009, the Company generated a positive EBITDA result of \$324,715, as a consequence of the lower cost base achieved in the first half of the financial year.

5 Year Group Performance

Despite the adverse operating environment, the Company continued its path to profitability, with positive trends in all financial indicators achieved through organic growth.

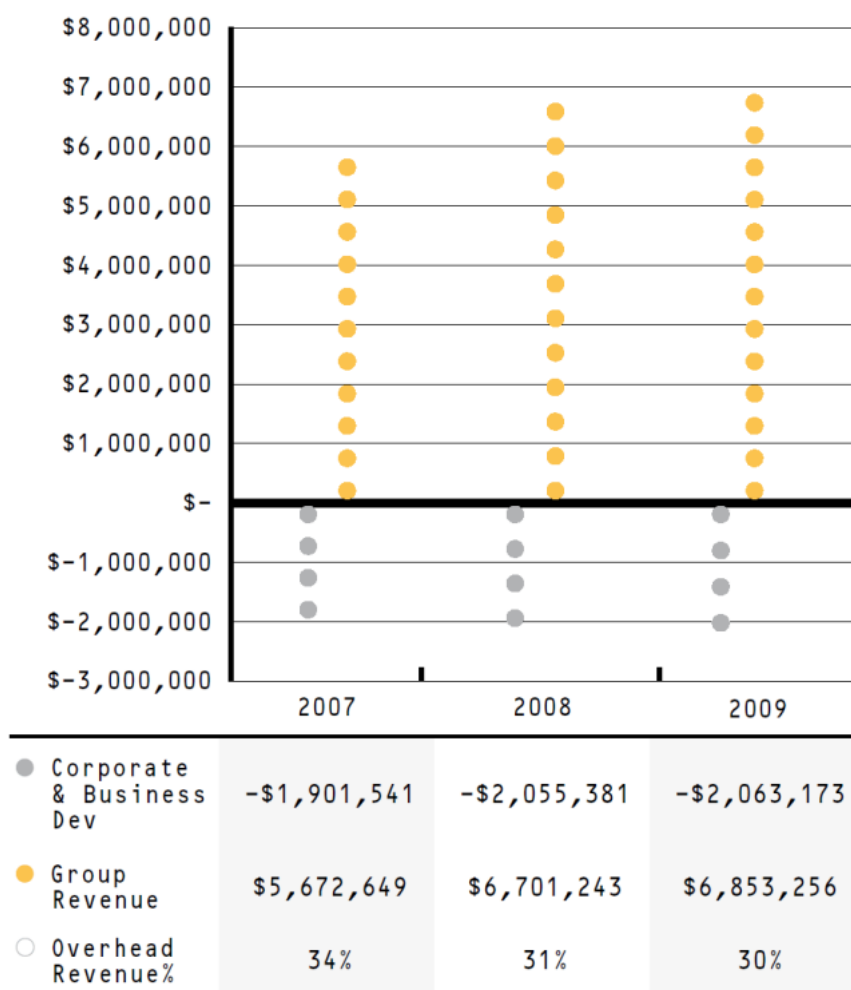


FY ended 30 June	2005	2006	2007	2008	2009
Revenue	\$9,008,440	\$5,239,863	\$5,672,649	\$6,701,243	\$6,853,256
Operating Expenses	\$7,816,355	\$8,297,150	\$6,071,444	\$6,883,987	\$6,982,714
Reported EBITDA	\$1,192,085	(\$3,057,287)	(\$477,820)	(\$316,294)	(\$129,458)
One-Offs	(\$1,725,625)	\$1,631,606	\$ -	\$ -	\$408,093
Underlying EBITDA	(\$533,540)	(\$1,425,681)	(\$477,820)	(\$316,294)	\$278,635

Sales, Corporate and Administration Overhead

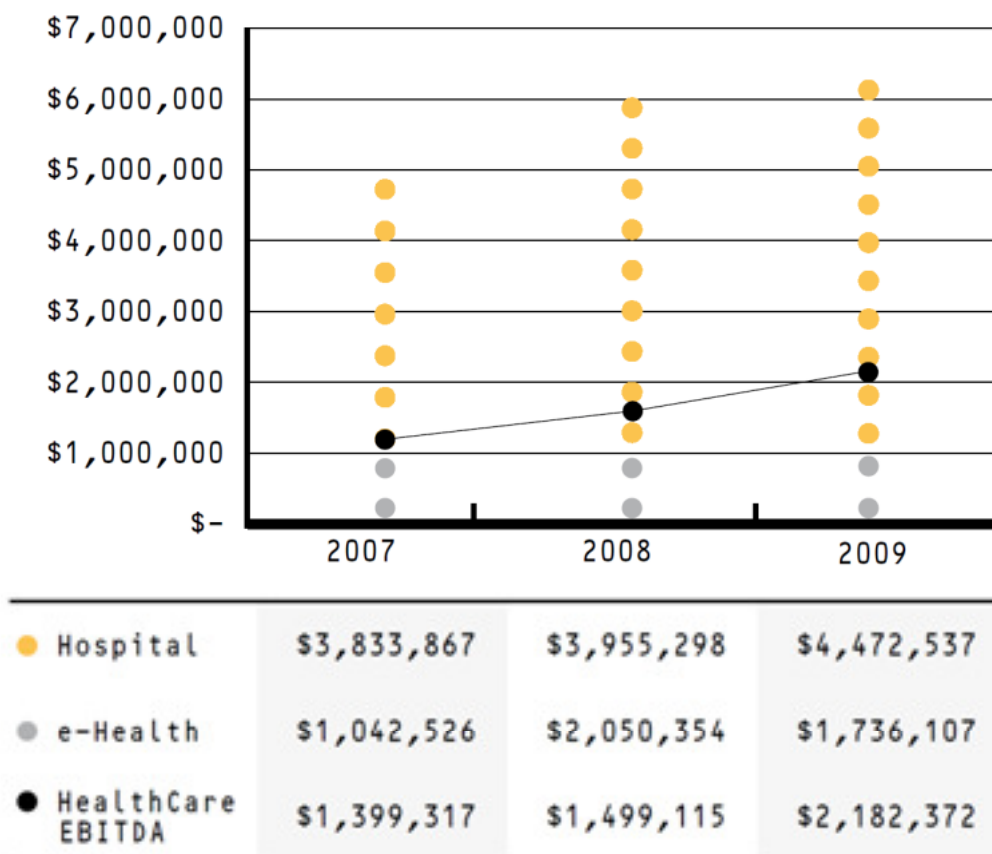
The Company's Corporate and Administrative overheads have remained constant around the \$2M levels over the last 3 years with total expenses (comprising operating and overhead) constant at around \$7M over the same period.

This largely fixed cost base means that incremental revenues beyond our cost-base of \$7M, is expected to flow directly to the bottom line.



Healthcare Revenue by Segment

Drilling into our results, revenue from hospital-based clients continue to underpin our financial performance while steady inroads in the wider e-health landscape is translating into better operating margins – from 36% in 2007 to 49% of healthcare revenue in FY2009.



The less obvious impact is that the Company is shifting its revenue model from higher-value, but small markets (hospitals) to lower-value, mass markets - millions of transactions, a cross tens of thousands of healthcare organisations in the community, servicing millions of health consumers.

This is the parallel challenge for the Company – growing our revenues through supporting a much larger base of customers, each paying hundreds of dollars per annum rather than tens of thousands.

Connecting Clinicians and Consumers

The immediate objective continues to be sales and marketing focused - to grow sales revenue by accessing opportunities presented by the worldwide focus on "e-health" and leveraging our leadership position in Healthcare IT innovation.



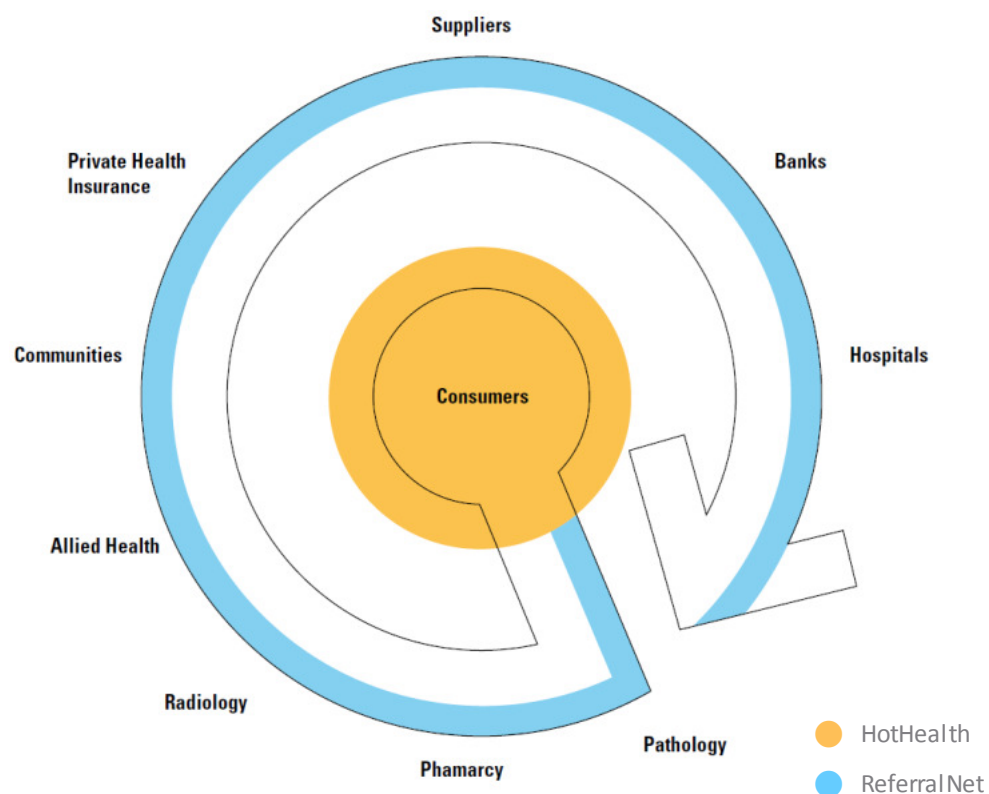
Global Health recognised as "Australian Healthcare IT Market leader" at the 2008 Frost & Sullivan Excellence in Healthcare Awards

Connecting Clinicians and Consumers

Our ability to grow our revenue relies on the Australian Healthcare sector continuing to embrace the promise of e-health as the foundation to support improved patient safety and health outcomes, in an affordable manner.

Connecting clinicians and health consumers will deliver benefits to all stakeholders:




- For owners of Healthcare service-delivery organisations, connected care means greater business efficiencies through direct engagement across the value-chain, across primary care, acute care, diagnostic services, pharmaceutical and medical suppliers, specialists and financiers;
- For Clinicians who deliver services to health consumers, e-health means up-to-date and more complete information at the point of care, providing more timely and better decision-support;
- For Health Consumers, e-health is a natural extension of the pervasive use of the Internet and social networking platforms that are common in every other aspect of our daily lives. New models of self-care and shared collaboration is possible through the availability of shared Individual Electronic Health Records for pro-active health maintenance and chronic disease management.



GLH Solution Priorities

The Australian Government's National Health and Hospitals Reform Commission (NHHRC) published their final report in June 2009.


Among its recommendations, 3 categories of priority health e-health solutions are described. Global Health have established solution platforms for each of these:

GLH Solution	E-Health Solution Category	Priority Solutions
	Electronic Information Sharing	<ul style="list-style-type: none"> • Referrals • Event summaries including discharge summaries, specialist reports and notifications • Prescriptions • Test orders and test results • Care plans
	Service Delivery Tools	<ul style="list-style-type: none"> • Decision support for medication management • Decision support for test ordering
	Information Sources	<ul style="list-style-type: none"> • Chronic disease management solutions • Telehealth and electronic consultation support
		<ul style="list-style-type: none"> • Health care reporting and research datasets • Health information knowledge bases
		<ul style="list-style-type: none"> • Individual electronic health records (IEHRs)

Booz & Co, Nov 2008, E-Health: enabler for Australia's Health Reform (report to National Health & Hospitals Reform Commission)

1. The foundation for electronic Information Sharing is Secure messaging across the sector with a particular focus on e-prescriptions, e-referrals, e-results and e-discharge summaries. The Company's **ReferralNet** Platform for secure messaging, is the fastest growing secure messaging platform in the Australian Healthcare market.
2. Similarly, Global Health have launched **MasterCare EMR** as a proven team-based Electronic Medical Record shared by multi-disciplinary teams of health providers, each with access to a shared repository of patient-centric clinical data. MasterCare EMR is based on our hugely successfully Shared EMR for Mental health (**MHAGIC**). For the acute sector, **MasterCare Referrals Management** is promoted as the gateway for engaging with primary and community care providers, beyond the enterprise.
3. The holygrail of e-health is the provision of longitudinal (lifetime) individual Electronic Health Records. This segment will enable direct engagement with health consumers, transforming the business of Health delivery from largely institutional-based to a collaborative, community-based model. Global Health have been among the Australian pioneers in this area with several consumer portal platforms centred on the LifeCard Individual Electronic Health Record (IEHR) platform. Ultimately, health consumers are expected to have a choice of several "Health Vaults" such as LifeCard.

For the next three years, the National e-Health Agenda is focussed on connectivity and interoperability. The Company's ReferralNet is playing a major role as an enabler.

GLH Solution	E-Health Solution Category	Priority Solutions	Description
	Electronic Information Sharing	<ul style="list-style-type: none"> • Referrals • Event summaries including discharge summaries, specialist reports and notifications • Prescriptions • Test orders and test results • Care plans • Consumer demographics • Current health profile • Current medications list 	<ul style="list-style-type: none"> • Improving the capability of patient, clinical and practice management systems to support key electronic information flows between care providers. These key information flows provide a basis for improved care planning, coordination and decision making at the point of care. • The key datasets that provide the summary of a consumer's key health data and their current state of health, treatments and medications. These datasets will improve the quality of service delivery and will ensure that consumers do not have to remember or repeat this information as they navigate the health system.

Booz & Co, Nov 2008, E-Health: enabler for Australia's Health Reform (report to National Health & Hospitals Reform Commission)

Since the announcement of secure messaging as a NeHTA priority with \$120M of provider incentives allocated since July 2009, the Company has announced a series of contracts and implementations that provides direct market endorsement of our platform.

This remains the focus of the Company over the next 18 months.

Secure Messaging is a pre-requisite for the subsequent objectives of better decision support, chronic disease management and Individual Electronic Health Records. Since July 2009, **ReferralNet** has more than tripled its “Points of Presence” (PoPs) with e-health transactions growing at a rate of 10% per month. As with any network solution, the growth rate will increase as the network PoPs increases.

The Company is aggressively developing this opportunity by continuing to increase our points of presence and the variety of e-transactions to cover e-referrals, discharge and event summaries, e-prescriptions, diagnostic e-orders and e-results.

In parallel, the Company is rolling out value-add ReferralNet services such as **ReferralNet e-Claims** and **ReferralNet SMS** to further consolidate **ReferralNet** as the preferred platform for e-health connectivity and transactions across the Healthcare value chain.

E-Health Transforming the Patient Journey

The Health and Wellness market is one of the largest and fastest growing industries in the world. The challenge of longer life-spans, better medical technology and the growing incidence of chronic disease is now well documented and recognized as a major economic problem worldwide.

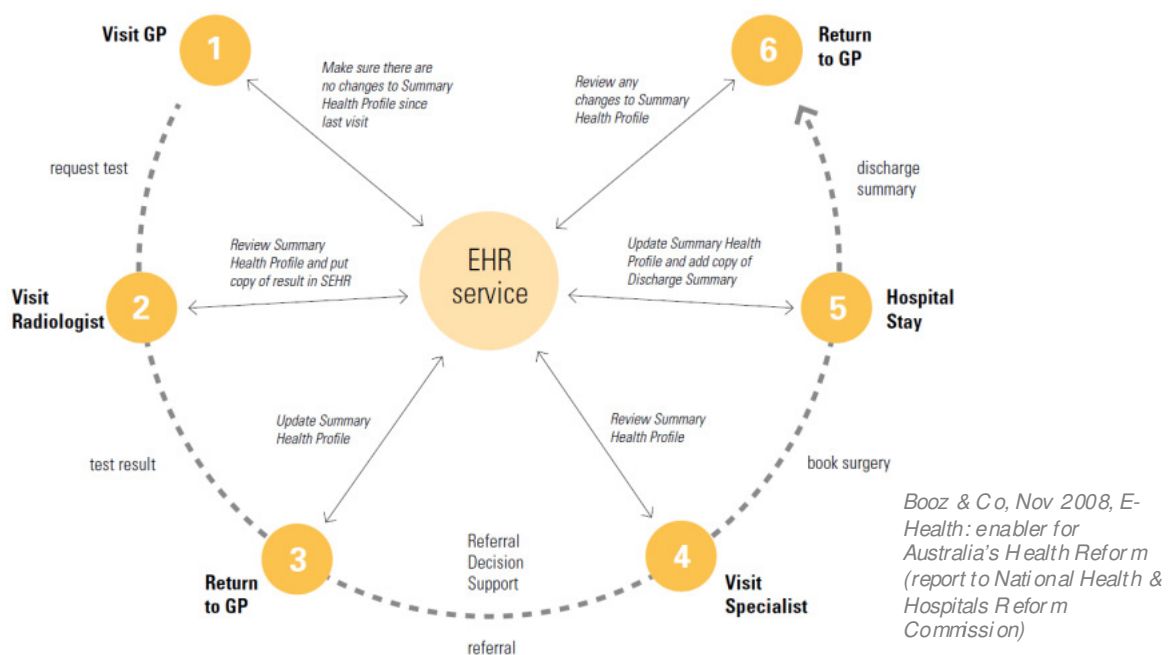
Given the consequences of medical errors, the culture of the Healthcare industry is understandably one of caution. It is an industry where the typical life-cycle of product research, development, field trials (evidence) and adoption requires stamina. Over one trillion dollars is directed by governments across the world towards stimulating the development of e-health as the foundation for meeting the challenge of managing Healthcare costs and outcomes.

Global Health has raised \$13M from investors over the last 9 years developing a Connectivity, Clinical, Health and Wellness portfolio, and implementing successful field trials across a broad spectrum of scenarios. These pilots have consistently attracted recognition by independent experts and customers as best-in-class.

Health and Wellness is also relatively universal in practice and delivered consistently across jurisdictions – i.e. a global market.

The final phase and ultimate measure of success is to secure profitable adoption of our solutions across multiple geographical markets.

As the Company seeks market share, the financial impact of customer acquisition needs to be closely monitored.



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Balance Sheet

Given the recent credit crisis, the Board undertook a 1 for 1 rights issue which was fully underwritten by Bell Potter in June 2009, raising \$1.8M net of transaction costs.

The successful capital raising has considerably strengthened our Balance Sheet and provided much needed working capital to develop our online channels and a “zero-touch” capability for the marketing, procurement, fulfillment, support and renewal of our mass market products.

	2007 ('000)	2008 ('000)	2009 ('000)
Current Assets			
Cash and cash equivalents	\$428	\$775	\$2207
Receivables	\$877	\$956	\$1017
Other assets	\$131	\$131	\$102
Total Current Assets	\$1436	\$1863	\$3326
Total Non-Current Assets	\$283	\$226	\$99
Total Assets	\$1719	\$2089	\$3425
Current Liabilities			
Payables	\$866	\$1004	\$1279
Interest bearing liabilities	\$119	\$85	\$63
Provisions	\$291	\$301	\$276
Unearned income	\$1702	\$1384	\$1298
Total Current Liabilities	\$2977	\$2774	\$2916
Total Non-Current Liabilities	\$299	\$321	\$212
Total Liabilities	\$3276	\$3095	\$3128
Net Assets/Total Equity	(\$1557)	(\$1005)	\$297

The funds will also be used to migrate more of the Company’s platforms for deployment in a “Software As A Service” (SaaS) and “Managed Hosted Service” mode.

The Zero-touch, SaaS and Managed Service models are crucial to ensure affordability and acceptable margins for the larger (mass) markets of connectivity, community health and consumer Individual Electronic Health Records, in particular; our online Zero-touch infrastructure will progressively be available for:

- MasterCare MHAGIC for Mental Health Case Management;
- MasterCare Shared Electronic Medical Record;
- ReferralNet Secure Messaging;
- ReferralNet Claims;
- ReferralNet SMS
- HotHealth Consumer Portal
- LifeCard Individual Electronic health Records.

This infrastructure for Internet sales and delivery will enable the Company to develop new geographical markets with minimal setup and incremental costs.

The infrastructure is also crucial for the Company’s objective which requires a much larger client base to compensate for the lower yield per client.

2010 Objectives

The Company has recognized the global nature of the e-health opportunity and has been developing indirect channels for international markets. In summary, the commercial adoption of our products and consequential growth in revenue will be driven by a three-prong strategy:

1. Direct and indirect sales channels to grow market share in the Australian market as e-health “talk” translates to action;
2. Direct and indirect sales channels to develop new geographical markets to meet the global demand for e-health;
3. As our capital structure permits, identifying and executing mergers and acquisitions of complementary businesses in a highly fragmented market, that will enhance our critical mass and competitive advantage.

The development of software platforms are characterized by their high initial development costs followed by high customer acquisition costs.

Positive cashflow will ensue as commercial adoption of our products and services gathers momentum. All indications are that the Company is not far from achieving critical mass. The achievement of a maiden underlying EBITDA positive result by Global Health represents a significant milestone.

The timing of this milestone coincides favourably with the increasing domestic and worldwide focus on capital investment in e-health. The Company’s stronger balance sheet and profitable underlying EBITDA provides the opportunity for more aggressive business development activity on developing new markets and increasing market share.

The combination of a high margin (software) business in a large and high growth market offers the prospect of lucrative potential returns if successful.

It has been a challenging 18 months since September 2007 and the Company has emerged with market leading products, a broader base of customers and stronger cash reserves.

The Directors, executive and staff remain committed to delivering sustainable financial returns for our shareholders.

Finally, I’d like to thank our Board and all staff for their support and commitment over the difficult times of the past year and their commitment to our common goal of “Connecting Clinicians and Consumers”.

Thank You.

Thank You

