

25 November 2015

To: The Manager Companies
Companies Announcements Office
Australian Securities Exchange

Dear Sir/Madam

Global Health Limited 2015 AGM - Chief Executive Officer's Presentation

Please find attached a copy of the address to be delivered by Mr Mathew Cherian, Chief Executive Officer, at Global Health's Annual General Meeting at Level 3, 600 Bourke Street, Melbourne, commencing at 11:30am today.

Yours faithfully



Peter Curigliano
Company Secretary and Chief Financial Officer

**Global Health Limited Annual General Meeting
25 November 2015
CEO's Address to Shareholders**

Good morning Ladies and Gentlemen

I am pleased to report on our activities over the past 12 months and share our forward plans with you.

FY 2015 Summary

The financial year ending 2015 was our third consecutive year of net profit in excess of one million dollars.

The EBITDA margin of 27% and NPAT margin of 23% achieved was broadly in line with our budgeted margins of 29% and 25% respectively. The Company's margin defence was solid in the face of weaker revenues and we were pleased to see the business model holding up so well in the face of headwinds.

Recurring income represented 80% of total income during the year.

In an environment of tightening health budgets for both private and public hospitals, our product range is becoming increasingly competitive. We are becoming increasingly confident regarding our competitive advantages in the face of the growing industry pressures. Our products offer hospitals and community groups significant efficiency improvements.

On a less positive note, since our 2014 AGM, we have had a new challenge to contend with; a contractual dispute with a long-standing customer – the South Australian Government.

South Australian Government Dispute - Background

Revenue associated with the South Australian Government has represented between fifteen and twenty percent (\$750K to \$1M) of revenues in recent years. The South Australian Government has been using the Company's legacy software, Chiron Patient Administration and Harmony Financials, at 68 rural and regional hospitals since 1995.

Since the retirement of Chiron and Harmony from release to the general market in 2003, the South Australian Government has continually declined its (free) entitlement to MasterCare ePAS upgrades and, consequently, the prudent maintenance of this asset.

Standard industry practice is to provide software upgrades to clients regularly and then retire obsolete products within a reasonable period, which is typically within 18 months of

product withdrawal. The Company has had to provide a duplicate team to maintain the retired technology since 2006.

In February 2014, the South Australian Government contractually agreed either to upgrade Chiron to MasterCare ePAS, or otherwise cease use of Chiron by 31 March 2015.

In May 2014, the South Australian Government informed the Company that it did not intend to upgrade Chiron to MasterCare ePAS.

However, the South Australian Government has continued its use of Chiron and Harmony in its 68 rural hospitals, without the Company's permission or payment of any licence fees since 1 April 2015.

The South Australian Government claims to be entitled to continue using Chiron (and Harmony) because of the compulsory Crown licensing provisions in section 183 of the *Copyright Act 1968* (Cth). The Company disputes this claimed statutory entitlement.

Implications

Chiron and Harmony were developed in the early 1990s, before the proliferation of the Internet-enabled, wireless-enabled, connected devices and software systems within a hospital, across the wider industry, and the World Wide Web.

It is unrealistic to expect that 25 year-old software without appropriate upgrades can cope with today's complexity and the increasing vulnerability of "connectivity" in this age of ever-increasing malicious attacks by hackers often for criminal activity such as identity theft, blackmail or other financial gain.

Chiron and Harmony manage sensitive clinical and episodic information for patients, financial, inventory, assets and banking information. The database contains data going back 20 years.

The Company's assets are its Intellectual Property and its long-standing reputation for reliability and innovation. Both are at risk in this dispute.

The dispute must be resolved fairly with due consideration for the:

- fundamentally critical role of Patient Administration Systems in providing effective patient care in hospitals and avoiding adverse events and possible deaths from mistreatment;
- central role of financial systems software in the running of a hospital as well as State-wide and nation-wide health care systems;
- expanding vulnerability of our customers to malicious hacking vulnerabilities and the protection of the Company's reputation should a disaster occur;

- safety and security of patient data stored over twenty years through today's world of interconnected information.

Outlook

Management confidence in future growth is increasing after this challenging period for the Company. New product development and business development will be the focus after less than planned investment in innovation, new product launches and business development over the last 12 months.

We have taken action on a number of fronts in the past year to ensure future growth in the business. In July 2015, the Company announced the acquisition of a Medical Software Business with 400 customers in Australia.

Aside from new recurring revenue from this acquisition, the Company secured the services of approximately 12 development and support personnel based in Saigon with extensive experience with health software development and support for the Australian health care environment.

Fifty percent of these personnel have been gradually transitioned onto the Company's Cloud-based, "mobile-first" new product program which will have us back on the planned timeline within the next six months.

We are confident that domestic sales growth is likely to significantly improve in the coming years and have hired 3 new sales people to help us develop the business. We are also confident regarding future product launches for the cloud, mobile and consumer segments.

The vast international opportunity is another priority and we are pursuing strategic partnerships which help us break into new markets.

In the first 4 months of this financial year (July-15 to Oct-15), management accounts indicate a 3.1% increase in Licence and Recurring Subscriptions over the previous corresponding period (July 2014 to Oct 2014). Disregarding the South Australian Government revenue over the comparison periods, the underlying growth in Licence and Recurring Subscription is closer to 25%. Subscriptions from our Software as a Service (SaaS) products increased to 18% of year-to-date revenue to 31 October 2015 – an increase of 5% (31 October 2014: 13%).

Through prudent financial and capital management, Cash + Net Receivables is over \$1mat the end of Oct 2015 or 36% up on the previous comparative period (Oct-2014: \$778K).

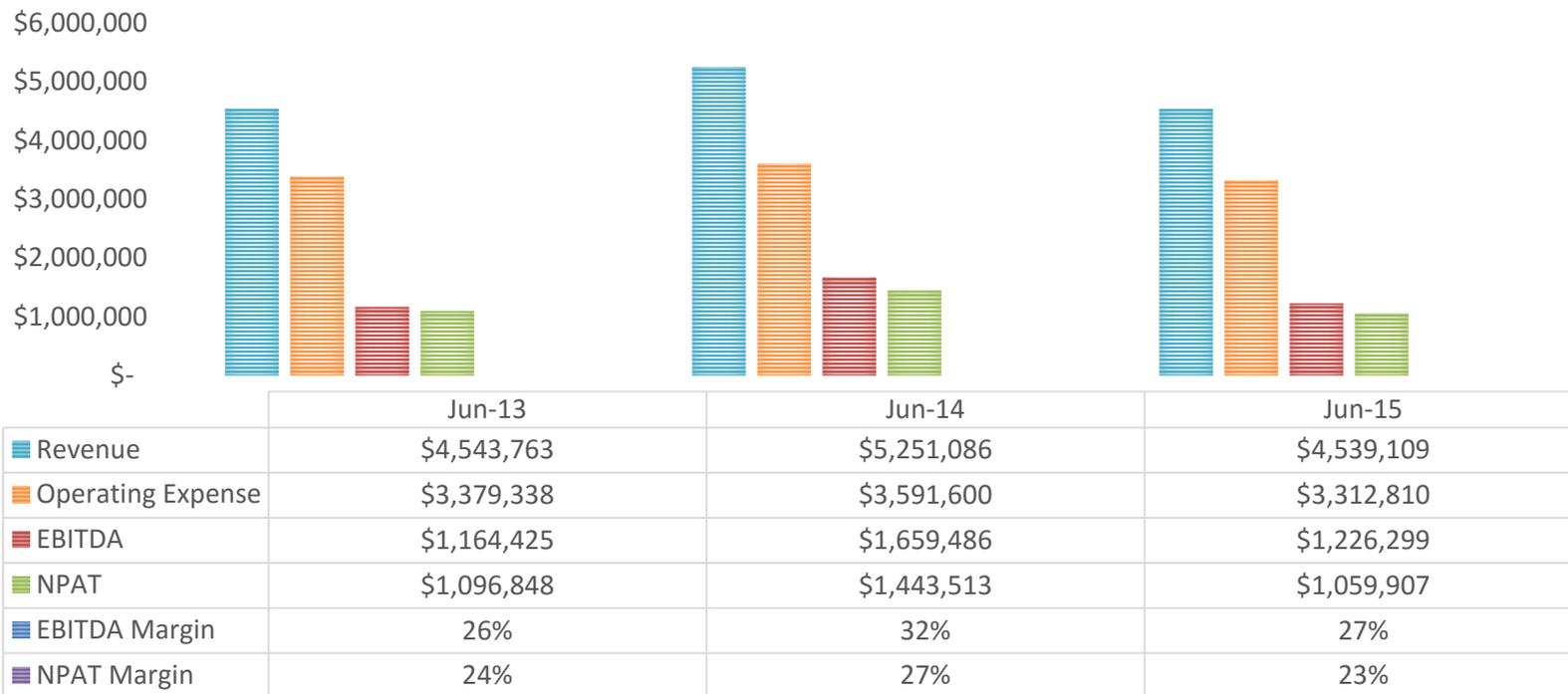
Our target for the 12 months to June-2016, is \$4.6m in revenues and Earnings Per Share of approximately 3 to 3.5 cents per share.

I would like to take this opportunity to thank the dedicated team of over thirty staff who have worked diligently across all areas of the business in support of our customers and shareholders.

**Global Health Limited
Annual General Meeting 2015**

Mathew Cherian
Chief Executive Officer

Financial Result - 3 years to June 2015



3rd Consecutive year of Net Profit After Tax in excess of A\$1m

South Australian Government Dispute

| 1995 | 31 March 2015 | 1 April 2015 | February 2016 |
|--|--|--|---|
| <p>Chiron Patient Administration and Harmony</p> <p>Financials, Supply and Assets System implemented at 68 regional and rural hospitals in South Australia in 1995.</p> | <p>South Australian Government contractual agreement</p> <p>Either upgrade Chiron to MasterCare ePAS, or otherwise cease use of Chiron in their 68 hospitals by 31 March 2015</p> | <p>Continued use</p> <p>Chiron and Harmony is still being used by the South Australian Government without the Company's permission or payment of any licence fees since 1 April 2015.</p> | <p><i>The next Directions hearing is scheduled for February 2016.</i></p> |

Disruptive impact on Company's growth in FY2015 and FY2016 through the diversion of financial, executive and other staff resources in support of the ongoing preparation and exchange of evidence between the parties, with a trial date yet to be set down.

SA Health Implications

- Chiron and Harmony are 20+ years old software built prior to Internet-enabled world wide web with multiple devices wirelessly connected to local and national networks
- The dispute must be resolved with consideration for:
 - Critical role of Patient Administration Systems in providing effective patient care and avoiding adverse events
 - Central role of financial systems software in the running of a hospitals, statewide and national systems
 - Expanding vulnerability of customers to malicious hacking that is increasingly enabled in today's world of interconnected devices and information
 - Safety and security of patient data stored over 20 years

Outlook

- Management confidence in future growth is increasing with new product and business development back on track
- 3 additional sales people commenced in November
- 50% of Saigon Offshore Development Centre now working on Company's "mobile-first", Software as a Service new applications
- International markets a priority for scale

Positive trends

| | Increase |
|---|----------|
| Licence and Recurring Subscriptions. July 15 to Oct 15 | +3.1% |
| Underlying growth in Licences & Recurring Subscriptions Disregarding SA Government revenue in both periods | +25% |
| Software as a Server (SaaS) subscriptions up to 18% of recurring revenue in the 4 months to 31 Oct 2015 | +5% |
| Cash & Net Receivables. (31 Oct 2015 vs 31 Oct 2014) | +36% |

| 12 month target (to June 2016) | Target |
|--------------------------------|-----------------------|
| Revenue | \$4.6M |
| Earnings Per Share | 3 to 3.5 cents approx |

Thank you

Global Health Limited
Level 2, Bourke Street, Melbourne Victoria 3000 Australia
T +61 3 9675 0600 | F +61 3 9675 0699 | www.global-health.com