

# **INTERIM FINANCIAL REPORT**

**FOR THE HALF YEAR ENDED  
31 DECEMBER 2017**

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**GLOBAL HEALTH LIMITED AND CONTROLLED ENTITIES**  
(ABN: 75 091 377 892)

**Appendix 4D**  
**Half Year Report**

**Name of entity**

**GLOBAL HEALTH LIMITED**

ABN                      Half yearly   Preliminary final   Half Year ended

75 091 377 892



31 December 2017 (Comparative period 31 December 2016)

**Results for announcement to the market**

The information in this report should be read in conjunction with the most recent annual financial report.

<b>Revenues</b> from ordinary activities	down	55%	to	\$3,189K
<b>Revenues</b> from ordinary activities before one off settlement*	up	25%	to	\$3,189K
<b>Loss</b> from ordinary activities after tax	down	114%	to	\$504K
<b>Net loss</b> for the period attributable to members	down	114%	to	\$504K
<b>Net loss</b> for the period attributable to members before one off settlement*	up	62%	to	\$504K

\* Included to allow for comparative review of the financial statements excluding significant one off transactions. This excludes \$5M related to one off license settlement.

<b>Dividends / distributions</b>	Amount per security	Franked amount per security
Final dividend	Nil ¢	Nil ¢
Interim dividend	Nil ¢	Nil ¢
Previous corresponding period	1 ¢	Nil

<b>Net Tangible Asset backing</b>	Current period	Previous corresponding period
Net Tangible Assets per ordinary security	(0.035)¢	0.07¢

Signed by:



Print name: Mathew Cherian  
Chief Executive Officer

Date: 28 February 2018

## DIRECTORS' REPORT

Your Directors submit their report for the half year ended 31 December 2017.

### Directors

The names and details of the Company's directors in office during the half year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

**Steven Leigh Pynt LLB, BBus, MBA, MTax**

(Independent Non-Executive Chairman)

**Mathew Cherian BBus (IS/IT), MACS, MAICD**

(Managing Director and Chief Executive Officer)

**Grant Smith**

(Independent Non-Executive Director)

**Robert Knowles AO**

(Independent Non-Executive Director)

**Pattie Anne Beerens**

(Independent Non-Executive Director)

### Principal Activities

During the period the principal activities of the consolidated entity consisted of the development, licensing, implementation and provision of IT services to the healthcare industry.

### Consolidated Results

The loss of the consolidated entity for the half year was \$504,195 before income tax (2016 profit: \$3,686,380) and the loss attributable to owners of the parent entity after income tax was \$503,711 (2016 profit: \$3,686,498).

### Dividends

No dividends were announced or paid.

**GLOBAL HEALTH LIMITED AND CONTROLLED ENTITIES**  
**(ABN: 75 091 377 892)**

## **Financial Result**

Global Health reports a Net Loss after Tax of \$0.51M which corresponds to 1.50 cents loss per share (EPS).

This was primarily due to increased expenditure on international market development and the development of new software platforms for phased introduction to markets over the next three years., A portion of these expenditures have been capitalised. Refer to note 5 in the disclosures of the interim financial report for further details.

For the six months to December 2017, normalized revenue grew by 25% to \$3.19M (December 2016: \$2.54M). Normalized revenue excludes the one-off receipt in August 2016 of \$5M on resolution of the dispute with SA Health. Your Directors believe this 25% growth is a reflection of the strong confidence the market continues to hold in the Company.

Given the need for strong cash balances to complete the development of the new product suite, the Directors have resolved not to pay any dividends in respect of the half year.

## **Financial Position**

Net Assets decreased by \$0.42M to \$4.44M. Increases in Intangible assets of \$0.80M represent the Company's continued focus on developing new innovative applications for mobile platforms.

As at 31-December 2017, the Company's Cash + Net Receivables was \$3.22M representing a decrease of \$1.28M. This decrease is a result of further spending on intangible asset (software) development as noted above.

**GLOBAL HEALTH LIMITED AND CONTROLLED ENTITIES**  
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## Operational Activity

*Operating Revenue Up by 25%\**

The six months to December 2017 was an exceptionally productive period for the Company. Our MasterCare and PrimaryClinic on-premises software applications continued to grow market share across the acute and community sectors of healthcare. Importantly the Company commenced early commercialization of our new cloud platforms and mobile applications for consumer engagement ([www.hothealth.com](http://www.hothealth.com)) and consumer personal health records ([www.lifecard.com](http://www.lifecard.com)).

- ❖ In July, the Company announced the commercial release of our Lifecard Patient Portal designed to provide convenience for the patients and clients of the Company's MasterCare software used across Australia. Over the reporting period, the volume of online forms completed by consumers grew at an average rate of 7% per month across four MasterCare customers.
- ❖ In August, agreement was reached for the supply of MasterCare PAS to the new 85 bed Arcadia Pittwater rehabilitation hospital in Sydney, which was opened to the public this month.
- ❖ In September, MasterCare EMR went live with approximately 400 users at the Mercy Mental Health services across 6 locations in Victoria. Mercy Health is the second area mental health service in Victoria following on from the deployment of MasterCare at South West Area Health Service in Warrnambool.
- ❖ In October, a further 1,000 users went live with MasterCare EMR across ACT Health's Mental health, drug and alcohol services. In addition, the Company executed an agreement with the Royal Australian and New Zealand College of Obstetricians and Gynaecologists (RANZCOG) to add a pregnancy module to the Company's Lifecard Personal Health Record. The "Digital Babies" project commenced an initial pilot this month.
- ❖ In November, the Company announced a strategic partnership with the Australian Psychological Society (APS) whereby over 20,000 members of APS have preferred access to the Company's MasterCare, ReferralNet & HotHealth Patient engagement platforms. The Company also announced the successful 2-way exchange of secure messages between healthcare providers using Telstra's Argus Connect and Global Health's ReferralNet Secure Messaging platforms.

*\*After adjusting for one off revenue streams in the comparative period.*

**GLOBAL HEALTH LIMITED AND CONTROLLED ENTITIES**  
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## **Operational Activity (cont.)**

### *Developing Business Opportunities across ASEAN*

More than ever in today's global marketplace, achieving economies of scale is crucial to sustainability. With the commercial release of our consumer platforms, the Company is investing in developing partners to promote and supply our platforms to the wider neighbouring markets of ASEAN thereby increasing our potential reach from the 25 million Australians of consumers to over 600 Million people across the ASEAN countries.

Following the appointment in August of our ASEAN General Manager based in Kuala Lumpur, the Company has conducted over 30 presentations across Singapore, Malaysia, Thailand and Vietnam. The strong interest from potential customers and resellers in a number of jurisdictions is very encouraging. The Company is confident that its investment in developing the international market has the potential be a game-changer for shareholders with positive cashflow from international markets forecast within 18 months.

### *Investing in our future*

Over the last 18 months, the strong cash position has enabled the Company to accelerate our investment in research and new platform development. Just over \$1M was spent on research and new product development exclusively directed at our mobile-first platforms. This level of commitment is forecast to continue for the remainder of the financial year to optimise our speed to market and ensure we meet market demand in a timely manner. Subject to an assessment of our financial position, the level of investment may be progressively reduced in FY19 as we achieve Minimum Viable Products for our mobile platforms in target segments.

## **Forward Outlook**

In summary, the Company's focus is on achieving economies of scale through:

- Considered investments in consumer health services particularly focused on connectivity, community engagement and consumer empowerment;
- Increased investments in local and neighbouring market development;
- Accelerated investment in executing the "mobile-first" upgrade of our portfolio; and
- Ensuring our clients continue to maintain the quality and efficiencies of their healthcare services by fully utilising Global Health's growing portfolio services and products.

**GLOBAL HEALTH LIMITED AND CONTROLLED ENTITIES**  
**(ABN: 75 091 377 892)**

**Auditor's Independence Declaration**

In accordance with section 307C of the Corporations Act 2001, a Declaration of Independence was obtained from auditors ShineWing Australia, a copy of which is attached and forms part of this report.

Any enquiries on the above can be directed to Mr Mathew Cherian, Chief Executive Officer, on +61 3 9675 0688 or alternatively by email to [mathew.cherian@global-health.com](mailto:mathew.cherian@global-health.com)

Signed in accordance with a resolution of Directors  
GLOBAL HEALTH LIMITED



Steven Leigh Pynt  
Non-Executive Chairman



Mathew Cherian  
Chief Executive Officer

Melbourne, 28 February 2018

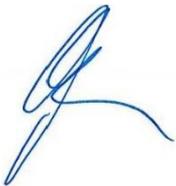
**Auditor's Independence Declaration under Section 307C of the Corporations Act  
2001 to the Members of Global Health Limited and its Controlled Entities**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2017 there have been:

- (i) no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review, and
- (ii) no contraventions of any applicable code of professional conduct in relation to the review.

ShineWing Australia

**ShineWing Australia**  
Chartered Accountants



Nick Michael  
Partner

Melbourne, 28 February 2018

**GLOBAL HEALTH LIMITED AND CONTROLLED ENTITIES**  
(ABN: 75 091 377 892)

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE  
INCOME FOR THE HALF YEAR ENDED 31 DECEMBER 2017**

	Half Year	
	31 December 2017 \$	31 December 2016 \$
Revenue from the sale of licenses and maintenance contracts	2,010,706	1,783,838
Revenue from professional services	691,593	630,862
R&D tax rebate	406,767	-
Other revenues	80,804	125,071
One off license settlement	-	5,000,000
<b>Total revenue from continuing operations</b>	<b>3,189,870</b>	<b>7,539,771</b>
Salaries and related costs	(2,263,002)	(2,225,527)
Direct external costs	(114,191)	(158,139)
General and administration costs	(1,148,838)	(470,565)
<b>Earnings before Interest, Tax, Depreciation and Amortisation</b>	<b>(336,161)</b>	<b>4,685,540</b>
Finance costs	(57,641)	(76,749)
Depreciation	(43,533)	(75,659)
Amortisation	(66,389)	(791,499)
Non-operating foreign exchange losses	(63)	(55,253)
<b>(Loss)/profit before income tax</b>	<b>(503,787)</b>	<b>3,686,380</b>
Income tax benefit/(expense)	-	-
<b>Net profit for the period</b>	<b>(503,787)</b>	<b>3,686,380</b>
<b>Other comprehensive income</b>		
Exchange differences on translating foreign operations	(408)	53,238
<b>Total comprehensive income for the period</b>	<b>(504,195)</b>	<b>3,739,618</b>
<b>Net (loss)/profit for the period attributable to:</b>		
Owners of the parent	(503,711)	3,686,498
Minority interest	(76)	(118)
	<b>(503,787)</b>	<b>3,686,380</b>
<b>Total comprehensive (loss)/profit attributable to:</b>		
Owners of the parent	(504,233)	3,739,915
Minority interest	38	(297)
	<b>(504,195)</b>	<b>3,739,618</b>
<b>Earnings per Share from continuing operations</b>		
Basic earnings per share (cents per share)	(1.50)	11.18
Diluted earnings per share (cents per share)	(1.44)	11.12

*The above consolidated statement of profit and loss and other comprehensive income should be read in conjunction with the accompanying notes.*

**GLOBAL HEALTH LIMITED AND CONTROLLED ENTITIES**  
(ABN: 75 091 377 892)

**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2017**

		31 December 2017	30 June 2017
	Note	\$	\$
<b>Current Assets</b>			
Cash & cash equivalents		1,965,503	2,543,412
Trade and other receivables		1,138,297	1,821,098
Other assets		204,952	185,969
Current Tax Asset		481,842	481,842
<b>Total Current Assets</b>		<b>3,790,594</b>	<b>5,032,321</b>
<b>Non-Current Assets</b>			
Trade and other receivables		119,400	140,911
Property, plant and equipment		107,205	150,738
Intangibles	5	5,616,197	4,817,920
Deferred Tax Asset		596,599	596,599
<b>Total Non-Current Assets</b>		<b>6,439,401</b>	<b>5,706,168</b>
<b>Total Assets</b>		<b>10,229,995</b>	<b>10,738,489</b>
<b>Current Liabilities</b>			
Payables		1,326,633	1,079,282
Interest bearing liabilities		372,115	389,880
Provisions		542,817	506,469
Unearned income		1,317,389	1,462,960
<b>Total Current Liabilities</b>		<b>3,558,954</b>	<b>3,438,591</b>
<b>Non-Current Liabilities</b>			
Interest bearing liabilities		905,121	1,078,880
Provisions		23,490	30,764
Unearned Income		16,181	46,128
Deferred Tax Liability		1,282,415	1,282,415
<b>Total Non-Current Liabilities</b>		<b>2,227,207</b>	<b>2,438,187</b>
<b>Total Liabilities</b>		<b>5,786,161</b>	<b>5,876,778</b>
<b>Net Assets</b>		<b>4,443,834</b>	<b>4,861,711</b>
<b>Equity</b>			
Contributed equity	4	20,898,742	20,836,242
Reserves		128,897	105,079
Accumulated losses		(16,583,919)	(16,079,686)
<b>Total Parent Entity Interest</b>		<b>4,443,720</b>	<b>4,861,635</b>
Minority interest		114	76
<b>Total Equity</b>		<b>4,443,834</b>	<b>4,861,711</b>

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

**GLOBAL HEALTH LIMITED AND CONTROLLED ENTITIES**  
(ABN: 75 091 377 892)

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF YEAR ENDED 31 DECEMBER 2017**

	Issued capital ordinary	Option reserve	Currency translation reserve	Retained earnings	Total attributable to owners of the parent	Minority interest	Total equity
<b>Balance 1 July 2016</b>	<b>20,728,742</b>	<b>29,978</b>	<b>30,485</b>	<b>(17,144,355)</b>	<b>3,644,850</b>	<b>408</b>	<b>3,645,258</b>
Issue of share capital	62,500	-	-	-	62,500	-	62,500
Exercise of options	45,000	-	-	-	45,000	-	45,000
Share based payments expense	-	50,867	-	-	50,867	-	50,867
<b>Transactions with owners</b>	<b>107,500</b>	<b>50,867</b>	-	-	<b>158,367</b>	-	<b>158,367</b>
Profit/(loss) for the period	-	-	-	1,728,369	1,728,369	(324)	1,728,045
Payment of dividends	-	-	-	(663,700)	(663,700)	-	(663,700)
<b>Other comprehensive income:</b>							
Exchange differences on translation of foreign operations	-	-	(6,251)	-	(6,521)	(8)	(6,529)
<b>Total comprehensive income/(loss) for the period</b>	-	-	<b>(6,251)</b>	<b>1,064,669</b>	<b>1,058,418</b>	<b>(332)</b>	<b>1,058,086</b>
<b>Balance 30 June 2017</b>	<b>20,836,242</b>	<b>80,845</b>	<b>24,234</b>	<b>(16,079,686)</b>	<b>4,861,365</b>	<b>76</b>	<b>4,861,711</b>
<b>Balance 1 July 2017</b>	<b>20,836,242</b>	<b>80,845</b>	<b>24,234</b>	<b>(16,079,686)</b>	<b>4,861,635</b>	<b>76</b>	<b>4,861,711</b>
Issue of share capital	62,500	-	-	-	62,500	-	62,500
Share based payments expense	-	23,818	-	-	23,818	-	23,818
<b>Transactions with owners</b>	<b>62,500</b>	<b>23,818</b>	-	-	<b>86,318</b>	-	<b>86,318</b>
Loss for the period	-	-	-	(504,233)	(504,233)	-	(504,233)
<b>Other comprehensive income:</b>							
Exchange differences on translation of foreign operations	-	-	-	-	-	38	38
<b>Total comprehensive income/(loss) for the period</b>	-	-	-	<b>(504,233)</b>	<b>(504,233)</b>	<b>38</b>	<b>(504,195)</b>
<b>Balance 31 December 2017</b>	<b>20,898,742</b>	<b>104,663</b>	<b>24,234</b>	<b>(16,583,919)</b>	<b>4,443,720</b>	<b>114</b>	<b>4,443,834</b>

*The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.*

**GLOBAL HEALTH LIMITED AND CONTROLLED ENTITIES**  
**(ABN: 75 091 377 892)**

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE HALF YEAR ENDED 31 DECEMBER 2017**

	Half Year	
	31 December 2017	31 December 2016
	\$	\$
<b>Cash Flows from Operating Activities</b>		
Receipts from customers	3,607,760	8,749,277
Receipts from research and development grants	-	-
Payments to suppliers and employees	(3,086,256)	(3,771,560)
Interest received	14,419	21,038
Interest and finance costs paid	(57,641)	(76,749)
	478,282	4,922,006
<b>Net cash inflow from operating activities</b>		
<b>Cash Flows from Investing Activities</b>		
Purchase of property, plant & equipment	-	(50,693)
Purchase of intangibles	(864,667)	(696,368)
	(864,667)	(747,061)
<b>Net cash outflow from investing activities</b>		
<b>Cash Flows from Financing Activities</b>		
Proceeds from borrowings	-	75,456
Repayment of borrowings	(191,524)	(167,959)
Payment of dividends	-	(330,150)
	(191,524)	(422,653)
<b>Net cash outflow from financing activities</b>		
Net (decrease)/increase in cash & cash equivalents held	(577,909)	3,752,292
Cash & cash equivalents at the beginning of the financial period	2,543,412	1,149,028
<b>Cash &amp; cash equivalents at the end of the financial period</b>	<b>1,965,503</b>	<b>4,901,320</b>

*The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.*

**GLOBAL HEALTH LIMITED  
AND CONTROLLED ENTITIES  
(ABN: 75 091 377 892)**

**Notes to the Financial Statements  
for the half year ended 31 December 2017**

## **1. Statement of Significant Accounting Policies**

The financial report covers the consolidated entity of Global Health Limited and controlled entities for the half year ended 31 December 2017. Global Health Limited is a listed public company, incorporated and domiciled in Australia.

### **a) Basis of preparation**

This general purpose financial report for the interim half year reporting period ended 31 December 2017 has been prepared in accordance with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Act 2001*. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2017 and any public announcements made by Global Health Limited during the interim reporting period in accordance with the continuous disclosure requirements of the ASX listing rules.

The same accounting policies and methods of computation have been followed in the interim financial report as were applied in the most recent annual financial statements.

The company has considered the implications of new or amended Accounting Standards, but determined that their application to the financial statements is either not relevant or not material.

The financial statements have been prepared on a going concern basis as the Company directors believe that the Company will be able to pay its debts as and when they fall due and payable.

The financial report of Global Health Limited was authorised for issue as at the date of the directors' report.

**GLOBAL HEALTH LIMITED  
AND CONTROLLED ENTITIES  
(ABN: 75 091 377 892)**

**Notes to the Financial Statements  
for the half year ended 31 December 2017**

## **2. Going Concern**

As at 31 December 2017 the company have cash reserves of \$1,965,503 and a net current asset position of \$ 231,640.

The half year interim financial statements has been prepared on a going concern basis which assumes that the consolidated entity will be able to meet their debts as and when they fall due. The following matters have been considered by the directors in determining the appropriateness of the going concern basis of preparation in the financial statements:

### **Success in continued operations**

In the current financial year, the Group was successful in obtaining contracts with Government agencies and large community health organisations. This is expected to increase cashflows related to the operations of the entity.

Management also have the ability to reduce operating costs in relation to development should the need arise.

Increases in expected collections with the ability to reduce operating costs in relation to development will allow the group to increase its operating cash flows.

### **Expansion into the ASEAN region**

The Group has expanded its activities in the ASEAN region (Malaysia, Singapore, Indonesia, Thailand, and Vietnam). Management expect to leverage this position to increase operating cashflows through the sale of software and services targeted towards international markets.

### **Availability of Finance**

The Group, through its financial institutions, is able to acquire additional financial support if so required.

The directors believe that the consolidated entity will be able to continue as a going concern and, accordingly, the financial statements have been prepared on that basis.

**GLOBAL HEALTH LIMITED  
AND CONTROLLED ENTITIES  
(ABN: 75 091 377 892)**

**Notes to the Financial Statements  
for the half year ended 31 December 2017**

### **3. Segment Information**

Segment information is provided in respect of the consolidated entity's business and geographical segments. The primary format, operating segments, is based on the consolidated entity's management and internal reporting structure.

#### **Operating Segments**

Global Health Limited operates in the computer technology, software and services industry with particular emphasis on healthcare and associated professional services.

The consolidated entity comprises the following main operating segments:

- *Acute* Information system applications for the hospital and day surgery market sector to deliver better and more integrated healthcare.
- *Non-Acute* Comprehensive suite of applications that provide the management of population outcomes for communities of common interest.
- *Other* Products and services delivered to non-healthcare customers and include revenues and expenses associated with third party products and cost recoveries from customers.
- *Corporate* Expenditure associated with Corporate, Sales and Marketing activities.

#### **Segment accounting policies**

The Company generally accounts for inter-segment sales and transfers as if the sales or transfers were to third parties at current market prices. Revenues are attributed to geographic areas based on the location of the assets producing the revenues.

During the half year there were no changes in segment accounting policies that had a material effect on the segment information.

**GLOBAL HEALTH LIMITED  
AND CONTROLLED ENTITIES  
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**Notes to the Financial Statements  
for the half year ended 31 December 2017**

<b>Primary Reporting Business Segments</b>	<b>Acute</b>		<b>Non-Acute</b>		<b>Other</b>		<b>Corporate</b>		<b>Consolidated</b>	
	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>	<b>2017</b>	<b>2016</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>Revenue</b>										
Sales to customers outside the consolidated entity	494,176	566,279	2,155,454	1,851,487	133,474	122,004	-	-	2,783,104	2,539,770
One off License Settlement	-	-	-	-	-	5,000,000	-	-	-	5,000,000
Research & Development incentives	-	-	-	-	406,766	-	-	-	406,766	-
<b>Gross revenue</b>	<b>494,176</b>	<b>566,279</b>	<b>2,155,454</b>	<b>1,851,487</b>	<b>540,240</b>	<b>5,122,004</b>	<b>-</b>	<b>-</b>	<b>3,189,870</b>	<b>7,539,770</b>
<b>Less</b>										
Salaries & related costs	329,188	393,993	1,016,874	1,130,736	-	-	1,149,207	766,874	2,495,269	2,291,603
General and administration costs	140,196	96,735	401,132	277,622	-	30,813	489,435	157,457	1,030,761	562,627
Segment EBITDA	<b>24,792</b>	<b>75,551</b>	<b>737,449</b>	<b>443,129</b>	<b>540,240</b>	<b>5,152,817</b>	<b>(1,638,642)</b>	<b>(924,331)</b>	<b>(336,161)</b>	<b>4,685,540</b>
<b>Less</b>										
Depreciation and amortisation	17,029	61,668	85,520	201,630	7,373	603,860	-	-	109,922	867,158
Finance costs	-	-	-	-	-	-	57,641	76,764	57,641	76,764
Non-operating foreign exchange gains	-	-	-	-	-	-	63	55,238	63	55,238
Segment Result	<b>7,763</b>	<b>13,883</b>	<b>651,929</b>	<b>241,499</b>	<b>532,867</b>	<b>4,548,957</b>	<b>(1,696,344)</b>	<b>(1,056,333)</b>	<b>(503,787)</b>	<b>3,686,380</b>
Income tax (expense)/benefit	-	-	-	-	-	-	-	-	-	-
Outside equity interests	-	-	-	-	-	-	-	118	-	118
<b>Net profit/(loss)</b>	<b>7,763</b>	<b>13,883</b>	<b>651,929</b>	<b>241,499</b>	<b>532,867</b>	<b>4,548,957</b>	<b>(1,696,344)</b>	<b>(1,056,215)</b>	<b>(503,787)</b>	<b>3,686,498</b>

**GLOBAL HEALTH LIMITED  
AND CONTROLLED ENTITIES  
(ABN: 75 091 377 892)**

**4. Contributed Equity**

	Consolidated Entity			
	31 December 2017 Number	30 June 2017 Number	31 December 2017 \$	30 June 2017 \$
Opening Balance	33,354,995	32,846,662	20,836,242	20,728,742
Add: Shares issued for the purchase of software assets of Abaki Pty Ltd	115,264	208,333	62,500	62,500
Add: shares issued from the exercise of options	-	300,000	-	45,000
(a) Ordinary shares				
<b>Total number of shares on issue</b>	<u>33,470,259</u>	<u>33,354,995</u>	<u>20,898,742</u>	<u>20,836,242</u>

On 31 August 2017, 115,264 ordinary shares were issued as the second part of the consideration in respect of the acquisition of the medical software and associated assets of Abaki Pty Ltd.

**(b) Options**

No options were issued during the period.

31 December 2017	Exercise Price	Opening Balance	Options Granted	Options Exercised	Options Cancelled	Closing Balance
Employee Options - exercisable on or before 19 December 2017	\$0.65	530,000	-	-	530,000	-
Employee Options - exercisable on or before 10 June 2020	\$0.65	310,000	-	-	-	310,000
Employee Options - exercisable on or before 26 May 2019	\$0.75	300,000	-	-	-	300,000
Employee Options - exercisable on or before 30 November 2019	\$0.75	400,000	-	-	-	400,000
Director Options - exercisable on or before 30 November 2021	\$0.75	600,000	-	-	-	600,000
		<u>2,140,000</u>	<u>-</u>	<u>-</u>	<u>530,000</u>	<u>1,610,000</u>

30 June 2017	Exercise Price	Opening Balance	Options Granted	Options Exercised	Options Cancelled	Closing Balance
Employee Options - exercisable on or before 5 July 2017	\$0.15	300,000	-	300,000	-	300,000
Employee Options - exercisable on or before 19 December 2017	\$0.65	530,000	-	-	-	530,000
Employee Options - exercisable on or before 10 June 2020	\$0.65	390,000	-	-	80,000	310,000
Employee Options - exercisable on or before 26 May 2019	\$0.75	300,000	-	-	-	300,000
Employee Options - exercisable on or before 30 November 2019	\$0.75	-	400,000	-	-	400,000
Director Options - exercisable on or before 30 November 2021	\$0.75	-	600,000	-	-	600,000
		<u>1,520,000</u>	<u>1,000,000</u>	<u>300,000</u>	<u>530,000</u>	<u>2,140,000</u>

**GLOBAL HEALTH LIMITED  
AND CONTROLLED ENTITIES  
(ABN: 75 091 377 892)**

**Notes to the Financial Statements  
for the half year ended 31 December 2017**

## 5. Intangibles

An intangible asset arising from the development phase of an internal project shall be recognised as an asset and amortised over a pre-determined period. The criteria contained in AASB 138 must be satisfied for the costs to be eligible to be capitalised and amortised accordingly. The Company has capitalised amounts in accordance with the requirements of AASB 138 as shown in the table below:

	<b>31 December 2017</b>	<b>30 June 2017</b>
	\$	\$
Development expenditures – at cost*	6,138,588	5,273,922
Accumulated amortisation	(522,392)	(456,002)
	<u>5,616,197</u>	<u>4,817,920</u>

\* This represents costs arising from the development phase of internal projects.

## 6. Dividends

	<b>Half year</b>	
	<b>31 December 2017</b>	<b>30 June 2017</b>
	\$	\$
Dividends paid	-	<u>663,700</u>

No dividend has been paid in the current financial period (2016: 1c per share).

## 7. Contingent Liabilities

There have been no changes in contingent assets or liabilities of the consolidated entity since the last reporting date.

**GLOBAL HEALTH LIMITED  
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**Notes to the Financial Statements  
for the half year ended 31 December 2017**

## **8. Events subsequent to reporting date**

There were no significant events since the end of the half year that are expected to have a material effect on the results and state of affairs of the consolidated entity.

## **9. Fair Value Measurement**

In the absence of an active market for an identical asset or liability, the Company selects and uses one or more valuation techniques to measure the fair value of the asset or liability. The Company selects a valuation technique that is appropriate in the circumstances and for which sufficient data is available to measure fair value. The availability of sufficient and relevant data primarily depends on the specific characteristics of the asset or liability being measured.

The Market Approach is the valuation technique selected by the Company. This approach is a valuation technique that uses prices and other relevant information generated by market transactions for identical or similar assets or liabilities.

The carrying value in the balance sheet is the same as fair value for all monetary assets and liabilities.

## **10. Seasonality of operations**

The directors have determined that the operations of the Company are not considered to be highly seasonal and therefore have not provided additional disclosures as stated in AASB 134 Interim Financial Reporting.

**GLOBAL HEALTH LIMITED  
AND CONTROLLED ENTITIES  
(ABN: 75 091 377 892)**

**Notes to the Financial Statements  
for the half year ended 31 December 2017**

**Directors' Declaration**

In the opinion of the Directors of Global Health Limited:

- (1). The financial statements and notes are in accordance with the Corporations Act 2001, including:
  - a. giving a true and fair view of the financial position of the consolidated entity as at 31 December 2017 and of its performance, as represented by the results of its operations and cash flows for the half - year ended on that date; and
  - b. complying with Accounting Standards AASB 134: Interim Financial Reporting and Corporations Regulations 2001.
  
- (2). There are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the Directors made pursuant to s303(5) of the Corporation Act 2001.

Dated at Melbourne this 28th day of February 2018

On behalf of the Board



Steven Leigh Pynt  
Non-Executive Chairman

## **INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF GLOBAL HEALTH LIMITED AND ITS CONTROLLED ENTITIES**

### **Report on the Half-Year Financial Report**

#### *Conclusion*

We have reviewed the half-year financial report of Global Health Limited ("the Company") and its controlled entities ("the Group") which comprises the consolidated statement of financial position as at 31 December 2017, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year then ended, and notes to the financial statements and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of the Group is not in accordance with the *Corporations Act 2001*, including:

- (i) giving a true and fair view of the Group's financial position as at 31 December 2017 and of its financial performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134 : *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### *Directors' Responsibility for the Half-year Financial Report*

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

#### *Auditor's Responsibilities for the Review of the Half-Year Financial Report*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the Group's financial position as at 31 December 2017 and its financial performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 : *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Global Health Limited and its controlled entities, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

*Independence*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.

*ShineWing Australia*

**ShineWing Australia**  
Chartered Accountants



Nick Michael  
Partner

Melbourne, 28 February 2018