

ASX: GLH

GLH reports 14% increase in half year revenue

26 February 2016: Global Health is pleased to report a 14% revenue increase and a net profit of \$351,041 (1.07c EPS) for the half year to 31 December 2015.

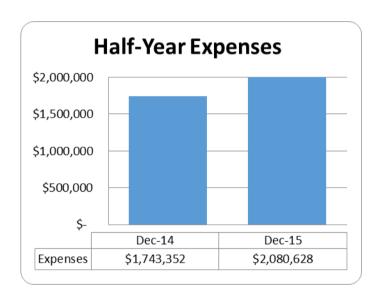


The company's organic revenue growth rate was affected by two factors during the period:

- The acquisition of Abaki Pty Ltd in July 2015 contributed \$317k to Global Health's revenue.
- The SA Government, which represented \$468k of Global Health's revenues in the half year to 31 December 2014, has been using the Company's superseded PAS (Chiron), financials (Harmony) and Integration or middleware broker (e-Switch) software without the licence or permission of the Company, and without making payment since 1 April 2015. Global Health is taking legal action in relation to this.

Excluding both these factors, the company's organic revenue growth rate was higher than the headline 14% figure.

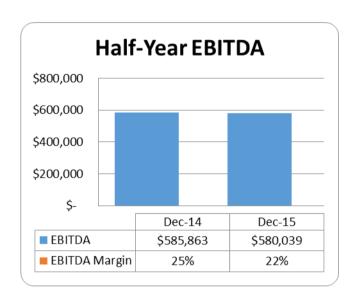




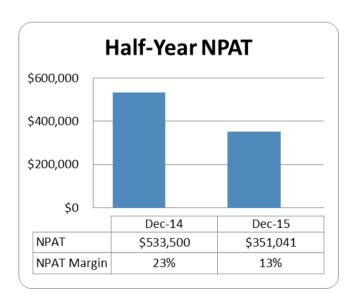
Operational expenses increased by 20% during the period reflecting:

- Additional operational and integration expenses associated with the Abaki acquisition;
- Three additional direct sales hires in November 2015;
- Reduced Research and Development (R&D) which fell year-on-year from 20% of revenue (\$460k) to 11% (\$287k).





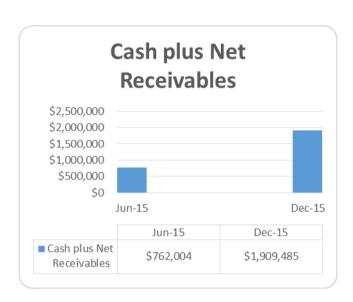
EBITDA was flat at \$580k during the period.



The combination of increased interest costs, depreciation and forex losses resulted in a 34% fall in net profit to \$351k.

Net debt stood at \$117k at 31 December 2015 which equates to a gearing level of 3%.





Cash and net receivables increased by 151% (\$1,147,481) year-on-year, reflecting retained earnings and the addition of an unsecured debt facility of \$1.2M payable over 60 months. This facility was used to fund a group-wide infrastructure upgrade as well as providing a prudent buffer to support normal working capital and R&D, given the costs of resolving the SA Government dispute.



OUTLOOK:

The first half of 2015/16 was a busy and fruitful time for the company with a number of key developments which improve our long term growth prospects:

- We released the first of our LifeCard consumer-focused applications which provide our MasterCare clients with a greater ability to engage with, and empower their patients. The LifeCard Patient Portal was deployed at 7 community healthcare sites with encouraging adoption and positive feedback. This rollout will be extended to our hospital clients for selfregistration and appointment synchronisation between hospitals, specialists and patients.
- We entered into bilateral agreements to inter-change electronic messages between the ReferralNet secure message delivery platform and the Medical Objects, Argus Connect and MMex secure messaging platforms. These initiatives are currently being tested and will be launched in the coming months. Given the previous lack of inter-connectivity had been a significant barrier to transaction volumes, these initiatives could significantly expand our secure messaging traffic and deal-flow.
- We acquired primary care products Practice 2000, MediNet and PracNet (all through the Abaki acquisition), which will complement our existing product portfolio and further develop Global Health's unique position as a leader in multiple healthcare markets. We are working towards our vision of "Connecting Clinicians and Consumers" which delivers productivity gains for healthcare operators and improved outcomes and experiences for their patients and clients.

We hired 3 more direct sales professionals to help develop our pipeline.

We have won a number of significant contracts in recent weeks including ACT Health, the SA Metropolitan Primary Health Network and 360 Health + Community - a leading WA community health provider.

It was particularly pleasing to develop our international footprint with the Mentari Mental Health contract win in Malaysia. We will be aiming for more international expansion in the coming months.



The outlook remains bright. Our sales pipeline is significant and continues to grow reflecting our increasingly clear competitive advantages. Our products help our clients deliver efficiency gains whilst optimising the patient experience, and all at a competitive price.

Assuming no resolution of the SA Government legal dispute before the end of this financial year, the Company expects a full year net profit in the range of \$1M to \$1.3M which equates to EPS of 3c to 4c.

About Global Health Limited

Global Health is a leading provider of Digital Health solutions that address the needs of administrators, funders, clinicians and consumers across the healthcare industry. Global Health's portfolio of products supports healthcare delivery services in both the acute and community settings with a particular focus on team-based, shared medical records and active consumer engagement.

Internet connectivity and an open architecture are the foundations of the Company's vision of "Connecting Clinicians and Consumers".

Global Health is listed on the Australian Stock Exchange with its head office in Melbourne. For further information about Global Health and its products, visit www.global-health.com.

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