Promedicus: Annual Report 2002

Contents:

Highlights 2001/2002:

- Most profitable year in the history of the company with a 17.8% increase in after tax profit.
- Record profit achieved after fully expensing the largest R&D expenditure in the company's history – a substantial investment in our future.
- Cash reserves increased by 53% to $7.94 million.
- Margins increased by 4% to 66.5% (profit before tax/operating revenue) reflecting a higher percentage of revenue from software, e-health and services.
- Significant new sales contracts valued at over $6m including a $5m, three-year contract with Mayne Health Diagnostic Imaging as well as $1 million in sales to regional radiology practices. These contracts reinforce the company's position as the leading provider of IT solutions to the private medical market.
- Continued strong growth in our e-health business, Promedicus.net. Transaction volumes now in excess of 145,000 transactions per month with the number of doctors connected to Promedicus.net exceeding 10,000 nationally. This equates to approximately 50% of Australian GPs.
- Broadening of the market for Promedicus.net to include non-radiology providers such as Melbourne Medical Locum Service and the Dandenong Gastroenterology clinic.
- Commercialisation of our suite of digital radiology (PACS) integration products developed as part of the alliance with global medical imaging group Agfa HealthCare Limited. This alliance is aimed at capturing a significant share of the Australian digital radiology market estimated to be worth in excess of $100 million over the next three years.
- Over 40% of revenue derived from recurring sources.
- Continued focus on cost control and internal efficiencies.


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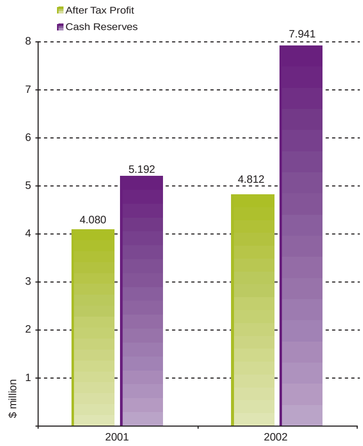


Financial Summary:

FINANCIAL SUMMARY		
Year ending 30 June 2002 All figures in $A thousands unless otherwise stated		
	2002 $'000	**2001** $'000
Revenues from Ordinary Activities (+1.5%)	10,414	10,262
Revenues from Operating Activities (+1.7%)	10,156	9,987
Operating Profit Before Interest and Income Tax (+8.5%)	6,510	6,000
Net Profit After Tax (+17.8%)	4,812	4,086
Total Assets 30 June	11,384	9,375
Shareholders' Funds 30 June	7,452	5,140
Net Tangible Assets per Share at 30 June (cents)	7.2	4.9
Earnings per Share (cents)	4.8	4.1
Franked Dividends per Share (cents per share)	2.50	2.25

Dividends to Shareholders
An interim dividend of 1 cent per share fully franked (30%) was paid on April 8, 2002. A final dividend of 1.5 cents per share fully franked (30%) will be paid on October 21, 2002. The total dividend for the year of $2.5m (2.5 cents per share, fully franked) represents a payout ratio of 52% of net profit after tax.

CEO & Chairman’s Letter:

Dear Shareholders,

It is our great pleasure to report that the 2002 financial year has been the most successful in the Company’s nineteen-year history. After tax profit increased 17.8% to $4.81M with over 40% of the company's revenue coming from recurring sources. The profit was achieved after fully expensing the largest R&D expenditure in the company's history.

The Company is cash flow positive and has substantial cash reserves. It is largely debt free and has sufficient funds to finance operations. Margins as represented by net profit before tax to operating revenue increased from 62.6% to 66.5% over the past year reflecting a greater contribution from our software e-health and services divisions and a lesser level of lower margin hardware sales in the overall product mix.

As an outcome of its successful operations, Pro Medicus will pay a total dividend return to shareholders of 2.5 cents per share fully franked, in line with the percentage return proposed in the prospectus.

Despite a difficult year for the IT industry, Pro Medicus secured a number of significant sales contracts throughout the period. The biggest of these, a $5m, three-year deal with Mayne Health Diagnostic Imaging, a division of Mayne Group Limited, will result in Pro Medicus systems being adopted as the standard IT platform throughout Mayne Health radiology practices. Revenue from these contracts is expected to continue throughout the 2003, 2004 and 2005 financial years. This is in addition to the three-year contract with MIA Group Limited announced in May of 2001. Combined, these two contracts represent over 35% of the Australian radiology market.

Promedicus.net, the Company's e-health offering, continued to experience strong growth and has again made a solid contribution to profits. Transaction volumes are now in excess of 145,000 transactions per month with further growth anticipated. The number of doctors registered to use our e-health service has swelled to over 10,000 practitioners, which represents nearly 50% of Australian GPs, making Promedicus.net the de facto standard for electronic delivery of radiology results throughout Australia.

Recently a number of non-radiology providers have started using Promedicus.net to deliver medical information to their referrers – a trend we anticipate will continue. By attracting more health providers to Promedicus.net we will significantly increase its value and help position it as the preferred means of electronically delivering health information.

R&D activity increased substantially throughout the last financial year resulting in the commercialisation of a number of new products. These include the suite of digital radiology (PACS) integration products developed as a result of our alliance with global medical imaging group Agfa HealthCare Limited. This alliance is aimed at capturing a significant share of the Australian digital radiology market estimated to be worth in excess of $100 million over the next three years. To date, feedback from clients has been extremely encouraging and we anticipate sales of these products to make a significant contribution to revenue in the 2003 financial year.

Over the past 12 months the Pro Medicus share price has fluctuated between 76 cents and a high of $1.52.
Part of this fluctuation has been due to factors outside the company's control including a re-rating of the IT and health sectors in Australia as well as worldwide market volatility.

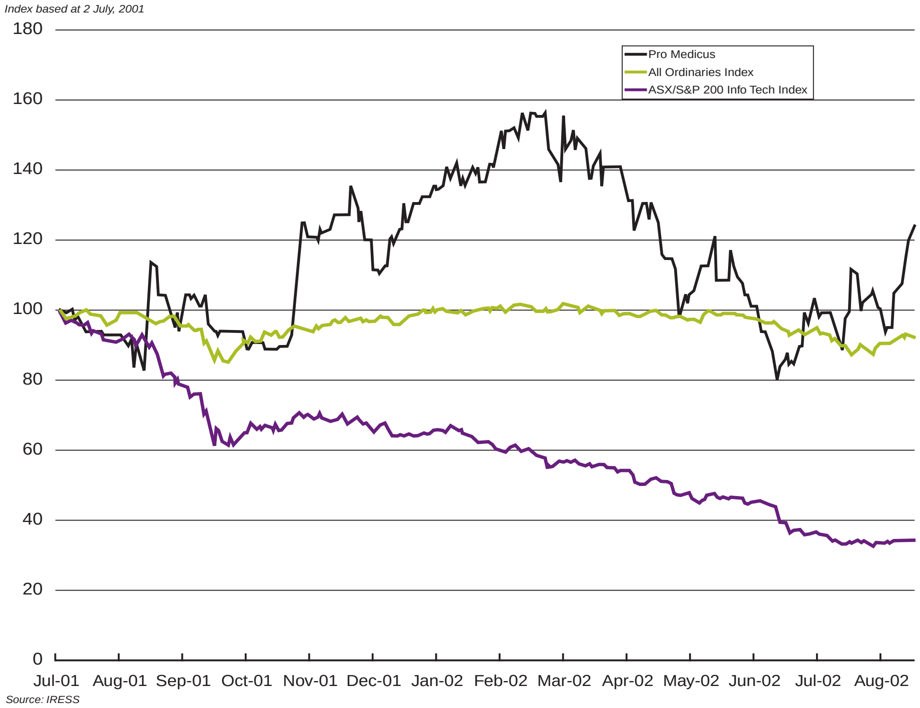
Despite a harsh climate for most technical stocks, it is heartening to note that Pro Medicus has been recognised as a strong ongoing business, significantly outperforming the S&P technology index. Nevertheless, we are aware that the stock is susceptible to thin trading fluctuations due to limited liquidity. The company is continuing to examine growth options that may assist in this regard.

The Company looks forward to another strong year of growth as revenue streams from the Agfa alliance start to take effect and growth continues in Promedicus.net and core business activity.

Yours faithfully,

Dr Sam Hupert
CHIEF EXECUTIVE OFFICER

Mel Ward AO
CHAIRMAN



Source: IRESS


e-health framework
Make Appointment
Approvals
AGFA
Agfa
integrated software applications
promed
medical
imaging

Business Background:

Pro Medicus is a leading provider of IT solutions and e-health services to the Australian private healthcare industry.

Established in 1983 by Dr Sam Hupert, a general medical practitioner, together with Anthony Hall, an award-winning software engineer, Pro Medicus was formed with the aim of providing a range of products and services to address the specific IT needs of the Australian healthcare industry.

Today, Pro Medicus provides IT and e-health solutions to a broad cross-section of the Australian healthcare market including large corporate groups, such as MIA Group Limited, Sonic Healthcare Limited, I-MED Limited and Mayne Health, as well as specialist physicians and surgeons, GPs and allied health professionals.

The company's suite of products comprises a range of core and e-health applications and the recently released digital radiology (PACS) integration products. The company also provides a comprehensive range of IT services including hardware configuration, network design and implementation, staff training, and technical support.

The activities of Pro Medicus in the financial year ending June 30, 2002 can be characterised by two broad revenue streams:

• Core Business

The Company's core business consists of a range of integrated software applications and services that are designed to aid the management of medical practices.
The primary products in this area include:

The Pro Medicus Practice Management System (PMS)

Provides full medical accounting, clinical reporting and workflow management for practices of all sizes. It is currently used by over 75% of Australia's private radiology practices.

The Pro Medicus Appointments System

A group-wide electronic scheduling system that facilitates optimal utilisation of resources by providing "next available" appointment facilities across multiple sites.

The Pro Medicus Management Information Systems (MIS)

Provides detailed analysis of practice performance and referrer trends in both report and graphical format. The MIS is also the conduit through which data can be exported to a wide array of third party products such as decision support and financial information systems.

Services

These include planning and implementation services, network design and installation, application training and installation as well as ongoing software support (help desk) and program updates.

• E-health

Pro Medicus has extended its position as the leading provider of IT solutions to the health industry with the development of Promedicus.net, the company's e-health offering.
The first Promedicus.net product, the Promedicus.net Secure Email System, was released in February 2000.

This system enables referring doctors to receive encrypted clinical reports via the Internet. These reports can be viewed on screen and then electronically incorporated into the patients' medical record on the referring doctors system eliminating the need for a paper-based reports delivery and storage system.

Pro Medicus provides "end to end" management of the delivery process ensuring that both the sending of the result by the diagnostic provider and its receipt by the referring doctor are logged. This assists doctors in fulfilling their privacy and duty-of-care requirements and in so doing provides significant added value to the process.

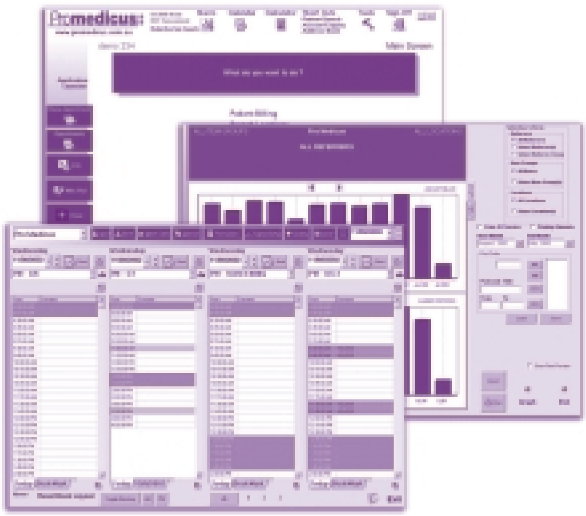
The timely and secure electronic delivery of clinical results is expected to significantly improve service and care received by patients. This is in line with the Government's agenda to vastly improve IT in the healthcare sector.

Promedicus.net now connects in excess of 10,000 doctors and has become the standard for delivery of electronic radiology results throughout Australia.

The Year in Review :

• Core Business

The Core business section contributed strongly to overall sales revenue in the fiscal year 2001-2002.



In spite of a worldwide slowdown in IT spending, Pro Medicus secured a number of significant new sales throughout the period. In addition to providing revenue in the 2002 financial year, these sales will provide significant ongoing revenue in the years to come.

The largest of these deals, a three-year, $5m deal with Mayne Health Diagnostic Imaging, will result in the full complement of Pro Medicus products being used as the standard IT platform for all of Mayne Health radiology sites throughout Australia.
As the Mayne contract was announced late in the second half of the financial year, a significant proportion of the revenue from this contract will be realised in the forthcoming years.

This sale is in addition to the three-year, $5 million contract with MIA Group Limited announced in April of 2001. Combined, these groups represent approximately 35% of the private radiology market.

Other contracts include significant sales to radiology groups throughout regional centres in Victoria and southern and central New South Wales. These contracts totalled over $1 million increasing the penetration of our products throughout rural Australia.

We anticipate continued uptake of our core applications throughout the next year as our key clients continue to expand their operations through organic growth and acquisition.

The service and support side of our business continued its growth on the back of strong software sales throughout the previous financial year with the support contracts business now comprising approximately 30% of total revenue. This provides the company with a growing base of recurring income.

The Company is continually enhancing and developing its products to best equip its clients to meet the changing needs of the medical market. Updated versions of all key applications were released over the past 12 months. This has ensured that Pro Medicus products stay at the forefront of their respective markets and in so doing increase the barriers to entry for competing products.

• E-health

The past year has seen very strong growth in Promedicus.net, the company's e-health offering.

To date, more than 10,000 doctors have registered to use the service with numbers growing strongly. This figure represents approximately 50% of practising GPs making Promedicus.net the de facto standard for delivery of diagnostic imaging results in Australia.

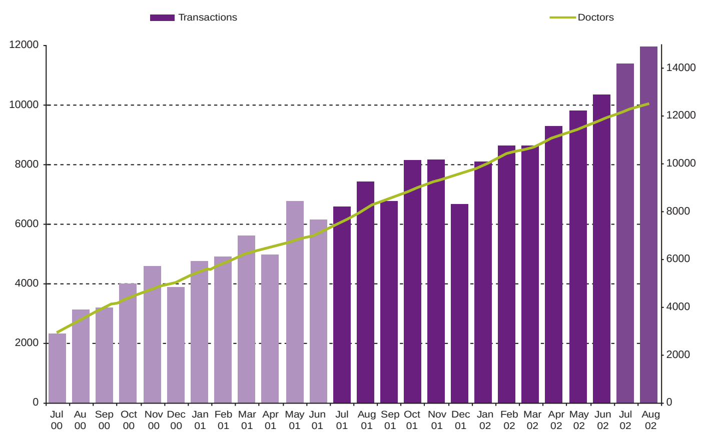
In line with this, transaction volumes increased significantly throughout the period. Currently, over 145,000 results per month are being delivered via this service with the volumes anticipated to increase further.

As a result, profit contributed by Promedicus.net increased by over 20% as compared to last year, generated largely from new registrations and transaction fees.

Predominantly used by radiology groups to date, the company has started to leverage this position and extend this service to a broad range of medical providers such as specialist doctors, locum services and day hospitals.

New features such as a recently developed "CC" facility that allows for the diagnostic result to be e-mailed to more than one referrer were released throughout the period.

Increased automation and scalability of the Promedicus.net offering enabled us to handle the substantial growth in transaction volumes without additional staff or infrastructure, a trend we anticipate will continue in the coming year. This arguably positions Promedicus.net as one of the most scalable and profitable product offerings in the e-health space.



• Research and Development

The past year has seen the largest research and development effort in the company's history with a doubling of R&D expenditure over the period. This significant investment in our future has resulted in a number of new products including a comprehensive digital radiology integration solution that has been developed as part of our alliance with Agfa HealthCare Limited (Agfa).

Digital radiology (PACS) integration products

Most modern x-ray scanning equipment such as CT, MRI and ultrasound capture images electronically. However, for the most part, these scans are then printed to x-ray (analogue) film from which the diagnosis is then made.

Digital Radiology or PACS (Picture Archive and Communication Systems) allows radiology images to be acquired digitally and viewed on high-resolution monitors eliminating the need for x-ray film. This has many benefits over traditional film based radiology including improved workflow and radiologist efficiency. The ability to digitally manipulate and enhance images and share this information with other health professionals also assists in providing better quality of care and patient outcomes.

The key to successful adoption of digital radiology is integration between the PACS system and the Radiology Information System such as the Pro Medicus Practice Management System (PMS).

The key R&D achievement this year was the development of a seamless integration of the Pro Medicus PMS and AGFA's IMPAX PACS products. The following modular suite of products enables practices to implement this technology in a cost-effective and flexible manner.

Pro Medicus - AGFA IMPAX DS3000 Integration

High-end workstation designed for use by radiologists in diagnosing and manipulating x-ray images. The Pro Medicus PMS is highly integrated with this product enabling synchronisation of image review and current and past clinical report display.

Pro Medicus – AGFA IMPAX Web 1000 Integration

Referring doctors can review images from the PACS system securely over the internet.

Pro Medicus – Talk Technologies Integration

Radiologists may dictate reports directly into the system where advanced voice recognition does away with the need for typists to transcribe the report.

Pro Medicus Java messaging engine

Centrepiece of our digital integration strategy providing message integration between Pro Medicus applications and other digital imaging components. These include x-ray equipment, the full range of Agfa digital imaging products and external message targets such as hospital information systems. Messages are supported in a variety of formats including DICOM, HL-7 and XML ensuring maximum flexibility.

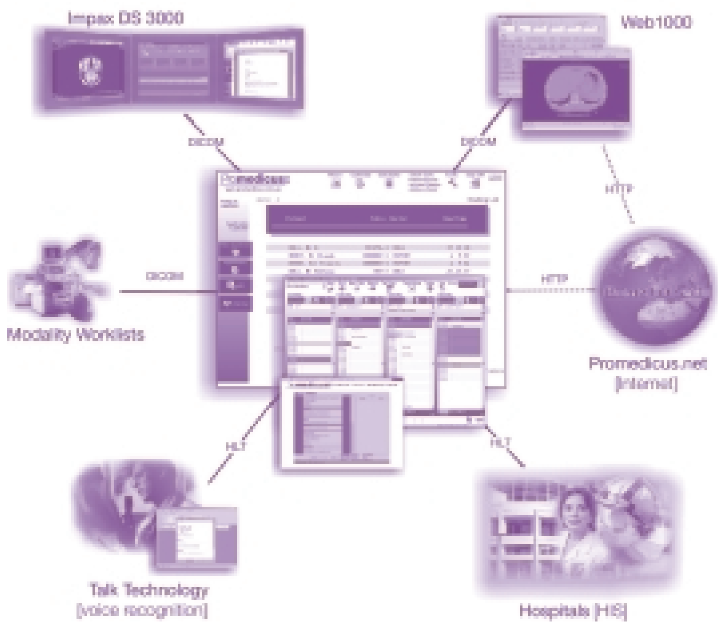
Pro Medicus Modality Worklists

Supplies demographics and examination information from Pro Medicus application's to x-ray and scanning equipment such as CT, MRI and ultrasound units. Integration with all leading brands of imaging equipment is supported enabling this product to support distributed multi-vendor environments.

• Core and E-health Products

New releases of all core products were made. The Enterprise Desktop product continued its pivotal role with new desktop/PC based facilities being developed. The Practice Management product in parallel with its PACS integration enhancements tracked changing medical accounting requirements and added substantial enterprise integration features suited for large corporate clients. Our e-health software was extended to facilitate use by other medical professionals such as locum services and specialist centres. Experience gained from the enterprise wide adoption of the appointments software resulted in a number of significant releases which further extended its leadership position.

Integrated Digital Radiology




Promedicus.net
world wide
total integration
Agfa

Into the Future:

Pro Medicus is looking towards its most successful year in 2002/2003. The major new sales contracts and e-health milestones achieved over the past 12 months coupled with our significant investment in research and development has positioned the company well.

Significant revenue from the Mayne contract will be realised in this coming year as will ongoing revenue from MIA and other major radiology providers that we service. As key clients continue to grow, so will the opportunities for new sales of our core products such as the Practice Management and Appointments systems. This will be supplemented by increased revenue from ongoing service and support contracts that flow from the new software sales generated in this past financial year.

We anticipate further strong growth of Promedicus.net in the coming year cementing its position as the standard method for electronic delivery of radiology results. The company is looking to leverage its user base of over 10,000 doctors by extending the use of Promedicus.net outside radiology to other health providers such as specialist practitioners. This strategy will provide significant additional value by positioning Promedicus.net as the e-health delivery method of choice for the majority of practitioners throughout Australia.

The company is aiming to maximise returns from the increased investment in research and development over the past twelve months, in particular the investment in the digital imaging integration products developed as part of our Agfa alliance. These products, commercialised in late June, are anticipated to provide a significant new revenue stream in this financial year.

Digital Imaging is a new market to emerge in Australia. It is set to bring about radical change to the radiology industry in the same way digital technology has with general photography.
Our development with AGFA has provided an unparalleled level of integration between Pro Medicus products and the IMPAX product line. We believe that Australian radiologists are ready to adopt this technology and that the combined industry leading strengths of Pro Medicus and Agfa will give us the best chance of tapping this new and exciting market whose worth is estimated at $100 million over the next three years.

The emergence of digital imaging will also impact positively on our e-health business. We are developing methods of using the Promedicus.net infrastructure to provide referrers secure access to the digital x-ray images as well as to the reports we currently deliver to over 10,000 registered doctors. Not only will this eliminate the need for x-ray films and couriers, it will add significant value to Promedicus.net and become a key feature to help fuel its growth.

Pro Medicus has a policy of continuous reinvestment and development of our products with all research and development (R&D) costs expensed in the financial year in which they are incurred. This investment in R&D has produced leading edge products that are regarded as "best in class" throughout the radiology industry. The industry based HL-7 and Dicom interfaces that were developed as part of the Agfa alliance will enable Pro Medicus products to integrate with a wide variety of hospital and other medically related systems. This will provide a significantly expanded range of software and services to the radiology market.

Armed with this new functionality, the company is looking to maximise its relationships with its global partners to extend its offering to new markets both here in Australia and overseas.


growth
results
revenues
profits
$8,447,887
current assets
receivables
Appointments
Approvals
Promedic

Financial Statements:

Directors' Report :

Your Directors submit their report for the year ended 30 June 2002.
The names and details of the Company's directors in office during the financial year and until the date of this report are:

Melvyn Keith Ward A.O.
B.E.(Hons), M.Eng.Sc., F.I.E(Aust), F.T.S., F.A.I.M., I.V.A.
CHAIRMAN

Mel Ward joined Pro Medicus Limited as a Director on 4th April, 2000. He is a director of a number of companies including AXA Asia Pacific Holdings Pty Ltd, Coca-Cola Amatil Ltd, Insurance Manufacturers of Australia Pty Ltd and Transfield Services Limited.

Dr Sam Aaron Hupert
M.B.B.S.
MANAGING DIRECTOR
AND CHIEF EXECUTIVE OFFICER

Co-founder of Pro Medicus Limited in 1983, Sam Hupert is a Monash University Medical School graduate who commenced General Practice in 1980. Realising the significant potential for computers in medicine he left general practice in late 1984 to devote himself full time to managing the Company.

Dr Peter David Jonson
B.Comm(Hons), M.A.(Hons), PhD,
F.A.I.C.D., F.A.A.S.S.
DEPUTY CHAIRMAN

Peter Jonson joined Pro Medicus Limited as a Director on 4th April, 2000. He is Chairman of Australian Institute for Commercialisation Limited, CRC for MicroTechnology Ltd and Director of Village Roadshow Limited and Chairman of the Melbourne Institute.

Anthony Barry Hall
B.Sc.(Hons), M.Sc.
EXECUTIVE DIRECTOR
AND TECHNOLOGY DIRECTOR

Co-founder of Pro Medicus Limited in 1983, Anthony Hall has been principal architect and developer of the core software systems. His current role is to oversee all product development and plan the future technical direction of the Company.

Philip Gregory Molyneux
B.Econ, F.C.A.
NON-EXECUTIVE DIRECTOR

Philip Molyneux joined Pro Medicus Limited as a Director on 4th April, 2000. He is Chairman of Anadis Limited and Sedgwick Superannuation Pty Ltd, a director of Equity Trustees Limited, Centre for Eye Research Australia Limited, Australian National Academy of Music, Corps of Commissionaires (Victoria) Limited.

All Directors were in office from the beginning of the financial year until the date of this report.

INTERESTS IN THE SHARES AND OPTIONS OF THE COMPANY

As at the date of this report, the interests of the directors in the shares and options of the Company were:

	Ordinary Shares	Options over Ordinary Shares
A. B. Hall	40,068,500	425,000
S. A. Hupert	40,072,660	425,000
M. K. Ward	50,000	400,000
P. D. Jonson	50,000	200,000
P. G. Molyneux	25,000	200,000

EARNINGS PER SHARE

	Cents
Basic earnings per share	4.8
Diluted earnings per share	4.8

DIVIDENDS

	Cents	$'000
Final dividends recommended:		
∉ on ordinary shares	1.50	1,500
Dividends paid in the year:		
Interim for the year		
∉ on ordinary shares	1.00	1,000
Final for 2001 shown as recommended in the 2001 report:		
∉ on ordinary shares	0.50	500

Directors' Report cont :

CORPORATE INFORMATION

Corporate Structure

Pro Medicus Limited is a company limited by shares that is incorporated and domiciled in Australia.

Nature of operations and principal activities

The principal activities of the Company during the year was to supply diagnostic imaging groups and a broad range of other groups within the private medical market the following products and services:

- computer hardware, network design and installation services
- innovative proprietary medical software
- ongoing support and service contracts which provide help desk support
- Promedicus.net secure email

Promedicus.net has been further developed and marketed during the year.

In addition development has been completed for the following new products:

- RIS/PACS interface for the Agfa digital radiology system and
- Java based messaging server

Apart from this there have been no significant changes in the nature of activities during the year.

Employees

The Company employed 18 employees as at 30 June 2002 (2001: 18 employees).

REVIEW AND RESULTS OF OPERATIONS

Operating Results for the Period

Pro Medicus has experienced its most successful and profitable 12 months in its 19 year history. This has been achieved in an environment of difficult market conditions due to a worldwide slowdown in IT spending and the continued market rationalisation of the diagnostic imaging sector.

Full year results show the Company experienced an improvement in both sales and profit. Sales increased by 1.7% with sales from Promedicus.net increasing 20% and core division only 0.8% short of last year's record level. Promedicus.net sales as a percentage of total sales increased by 2% to 14%.

The full year profit result was 17.8% greater than last year. This was achieved by an improvement in the gross profit percentage to sales and ongoing control of costs.

SUMMARISED OPERATING RESULTS

	2002	
	Revenues $'000	Results Before Tax $'000
Industry segments		
Core Business	8,719	5,608
Promedicus.net	1,437	1,150
Total sales from operating activities and operating profit	10,156	6,758

Performance Indicators

Management and the Board monitor overall performance, from its implementation of the mission statement and strategic plan through to the performance of the Company against operating plans and financial budgets.

The Board, together with management, have identified key performance indicators (KPIs) that are used to monitor performance. Key management monitors these KPIs on a regular basis and Directors receive the KPIs for review prior to each monthly Board meeting allowing them to actively monitor the Company's performance.

Dynamics of the Business

An improvement in gross margin has been achieved this year as a result of the previously anticipated change in mix of products sold which included more software, e-health and support contracts. These attract better margins compared to the previous mix that included a greater percentage of revenue from hardware sales.

Shareholder Returns

The Company is pleased to report that dividend return to shareholders of 2.5 cents per share has exceeded the percentage return paid in the previous year. Reductions in return on net assets and equity as shown in the table below, reflect the retention of extra cash in the business.

	2002	2001	2000
Basic earnings per share (cents)	4.8	4.1	3.3
Return on assets (%)	59.4	66.6	74.1
Return on equity (%)	64.6	79.5	99.6
Net debt / equity ratio (%)	3.3	6.2	11.3
Dividend payout ratio (%)	51.8	55.1	51.7
Available franking credits ($'000)	8,098	5,934	3,045

Investment Activities

The Company has no investments other than commercial bills, invested to maximise the interest return on surplus funds.

Investments for Future Performance

The Company will continue to direct resources into the development of new products and in particular is committed to the research being undertaken within both the core and Promedicus.net areas. In turn, this will translate into an increase in sales and, more importantly, to a significant improvement in the bottom line of the operation.

The Company's workforce remained at the same level as last year, in spite of the increased activity and continued product development. The Company has increased its level of activity, largely due to the efforts of employees at all levels. The directors express their gratitude for the efforts of all employees in achieving this year's result.

The workforce currently stands at 18 equivalent full time employees. The group believes that there needs to be a small increase in staff numbers to ensure that effort can be maintained and new initiatives will have the staffing resources necessary for their success.

The Company remains committed to providing staff with access to appropriate training and development programs, together with the resources to complete their duties.

Directors' Report cont :

REVIEW OF FINANCIAL CONDITION

Capital Structure

The company has a sound capital structure. This is clear in the debt/equity ratio, which is 3.3% in the current year and was 6.2% in the previous year.

The directors believe that the debt to equity ratio for the Company could be higher if the need for expansion or acquisition required extra funds sourced from borrowings. The Directors are satisfied with the ratio as it currently stands.

Treasury Policy

The Company is not exposed to any interest rate or currency sensitive loans or debts. The treasury function, co-ordinated within Pro Medicus Limited, is basically limited to maximising interest return on surplus funds. The treasury operates within policies set by the Board, which is responsible for ensuring that management's actions are in line with board policy.

During the financial period surplus cash to a value of $2,200,000 was invested in Commercial Bank Bills that now total $6,000,000.

Cash from Operations

Net cash flows from operating activities increased from $3.0m in the previous year to $4.3m in the current period. The increase in cash from operating activities was largely due to receipts from customers. Net operating cash flow excluding tax payments showed an increase of about 24% over the previous year.

There was an increase in receipts from customers of approximately 21% and the ratio of payments to suppliers and employees, as a percentage of receipts from customers showed a decrease of 6%.

Liquidity and Funding

The Company is cash flow positive, has substantial cash on deposit and has no overdraft facility. Sufficient funds are held to finance operations.

Risk Management

The Company takes a proactive approach to risk management. The Board is responsible for ensuring that risks, and also opportunities, are identified on a timely basis and that the Company's objectives and activities are aligned with the risks and opportunities identified by the Board.

The Company believes that it is crucial for all Board members to participate in this process, as such the Board has not established separate committees for areas such as risk management, environmental issues, occupational health and safety or treasury.

The Board has a number of mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the Board. These include the following:

- Board approval of strategic plans, which encompass the company's vision, mission and strategy statements, designed to meet stakeholders needs and manage business risk.
- Implementation of Board approved operating plans and budgets and Board monitoring of progress against these budgets, including the establishment and monitoring of KPIs.
- Oversee the organisation of appropriate backup procedures for important company data.

Corporate Governance

In recognising the need for the highest standards of corporate behaviour and accountability, the directors of Pro Medicus Limited support and have adhered to the principles of good corporate governance. Please refer to the separate "Corporate Governance" section for more details of specific policies.

Statement of Compliance

The above report is based on the guidelines in The Group of 100 Incorporated publication *Guide to the Review of* Operations *and Financial Condition*.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Shareholders' equity increased to $7.45m from $5.14m, an increase of $2.31m or 45%. The movement was largely the result of retaining more cash in the business relative to the previous year.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

No significant post balance date events have been identified.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

The Directors foresee that the 2003 financial year will be a period of consolidation for sales of the traditional core products and during which the changes made in the 2002 financial year will have their full impact. The most significant areas for change will be in:

- Continued growth of the Promedicus.net secure email product
- Continued sales of the Pro Medicus Appointments System
- Marketing of the Radiology Information System (RIS)/PACS interface and introduction to the Australian market under an alliance with Agfa HealthCare Limited

It is anticipated that the 2003 financial year will show continued improvement in profits. However, this is dependant on many market factors over which the directors have no control.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The Company has no identified risk with regard to environmental regulations currently in force. There have been no known breaches by the Company of any regulations.

SHARE OPTIONS

Un-issued Shares

As at the date of this report, there were 2,470,000 un-issued ordinary shares under options (2,470,000 at balance date). Refer to Note 16 of the financial statements for further details of the options outstanding.

Option holders do not have any right, by virtue of the option, to participate in any share issue of the Company.

Shares Issued as a Result of the Exercise of Options

During the financial year, no employees or directors have exercised any option to acquire fully paid ordinary shares in Pro Medicus Limited. Since the end of the financial year, no options have been exercised.

Under the terms of the Share Option Plan 20% of the options vest on each anniversary of the date of commencement 25 August 2000 and can be converted into fully paid shares.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

During or since the financial year, the Company has paid premiums in respect of a contract for Directors' & Officers'/Company Re-Imbursement Liability insurance for officers and Pro Medicus Limited.

Terms of this cover are confidential and are not disclosed per Corporations Act 2001 section 300(9).

ROUNDING

The amounts contained in this report and in the financial report have been rounded off under the option available to the Company under ASIC Class Order 98/100. The Company is an entity to which the Class Order applies.

DIRECTORS' AND OTHER OFFICERS' EMOLUMENTS

Remuneration Policy

In order to maintain good corporate governance the Non-Executive Directors have assumed responsibility for determining and reviewing compensation arrangements for the Chief Executive Officer and Technical Director who in turn set the terms for the Non-Executive Directors. The full Board reviews the terms of employment for the Company Secretary. It should be noted that no review of Directors' or Company Secretary emoluments has taken place at the date of this report.

The Board has delegated the responsibility of executive remuneration to the management to assess the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality executive team. Such officers were given the opportunity to receive their base emolument in a variety of forms including cash and fringe benefits such as motor vehicles and expense payment plans. The manner of payment chosen is optimal for the recipient without creating undue cost for the Company.

To assist in achieving these objectives, the Board links the nature and amount of officers' emoluments to the Company's financial and operational performance.

Details of the nature and amount of each element of the emolument of each director of the Company and each of two executive officers of the Company receiving the highest emolument for the financial year are as follows:

EMOLUMENTS* OF DIRECTORS OF PRO MEDICUS LIMITED

	Annual Emoluments			
	Base Fee/Salary	Bonus	Other	Superannuation
	$	$	$	$
A. B. Hall	241,197	—	8,632	8,803
S. A. Hupert	241,197	—	10,072	8,803
M. K. Ward	60,000	—	—	4,800
P. D. Jonson	30,000	—	—	2,400
P. G. Molyneux	30,000	—	—	2,400

EMOLUMENTS* OF THE TWO MOST HIGHLY PAID EXECUTIVE OFFICERS# OF THE COMPANY

	Annual Emoluments			
	Salary	Bonus	Other	Superannuation
	$	$	$	$
D. Tauber	191,855	—	—	8,803
G. W. Holden	111,197	—	—	8,803

Notes

The terms 'director' and 'officer' have been treated as mutually exclusive for the purposes of this disclosure.

* The elements of emoluments have been determined on the basis of the cost to the Company

\# Executives are those directly accountable and responsible for the operational management and strategic direction of the Company.
Interpretation of this definition results in two staff members being identified for reporting purposes

DIRECTORS' MEETINGS

The numbers of meetings of directors (including meetings of committees of directors) held during the year and the number of meetings attended by each director were as follows:

	Directors' Meetings	Strategic Planning Committee
Number of meetings held:	11	1
Number of meetings attended:		
A. B. Hall	11	1
S. A. Hupert	11	1
M. K. Ward	11	1
P. D. Jonson	9	1
P. G. Molyneux	11	1

Signed in accordance with a resolution of the Directors.

M K Ward

Director

Melbourne, 2 September, 2002.

Statement of Financial Performance :

YEAR ENDED 30 JUNE 2002	Notes	2002 $'000	2001 $'000
REVENUES FROM ORDINARY ACTIVITIES	2	**10,414**	10,262
Borrowing costs expense	3	**(10)**	(21)
Other expenses from ordinary activities	3	**(3,646)**	(3,994)
PROFIT FROM ORDINARY ACTIVITIES BEFORE INCOME TAX EXPENSE		**6,758**	6,247
INCOME TAX EXPENSE RELATING TO ORDINARY ACTIVITIES	4	**(1,946)**	(2,161)
PROFIT FROM ORDINARY ACTIVITIES AFTER INCOME TAX EXPENSE		**4,812**	4,086
NET PROFIT		**4,812**	4,086
NET PROFIT ATTRIBUTABLE TO MEMBERS OF PRO MEDICUS LIMITED	17	**4,812**	4,086
TOTAL CHANGES IN EQUITY OTHER THAN THOSE RESULTING FROM TRANSACTIONS WITH OWNERS AS OWNERS		**4,812**	4,086
Basic earnings per share (cents per share)	22	**4.8**	4.1
Diluted earnings per share (cents per share)	22	**4.8**	4.1
Franked dividends per share (cents per share)	5	**2.50**	2.25

Statement of Financial Position

AS AT 30 JUNE 2002	Notes	2002 $'000	2001 $'000
CURRENT ASSETS			
Cash assets		**1,941**	1,392
Receivables	6	**2,901**	3,447
Inventories	7	**10**	118
Other financial assets	8	**6,000**	3,800
TOTAL CURRENT ASSETS		**10,852**	8,757
NON-CURRENT ASSETS			
Property, plant and equipment	9	**307**	406
Deferred tax assets	10	**225**	212
TOTAL NON-CURRENT ASSETS		**532**	618
TOTAL ASSETS		**11,384**	9,375
CURRENT LIABILITIES			
Payables	11	**611**	1,488
Interest-bearing liabilities	12	**249**	68
Current tax liabilities	4	**841**	1,253
Provisions	13	**1,980**	962
TOTAL CURRENT LIABILITIES		**3,681**	3,771
NON-CURRENT LIABILITIES			
Interest-bearing liabilities	14	**—**	249
Deferred tax liabilities	4	**14**	11
Provisions	15	**237**	204
TOTAL NON-CURRENT LIABILITIES		**251**	464
TOTAL LIABILITIES		**3,932**	4,235
NET ASSETS		**7,452**	5,140
EQUITY			
Contributed equity	16	**9**	9
Retained profits	17	**7,443**	5,131
TOTAL EQUITY		**7,452**	5,140

Statement of Cash Flows :

YEAR ENDED 30 JUNE 2002	Notes	2002 $'000	2001 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		**10,286**	8,534
Payments to suppliers and employees		**(3,838)**	(3,380)
Interest received		**265**	273
Borrowing costs		**(10)**	(21)
Income tax paid		**(2,367)**	(2,449)
NET CASH FLOWS FROM OPERATING ACTIVITIES	18(a)	**4,336**	2,957
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sale of property, plant and equipment		**—**	7
Purchase of property, plant and equipment		**(18)**	(54)
Purchase of commercial bills		**(2,200)**	(3,800)
Advances to directors		**—**	(820)
Repayment of directors' advances		**—**	1,450
NET CASH FLOWS FROM/(USED IN) INVESTING ACTIVITIES		**(2,218)**	(3,217)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of hire purchase borrowings		**(69)**	(58)
Payment of dividends on ordinary shares		**(1,500)**	(1,750)
NET CASH FLOWS (USED IN) FINANCING ACTIVITIES		**(1,569)**	(1,808)
NET INCREASE/(DECREASE) IN CASH HELD		**549**	(2,068)
Add opening cash brought forward		**1,392**	3,460
CLOSING CASH CARRIED FORWARD	18(b)	**1,941**	1,392

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of accounting

The financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the Corporations Act 2001, which includes applicable Accounting Standards. Other mandatory professional reporting requirements (Urgent Issues Group Consensus Views) have also been complied with.

The financial statements have been prepared in accordance with the historical cost convention. Cost in relation to assets represents the cash amount paid or the fair value of the assets given in exchange.

(b) Cash and cash equivalents

Cash on hand and in banks and short-term deposits are stated at the lower of cost and net realisable value.

For the purposes of the Statement of Cash Flows, cash includes cash on hand and in banks and money market investments readily convertible to cash within 2 working days.

(c) Trade and other receivables

Trade receivables are recognised and carried at original invoice amount less a provision for any un-collectable debts. A provision is raised for doubtful debts based on general and specific review of outstanding amounts at balance date. Bad debts are written-off as incurred.

(d) Inventories

Inventories are valued at the lower of cost and net realisable value. The cost of finished goods represents the purchase cost and is assigned on a first in first out basis.

(e) Recoverable Amount

Non-current assets are not carried at an amount above their recoverable amount, and where carrying values exceed this recoverable amount assets are written down. In determining recoverable amount, the expected net cash flows have been discounted to their present value using a market determined risk adjusted discount rate.

(f) Plant and equipment

Cost and valuation

Plant and equipment is carried at cost.

Depreciation

Depreciation is provided on a straight-line basis or diminishing value basis on all plant and equipment. Depreciation rates are calculated to allocate the cost less estimated residual value at the end of the useful lives of assets against revenue over those estimated useful lives.

MAJOR DEPRECIATION PERIODS	**2002**	2001
Property Improvements	2 to 7 years	2 to 7 years
Motor Vehicles	4 to 5 years	4 to 5 years
Office Equipment	2 to 7 years	2 to 7 years
Furniture and Fittings	5 years	5 years
Research and Development Equipment	3 to 4 years	3 to 4 years
Software	2.5 years	2.5 years

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

(g) Hire Purchase Liability

Acquisitions by means of hire purchase are capitalised recording an asset and liability equal to the fair value of the asset acquired. Hire purchase repayments are allocated between the reduction of the hire purchase liability and interest expense for the year.

(h) Research & development costs

Research and development costs are expensed as incurred.

(i) Trade and other payables

Liabilities for trade creditors and other amounts are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services received, whether or not billed to the entity.

(j) Provisions

Dividends payable are recognised when a legal or constructive obligation to pay the dividend arises, typically following approval of the dividend at a meeting of directors.

(k) Share capital

Ordinary share capital is recognised at the fair value of the consideration received by the Company.

(l) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized:

Sale of goods

Control of goods has passed to the buyer.

Service Income

Where the contract outcome can be reliably measured, control of the right to be compensated for the services and the stage of completion can be reliably measured. Stage of completion is measured by completion of identifiable service segments.

Revenue is recognised over the term of the contract. Where revenue is received in advance, revenue is recognised in the period during which service was provided.

Where the contract outcome cannot be reliably measured, revenue is recognised only to the extent that costs have been incurred.

Licences

Control of the right to receive licensing fees.

Interest

Control of the right to receive the interest payment.

(m) Income Tax

Tax-effect accounting is applied using the liability method whereby income tax is regarded as an expense and is calculated on the accounting profit after allowing for permanent differences. To the extent timing differences occur between the times items are recognised in the financial statements and when items are taken into account in determining taxable income, the net related taxation benefit or liability, calculated at current rates, is disclosed as a future income tax benefit or a provision for deferred income tax. The net future income tax benefit relating to tax losses and timing differences is not carried forward as an asset unless the benefit is virtually certain of being realised.

The income tax expense for the year is calculated using the 30% tax rate.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT)

(n) Employee entitlements

Provision is made for employee entitlement benefits accumulated as a result of employees rendering services up to the reporting date.

Employee entitlements expected to be settled within one year have been calculated at nominal amounts based on current wage and salary rates and included related on-costs. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

Contributions are made by the Company to employee superannuation funds and are charged as expenses when incurred.

(o) Earnings per share

Basic earnings per share is determined by dividing the profit from ordinary activities after related income tax expense by the weighted average number of ordinary shares outstanding during the financial year.

Diluted earnings per share is determined by dividing the profit from ordinary activities after related income tax expense by the weighted average number of ordinary shares (both issued and potentially dilutive) outstanding during the financial year.

(p) Leases

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and benefits incidental to ownership.

Operating Leases

The minimum lease payments of operating leases, where the lessor effectively retains substantially all of the risks and benefits of ownership of the leased item, are recognised as an expense on a straight-line basis.

Finance Leases

Leases which effectively transfer substantially all of the risks and benefits incidental to ownership of the leased items to the group are capitalised at the present value of the minimum lease payments and disclosed as property plant and equipment under lease. A lease liability of equal value is also recognised.

Capitalised leased assets are depreciated over the shorter of the estimated useful life of the assets and the lease term. Minimum lease payments are allocated between interest expense and reduction of the lease liability with the interest expense calculated using the interest rate implicit in the lease and charged directly to the Statement of Financial Performance.

NOTES

30 JUNE 2002	**Notes**	**2002 $'000**	2001 $'000
2. REVENUE FROM ORDINARY ACTIVITIES			
Revenues from operating activities			
Sale of goods		**1,460**	2,307
Service Income		**5,798**	4,829
Licence Income		**2,898**	2,851
Total revenues from operating activities		**10,156**	9,987
Revenues from non-operating activities			
Interest			
Directors	26	—	26
Other		258	242
Total interest		258	268
Proceeds from Sale of Property Plant and Equipment		—	7
Total revenues from outside the operating activities		258	275
Total revenues from ordinary activities		10,414	10,262

Notes cont :

30 JUNE 2002	Notes	2002 $'000	2001 $'000
3. EXPENSES AND LOSSES/(GAINS)			
Profit from ordinary activities has been determined after charging /(crediting) the following items:			
(a) Expenses			
Borrowing costs expensed			
Interest on Hire Purchase contracts		**10**	21
Other Interest		**—**	—
Total borrowing costs expensed		**10**	21
(b) Losses/(Gains)			
Loss/(Profit) from Disposal of Non-Current Assets		**—**	(5)
(c) Expenses By Nature			
Cost of Goods Sold		**801**	1,393
Depreciation and Amortisation			
Property Improvements		**17**	18
Motor Vehicles		**53**	69
Office Equipment		**15**	10
Furniture and Fittings		**27**	36
Research & Development Equipment		**5**	18
Total Depreciation and Amortisation Expenses		**117**	151
Operating Lease Expenditure		**157**	150
Other Expenses		**752**	643
Research & Development costs		**38**	14
Salaries and Employee Benefits Expense		**1,781**	1,643
Total Other Expenses from Ordinary Activities		**3,646**	3,994
4. INCOME TAX			
The prima facie tax, using tax rates applicable in the country of operation, on profit from ordinary activities differs from the income tax provided in the financial statements as follows:			
Prima facie tax on profit from ordinary activities		**2,027**	2,124
Tax effect of permanent differences			
Non-deductible Entertainment		**2**	4
Life and Trauma Insurance		**11**	11
Research & Development Concession		**(84)**	(29)
Non-deductible depreciation on Motor Vehicles		**8**	15
Other items (net)		**3**	5
Effect on FITB and PDIT due to change in income tax rates		**—**	27
Under/(over) provision of previous year		**(21)**	4
Income tax expense relating to ordinary activities		**1,946**	2,161
Deferred tax assets and liabilities			
Current tax payable		**841**	1,253
Provision for deferred income tax – non-current		**14**	11
Future income tax benefit – non-current		**225**	212

This future income tax benefit will only be obtained if:

(a) future assessable income is derived of a nature and of an amount sufficient to enable the benefit to be realised;

(b) the conditions for deductibility imposed by tax legislation continue to be complied with; and

(c) no changes in tax legislation adversely affect the consolidated entity in realising the benefit.

30 JUNE 2002	Notes	2002 $'000	2001 $'000
5. DIVIDENDS PAID OR PROVIDED FOR ON ORDINARY SHARES			
(a) Dividends proposed			
Franked dividends 2002: (1.5c per share), (2001: 0.5c per share)	13	**1,500**	500
(b) Dividends paid during the year			
(i) Current year interim			
Franked dividends (1c per share) (2001: 1.75c)		**1,000**	1,750
		2,500	2,250
(ii) Previous year final			
Franked dividends (0.5c per share) (2001: nil)		**500**	—
(c) Franking credit balance			
The amount of franking credits available for the subsequent financial year are:			
- franking account balance as at the end of the financial year (at 30%)		**7,635**	3,510
- franking credits that will arise from the payment of income tax payable as at the end of the financial year		**1,963**	2,924
- franking debits that will arise from the payment of dividends as at the end of the financial year		**(1,500)**	(500)
- franking credits that will arise from the receipt of dividends recognised as receivables at the reporting date		**—**	—
- franking credits that the entity may be prevented from distributing in the subsequent financial year		**—**	—
		8,098	5,934

(i) The tax rate at which paid dividends have been franked is 30%, (2001: 34%). Dividends proposed at 30 June 2002 were fully franked at the rate of 30%.
(ii) The franking account disclosures have been calculated using the franking rate applicable at 30 June 2002.

	Notes	2002 $'000	2001 $'000
6. RECEIVABLES (CURRENT)			
Trade debtors		**2,848**	3,392
Other Debtors and Prepayments		**53**	55
		2,901	3,447
Terms and conditions relating to the above financial instruments			
Trade debtors are on 30 day trading terms.			
7. INVENTORIES (CURRENT)			
Finished goods			
At cost		**10**	118
Total inventories at lower of cost and net realisable value		**10**	118
8. OTHER FINANCIAL ASSETS (CURRENT)			
Commercial Bills			
At cost		**6,000**	3,800
Total Other Financial Assets		**6,000**	3,800

Notes cont :

30 JUNE 2002	Notes	2002 $'000	2001 $'000
9. PROPERTY, PLANT AND EQUIPMENT			
Property Improvements		**184**	184
Accumulated depreciation		**(165)**	(148)
		19	36
Motor Vehicles		**30**	30
Accumulated depreciation		**(29)**	(28)
		1	2
Motor Vehicles Under Hire Purchase		**446**	446
Accumulated depreciation		**(265)**	(213)
		181	233
Office Equipment		**119**	108
Accumulated depreciation		**(71)**	(56)
		48	52
Furniture & Fittings		**222**	224
Accumulated depreciation		**(172)**	(149)
		50	75
Research & Development Equipment		**365**	360
Accumulated depreciation		**(357)**	(352)
		8	8
Total plant and equipment		**307**	406
Total plant and equipment Cost		**1,366**	1,352
Accumulated depreciation and amortisation		**(1,059)**	(946)
Total written down amount		**307**	406
Reconciliations			
Property Improvements			
Carrying amount at beginning		**36**	55
Additions		**—**	—
Disposals		**—**	—
Depreciation expense		**(17)**	(19)
		19	36
Motor Vehicles			
Carrying amount at beginning		**2**	5
Additions		**—**	—
Disposals		**—**	(2)
Depreciation expense		**(1)**	(1)
		1	2
Motor Vehicles Under Hire Purchase			
Carrying amount at beginning		**233**	301
Additions		**—**	—
Depreciation expense		**(52)**	(68)
		181	233
Office Equipment			
Carrying amount at beginning		**52**	27
Additions		**11**	35
Depreciation expense		**(15)**	(10)
		48	52
Furniture & Fittings			
Carrying amount at beginning		**75**	94
Additions		**2**	17
Disposals		**(4)**	—
Depreciation expense		**(23)**	(36)
		50	75
Research & Development Equipment			
Carrying amount at beginning		**8**	23
Additions		**5**	3
Depreciation expense		**(5)**	(18)
		8	8

30 JUNE 2002	Notes	2002 $'000	2001 $'000
10. DEFERRED TAX ASSETS			
Future Income Tax Benefit		**225**	212
		225	212
11. PAYABLES (CURRENT)			
Trade creditors		**151**	417
Other creditors and accruals		**126**	248
Goods and services tax		**252**	341
		529	1,006
Deferred Income		**82**	482
		82	482
		611	1,488
Terms and conditions relating to the above financial instruments: (i) Trade creditors are non-interest bearing and are normally settled on 30-day terms. (ii) Other creditors are non-interest bearing and have an average term of 1 month.			
12. INTEREST BEARING LIABILITIES (CURRENT)			
Hire Purchase Liability- secured	19(a)	**249**	68
		249	68

Terms and conditions relating to the above financial instruments

(i) Hire Purchase contracts have a term of 4 years with the option to purchase the asset at the completion of the term for the asset's residual value. The average discount rate implicit in the leases is 6.6%, (2001: 6.6%). Secured hire purchase liabilities are secured by a charge over the hired assets.

	Notes	2002 $'000	2001 $'000
13. PROVISIONS (CURRENT)			
Dividends on ordinary shares		**1,500**	500
Employee entitlements	20	**480**	462
		1,980	962

Terms and conditions relating to the above financial instruments

(i) Dividends payable represent a final dividend for 2002 of 1.5cents per ordinary share (2001: 0.5 cents per ordinary share) for the financial year ended 30 June 2002. The extent to which the dividends are franked, details of the franking account balance at balance date and franking credits available for the subsequent financial year are disclosed in Note 5(c).

	Notes	2002 $'000	2001 $'000
14. INTEREST-BEARING LIABILITIES (NON-CURRENT)			
Hire Purchase Liability - secured	19(a)	**—**	249
		—	249

Terms and conditions relating to the above financial instruments

(i) Hire Purchase contracts have a term of 4 years with the option to purchase the asset at the completion of the term for the asset's residual value. The average discount rate implicit in the leases is 6.6%, (2001: 6.6%). Secured hire purchase liabilities are secured by a charge over the hired assets.

30 JUNE 2002	Notes	2002 $'000	2001 $'000
15. PROVISIONS (NON-CURRENT)			
Employee entitlements	20	**237**	204
		237	204
16. CONTRIBUTED EQUITY			
(a) Issued and paid up capital			
Ordinary shares fully paid		**9**	9
		9	9

(b) Movements in shares on issue

	2002 Number of Shares	$'000	2001 Number of Shares	$'000
Beginning of the financial year	**100,000,000**	**9**	9,002	9
Share Split	**—**	**—**	99,990,998	—
End of the financial year	**100,000,000**	**9**	100,000,000	9

(c) Share Options

Options over ordinary shares:
Employee share scheme
During the financial year, no additional options were issued over ordinary shares. The Option Plan states options are exercisable from the first anniversary from the date of issue with an issue term of 5 years. During the financial year 20,000 (2001: 40,000) options were cancelled due to option holding staff leaving employment with Pro Medicus Ltd. The options had an exercise price of $1.15 and each option converts to one fully paid share. Details are provided in Note 20.

At the end of the year there were 2,470,000 (2001: 2,490,000) unissued ordinary shares in respect of which options were outstanding.

(d) Terms and conditions of contributed equity

Ordinary shares
Ordinary shares have the right to receive dividends as declared and, in the event of winding up the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of and amounts paid up on shares held.

Ordinary shares entitle their holder to one vote, either in person or by proxy, at a meeting of the Company.

	Notes	2002 $'000	2001 $'000
17. RESERVES AND RETAINED PROFITS			
Retained profits		**7,443**	5,131
(a) Retained profits			
Balance at the beginning of year		**5,131**	3,295
Net profit attributable to members of Pro Medicus Limited		**4,812**	4,086
Total available for appropriation		**9,943**	7,381
Dividends provided for or paid		**(2,500)**	(2,250)
Balance at end of year		**7,443**	5,131

30 JUNE 2002	Notes	2002 $'000	2001 $'000
18. STATEMENT OF CASH FLOWS			
(a) Reconciliation of the profit from ordinary activities after tax to the net cash flows from operating activities			
Profit from ordinary activities after tax		**4,812**	4,086
Non-Cash Items			
Depreciation of non-current assets		**117**	151
Net (profit)/loss on disposal of property, plant and equipment		**—**	(5)
Changes in assets and liabilities			
(Increase)/decrease in trade and other receivables		**537**	(1,378)
(Increase)/decrease in inventory		**108**	(34)
(Increase)/decrease in future income tax benefit		**(13)**	26
(Increase)/decrease in prepayments		**9**	(37)
(Decrease)/increase in deferred income		**(400)**	(69)
(Decrease)/increase in trade and other creditors		**(387)**	176
(Decrease)/increase in tax provision		**(412)**	(315)
(Decrease)/increase in deferred income tax liability		**3**	4
(Decrease)/increase in goods and services tax payable		**(89)**	341
(Decrease)/increase in employee entitlements		**51**	11
Net cash flow from operating activities		**4,336**	2,957
(b) Reconciliation of cash			
Cash balance comprises:			
– cash on hand		**1,941**	1,392
Closing cash balance		**1,941**	1,392
19. EXPENDITURE COMMITMENTS			
(a) Commitments in relation to hire purchase agreements are payable as follows:			
– not later than one year		**250**	78
– later than one year and not later than five years		**—**	249
– aggregate lease expenditure contracted for at balance date		**250**	327
Less: Future finance charges		**(1)**	(10)
		249	317
Aggregate expenditure commitments comprise:			
– motor vehicles for senior executives			
– current (Note 12)		**249**	68
– non-current (Note 14)		**—**	249
		249	317
(b) Non-Cancellable Operating Lease expenditure commitments			
Minimum lease payments			
- not later than one year		**175**	150
- later than one year and not later than five years		**379**	475
- aggregate lease expenditure contracted for at balance date		**554**	625

30 JUNE 2002	Notes	2002 $'000	2001 $'000
20. EMPLOYEE ENTITLEMENTS AND SUPERANNUATION COMMITMENTS			
Employee Entitlements			
The aggregate employee entitlement liability is comprised of:			
Provisions (current)		**480**	462
Provisions (non-current)		**237**	204
		717	666

Provision is made for the Company's liability for employee entitlements resulting from employee services provided up to balance date. Employee entitlements expected to be settled within one year have been calculated at the nominal amounts based on current wage and salary rates and include related on-costs. Other employee entitlements payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those entitlements.

Employee Share Incentive Scheme

An employee share incentive scheme was established on 25th August 2000 whereby directors and staff of the Company were issued with options over the ordinary shares of Pro Medicus Limited. The options, issued for nil consideration, have an exercise price of $1.15. Options vest at 20% per annum commencing on the first anniversary of issue. The options cannot be transferred and will not be quoted on the ASX. There are currently 16 staff members, 2 executive and 3 non-executive directors eligible for this scheme.

Superannuation Commitments

Superannuation contributions are made by the Company in accordance with relevant statutory requirements. Contributions of 8% of employee's ordinary time earnings are legally enforceable in Australia up to 30 June as the legal minimum. The superannuation plans provide accumulated benefits.

21. SUBSEQUENT EVENTS

2002
No significant post balance date events have been identified.

	Notes	2002 $'000	2001 $'000
22. EARNINGS PER SHARE			
The following reflects the income and share data used in the calculations of basic and diluted earnings per share			
Net Profit		**4,812**	4,086
Weighted average number of ordinary shares on issue used in the calculation of basic earnings per share. Comparative figure has been adjusted for share split.		**100,000,000**	100,000,000
Effect of dilutive securities:			
Share Options		**418,208**	28,635
Weighted average number of ordinary shares used in the calculation of diluted earnings per share. Comparative figure has been adjusted for share split.		**100,418,208**	100,028,635

Conversions, calls, subscription or issues after 30 June 2002
Since the end of the financial year, no ordinary shares have been issued pursuant to the employee share incentive scheme.
There have been no other conversions to, calls of, or subscriptions for ordinary shares or issues of potential ordinary shares since the reporting date and before the completion of this financial report.

30 JUNE 2002	Notes	2002 $	2001 $
23. REMUNERATION OF DIRECTORS			
Directors' remuneration			
Income paid or payable, or otherwise made available, in respect of the financial year, to all directors of Pro Medicus Limited, directly or indirectly, from the entity or any related party.		**648,304**	657,309
		No.	No.
The number of directors of Pro Medicus Limited whose income (including superannuation contributions) falls within the following bands is:			
$30,000 - $39,999		**2**	2
$60,000 - $69,999		**1**	1
$250,000 - $259,999		**1**	—
$260,000 - $269,999		**1**	2
24. REMUNERATION OF EXECUTIVES			
Remuneration received or due and receivable by executive officers of the Company whose remuneration is $100,000 or more, from the Company or any related party, in connection with the management of the affairs of the Company, whether as an executive officer or otherwise		**839,362**	868,099
		No.	No.
The number of executives of the Company whose remuneration falls within the following bands:			
$120,000 - $129,999		**1**	—
$140,000 - $149,999		**—**	1
$200,000 - $209,999		**1**	1
$250,000 - $259,999		**1**	—
$260,000 - $269,999		**1**	2
25. AUDITORS' REMUNERATION			
Amounts received or due and receivable by Ernst & Young for:			
– an audit or review of the financial report of the Company		**54,000**	55,000
– taxation services in relation to the Company		**6,600**	1,710
–other consulting services in relation to the Company		**7,550**	—
		68,150	56,710

Ernst & Young were appointed in year 2000. The same audit partner has been responsible during the period since appointment.

26. RELATED PARTY DISCLOSURES

Directors

The directors of Pro Medicus Limited during the financial year were:

M K Ward
P D Jonson
P G Molyneux
S A Hupert
A B Hall

Other related party transactions
Directors and director-related entity transactions
Director-related entity

Lease payments of $157,365 (2001 $150,000) in respect of the operating premises paid to Champagne Properties Pty. Ltd., an entity controlled by S. Hupert and A. Hall

30 JUNE 2002

26. RELATED PARTY DISCLOSURES (CONT'D)

Directors
Loans repaid by directors.

Repayments of nil, (2001 $725,000) for each of A Hall and S Hupert were made during the year to 30 June 2002. Advances of $nil were made to each of A. Hall and S. Hupert (2001 $410,000 each) for expenses incurred on their behalf. The balance of unsecured loans outstanding is $nil (2001 $nil each). Loans made to the executive directors represented costs associated with the Offer and application for listing of the Company on the Australian Stock Exchange which were borne by the existing shareholders Sam Hupert and Anthony Hall. These loans were interest free until 30 June 2000 from which date interest was paid at a rate equivalent to the Reserve Bank's "Indicated Lending Rates – bank Variable Housing Interest Rate" percentage.

Equity instruments of directors
Interests at balance date

Interests in the equity instruments of Pro Medicus Limited held by directors of the reporting entity and their director-related entities:

	Ordinary Shares Fully Paid		Options over Ordinary Shares	
	2002 Number	2001 Number	**2002 Number**	2001 Number
A B Hall	**40,068,500**	40,054,500	**425,000**	425,000
S A Hupert	**40,072,660**	40,054,500	**425,000**	425,000
M K Ward	**50,000**	50,000	**400,000**	400,000
P D Jonson	**50,000**	50,000	**200,000**	200,000
P Molyneux	**25,000**	25,000	**200,000**	200,000
	80,266,160	80,234,000	**1,650,000**	1,650,000

Movements in directors' equity holdings

Number of shares and options acquired during the financial year by directors and director-related entities 32,160. All equity dealings with directors have been entered into with terms and conditions no more favourable than those that the entity would have adopted if dealing at arm's length.

27. SEGMENT INFORMATION

The Company operates predominantly in one industry being information technology within the health care industry and in one geographical area being Australia

28. FINANCIAL INSTRUMENTS

(a) Accounting policies

Details of significant accounting policies in respect of each class of financial asset and financial liability are disclosed in Note 1 Significant Accounting Policies.

(b) Interest rate risk

The Company's exposure to interest rate risks and the effective interest rate of financial assets and financial liabilities, both recognised and unrecognised at the balance date, are as follows:

Financial Instruments	Floating interest rate		Fixed interest rate maturing in: 1 year or less		Over 1 to 5 years		More than 5 years		Non-interest bearing		Total carrying amount as per the balance sheet		Weighted average effective interest rate	
	2002 $'000	2001 $'000	**2002 $'000**	2001 $'000	**2002 $'000**	2001 $'000	**2002 $'000**	2001 $'000	**2002 $'000**	2001 $'000	**2002 $'000**	2001 $'000	**2002 %**	2001 %
(i) Financial assets														
Cash	**1,941**	1,392	**—**	—	**—**	—	**—**	—	**—**	—	**1,941**	1,392	**3.3**	3.6
Trade and other receivables	**—**	—	**—**	—	**—**	—	**—**	—	**2,901**	3,447	**2,901**	3,447	**N/A**	N/A
Commercial Bills	**—**	—	**6,000**	3,800	**—**	—	**—**	—	**—**	—	**6,000**	3,800	**4.4**	5.0
Total financial assets	**1,941**	1,392	**6,000**	3,800	**—**	—	**—**	—	**2,901**	3,447	**10,842**	8,639	**4.1**	4.0
(ii) Financial liabilities														
Trade creditors and accruals	**—**	—	**—**	—	**—**	—	**—**	—	**529**	1,006	**529**	1,006	**N/A**	N/A
Hire Purchase Liability	**—**	—	**249**	68	**—**	249	**—**	—	**—**	—	**249**	317	**6.6**	6.6
Deferred Income	**—**	—	**—**	—	**—**	—	**—**	—	**82**	482	**82**	482	**N/A**	N/A
Total Financial Liabilities	**—**	—	**249**	68	**—**	249	**—**	—	**611**	1,488	**860**	1,805	**6.6**	6.6

30 JUNE 2002

28. FINANCIAL INSTRUMENTS (CONT'D)

(c) Net fair values

For all financial assets and liabilities, the carrying amount approximates fair value.

(d) Credit risk exposures

The Company minimises concentrations of credit risk in relation to trade receivables by undertaking transactions with a large number of customers within the specified industry.

Concentrations of credit risk

Concentrations of credit risk on trade receivables arise in the following industries:

	Maximum credit risk exposure* for each concentration			
	Percentage of total trade debtors		$'000	
INDUSTRY	2002	2001	2002	2001
Diagnostic Imaging	**100**	100	**2,848**	3,392
	100	100	**2,848**	3,392

*The maximum credit risk exposure does not take into account the value of any collateral or other security held, in the event other entities/parties fail to perform their obligations under the financial instruments in question.

Credit risk in trade receivables is managed in the following ways:
- payment terms are 30 days;
- a risk assessment process is used for customers over $50,000; and
- high dollar value deposits and/or bank & other guarantees are obtained for high-risk customers.

Directors' Declaration:

In accordance with a resolution of the directors of Pro Medicus Limited, I state that:

(1) In the opinion of the directors:

(a) the financial statements and notes of the company are in accordance with the Corporations Act 2001, including:

(i) giving a true and fair view of the company's financial position as at 30 June 2002 and of its performance for the year ended on that date; and

(ii) complying with Accounting Standards and Corporations Regulations 2001; and

(b) there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

On behalf of the Board

M K Ward

Chairman

Melbourne, 2 September 2002

ERNST & YOUNG

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Australia

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INDEPENDENT AUDIT REPORT

To the members of Pro Medicus Limited

Scope
We have audited the financial report of Pro Medicus Limited for the financial year ended 30 June 2002, as set out on pages 22 to 39, including the Directors' Declaration. The company's directors are responsible for the financial report. We have conducted an independent audit of the financial report in order to express an opinion on it to the members of the company.

Our audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance whether the financial report is free of material misstatement. Our procedures included examination, on a test basis, of evidence supporting the amounts and other disclosures in the financial report, and the evaluation of accounting policies and significant accounting estimates. These procedures have been undertaken to form an opinion whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards, other mandatory professional reporting requirements and statutory requirements in Australia, so as to present a view which is consistent with our understanding of the company's financial position and performance as represented by the results of its operations and its cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Audit Opinion
In our opinion, the financial report of Pro Medicus Limited is in accordance with:

(a) the Corporations Act 2001 including:

(i) giving a true and fair view of the company's financial position as at 30 June 2002 and its performance for the year ended on that date; and

(ii) complying with Accounting Standards in Australia and the Corporations Regulations 2001; and

(b) other mandatory professional reporting requirements in Australia.

Ernst & Young

R Bruce Dungey
Partner

Melbourne 16 September 2002

ADDITIONAL INFORMATION REQUIRED BY THE AUSTRALIAN STOCK EXCHANGE LTD AND NOT SHOWN ELSEWHERE IN THIS REPORT IS AS FOLLOWS. THE INFORMATION IS CURRENT AS AT 30 AUGUST 2002

(a) Distribution of equity securities

The number of shareholders, by size of holding, in each class of share are:

		Ordinary shares	
		Number of holders	Number of shares
1	– 1,000	119	88,864
1,001	– 5,000	544	1,811,069
5,001	– 10,000	215	1,763,601
10,001	– 100,000	140	3,599,878
100,001	and over	11	92,736,588
		1,029	100,000,000
The number of shareholders holding less than a marketable parcel of 434 shares are:		14	3,627

(b) Twenty largest shareholders

The names of the twenty largest holders of quoted shares are:

		Listed ordinary shares	
		Number of shares	Percentage of ordinary shares
1	S. Hupert	40,072,660	40.1%
2	A Hall	40,068,500	40.1%
3	Citicorp Nominees Pty Limited	7,223,157	7.2%
4	Commonwealth Custodial	3,322,244	3.3%
5	Cogent Nominees Pty Limited	518,132	0.5%
6	Mirrabooka Investments Limited	471,429	0.5%
7	Queensland Investment Corporation	438,646	0.4%
8	National Nominees Limited	401,558	0.4%
9	G E Moir	126,422	0.1%
10	Invia Custodian Pty Limited	120,000	0.1%
11	B J & R P Hall	115,000	0.1%
12	Ms Y K Chun	100,000	0.1%
13	J & R Hupert	100,000	0.1%
14	ANZ Nominees Limited	78,941	0.1%
15	The Mega Bike Store Pty Ltd	75,500	0.1%
16	Bellaine Pty Ltd	72,125	0.1%
17	T S Tootell	71,500	0.1%
18	D & M T Micallef	69,000	0.1%
19	Jojak Investments Pty Ltd	66,283	0.1%
20	Invia Custodian Pty Limited	60,500	0.1%
		93,571,597	93.6%

(c) Substantial shareholders

The names of substantial shareholders who have notified the Company in accordance with section 671B of the Corporations Law are:

	Number of shares
Sam Hupert	40,072,660
Anthony Hall	40,068,500
Commonwealth Bank of Australia	10,545,401

(d) Voting rights

All ordinary shares carry one vote per share without restriction.

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Corporate Governance :

The Board of Directors of Pro Medicus Limited is responsible for the corporate governance of the entity. The Board guides and monitors the business and affairs of Pro Medicus Limited on behalf of the shareholders by whom they are elected and to whom they are accountable.

To ensure the Board is well equipped to discharge its responsibilities it has established guidelines for the nomination and selection of Directors and for the operation of the Board.

• Composition of the Board

The composition of the Board was determined in accordance with the following principles and guidelines:

- The Board should comprise at least five directors and should maintain a majority of Non-Executive Directors;
- The Chairman must be a Non-Executive director;
- The Board should comprise directors with an appropriate range of qualifications and expertise; and
- The Board shall meet at least monthly and follow meeting guidelines set down to ensure all directors are made aware of and have available all necessary information, to participate in an informed discussion of all agenda items.

The directors in office at the date of this statement are:

NAME	POSITION
M K Ward	Chairman, Non-Executive Director
P D Jonson	Deputy Chairman, Non-Executive Director
S A Hupert	Managing Director, Chief Executive Officer
A B Hall	Technical Director
P G Molyneux	Non-Executive Director

• Committees

The current Board of five Directors was appointed on April 4, 2000. Due to the small number of Directors the Board decided it was more appropriate to handle nomination, remuneration and audit issues at full Board level. No Committees for these functions have been established at this time.

In addition the full Board handles any matters as and when they arise concerning environmental issues, occupational health and safety, finance and treasury.

In order to maintain good corporate governance the Non-Executive Directors have assumed responsibility for determining and reviewing compensation arrangements for the Chief Executive Officer and Technical Director who in turn review the terms for the Non-Executive Directors. The full Board reviews the terms of employment for the Company Secretary. It should be noted that no review of these emoluments has taken place at the date of this report.

The Board has delegated the responsibility of executive remuneration to the management to assess the appropriateness of the nature and amount of emoluments of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stake-holder benefit from the retention of a high quality executive team. Independent experts have been consulted to provide appropriate information to ensure decisions are soundly based.

The appointment of appropriately skilled Non-Executive Directors, together with an unchanged business base has meant no new Director nominations have been required.

The Board has assumed responsibility to ensure that an effective internal control framework exists within the entity. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes. This also includes the safe-guarding of assets, the maintenance of proper accounting records, and reliability of financial information as well as non-financial considerations such as the benchmarking of operational key performance indicators. The Board has not delegated the responsibility for the establishment and maintenance of a framework of internal control and ethical standards for the management of the entity.

Strategic planning has been an important objective of the Board. Planning meetings are held during which detailed discussion takes place on a wide range of relevant topics. Meetings are attended by all Board members and are conducted in an informal fashion to allow Non-Executive Directors to gain enhanced industry, customer, product and research knowledge.

• Board Responsibilities

As the Board acts on behalf of and is accountable to the shareholders, it seeks to identify the expectations of the shareholders, as well as other regulatory and ethical expectations and obligations. In addition, the Board is responsible for identifying areas of significant business risk and ensuring arrangements are in place to adequately manage those risks. The Board seeks to discharge these responsibilities in a number of ways.

Responsibility for the operation and administration of the entity has been delegated by the Board to the Chief Executive Officer and the executive team. The Board ensures that this team is appropriately qualified and experienced to discharge their responsibilities and has in place procedures to assess the performance of the Chief Executive and the executive team.

The Board is responsible for ensuring that management's objectives and activities are aligned with the expectations and risks identified by the Board. The Board has a number of mechanisms in place to ensure this is achieved. In addition to the establishment of the committee referred to above, these mechanisms include the following:

- Board approval of strategic plans, which encompass the entity's vision, mission and strategy statements, designed to meet stakeholders' needs and manage business risk;
- the strategic plan is a dynamic document and the Board is actively involved in developing and approving initiatives and strategies designed to ensure the continued growth and success of the entity;
- implementation of operating plans and budgets by management and Board monitoring of progress against budget - this includes the establishment and monitoring of key performance indicators (both financial and non-financial) for all significant business processes;
- use of appropriately skilled professionals to provide advice on relevant discussion topics; and
- procedures to allow Directors, in the furtherance of their duties, to seek independent professional advice at the Company's expense.

• Monitoring of the Board's Performance and Communication to Shareholders

In order to ensure that the Board continues to discharge its responsibilities in an appropriate manner, the performance of all Directors is reviewed annually by the Chairperson. Directors whose performance is unsatisfactory will be asked to retire.

The Board of Directors aims to ensure that the shareholders, on behalf of whom they act, are informed of all information necessary to assess the performance of the Directors. Information is communicated to the shareholders through:

- the annual report which is distributed to all shareholders registered to receive copies
- Australian Stock Exchange market announcements
- the annual general meeting and other meetings so called to obtain approval for Board action as appropriate
- up to date web-site - www.promedicus.com.au
- email contact with registered users.

• Risk Management Policies

Pro Medicus Limited has no interest or currency sensitive liabilities as the interest rate on the Hire Purchase loan is fixed. Cash on deposit is held in Australian bank commercial bills that are bank guaranteed. Interest earned is the rate quoted on renewal for the nominated term of the bill. There is no currency sensitivity as bills are organised in Australian Dollars through the Company's Bankers.

The Board oversees appropriate backup procedures for important company data.

Insurance policies in force have all been reviewed in detail to ensure cover is at appropriate levels to safeguard Company assets and operations.

The Board regularly considers succession planning to ensure staff of appropriate skill and experience are available to the Company.

• Continuous Disclosure Policy

The Company has adopted measures to ensure the market and shareholders are kept fully informed within the requirements of "Continuous Disclosure". The measures in place require all potential market sensitive matters to be discussed with the Chief Executive Officer who in conjunction with the Chairman and other relevant directors decide whether to make an appropriate announcement to the market.

Only nominated authorised persons have the authority to release these communications to the ASX.

• Securities Trading

The company has adopted a policy to regulate the sale and purchase of securities in the company by directors, executive officers and staff.

Under this policy there is a 4 week post profit announcement period during which time company securities can be purchased and sold by relevant security holders. Profit announcements are defined as the issue of a Prospectus or similar Corporations Act borrowing document and half yearly & annual profit announcements to the market.

It is intended that a broad interpretation be given to this policy and accordingly transactions by any director or executive officer include transactions by any person or entity which might in the circumstances be reasonably associated with the director or executive officer e.g. spouse, infant children, family trust or family company. Transfers between entities or persons involving no beneficial ownership change are not covered by this policy.

The policy fundamentally recognises the "Continuous Disclosure" requirements of the ASX Listing Rules. Accordingly all care must be taken to consider the implications of unsuitable behaviour. This responsibility continues to apply even during the 4-week non-approval period as knowledge of market sensitive information may require special approval from the Chairman prior to dealings in securities during this period.

In addition to fulfil Guidance Note 22 requirements, all transactions, irrespective of timing should be immediately notified to the Company Secretary.

Transactions at any time that exceed 5% of the total share capital of the company require confirmation by the Chairman per the rules outlined below.

• Transactions requiring approval

Chairman has a discretionary power to allow trading outside the non-approval period provided that approval can only be valid if the request and Chairman confirmation are completed before the transaction is initiated.

In the event the Chairman is not available the Deputy Chairman will act in the same role as the Chairman.
In the case of a proposed transaction by the Chairman, approval is required from the Deputy Chairman. If the Chairman and Deputy Chairman are not available then the request should be made to two other directors.

Non-executive staff should make an initial request to the Chief Executive Officer or Company Secretary who will co-ordinate confirmation by the Chairman. Similar timing and notice rules apply for these requests.

In the event that a proposed transaction is denied the person seeking approval for the transaction may ask that the non-approval be reviewed by the board as quickly as practicable. Should this event arise the Board decision is to be considered final.

Chairman or substitute is obliged to table details of requests and confirmations at the next normally convened directors' meeting. Minutes will record compliance with this policy.

Persons breaching these rules will come under full sanction by the remaining board members.

Corporate Information :

Pro Medicus Limited
ABN 25 006 194 752

Directors
The names of the Directors of the Company in office during the year and until the date of this report are:

Melvyn Keith Ward	Chairman
Dr Peter David Jonson	Deputy Chairman
Dr Sam Aaron Hupert	Managing Director
Anthony Barry Hall	Technology Director
Philip Gregory Molyneux	Non-Executive Director

Company Secretary
Geoffrey William Holden

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450 Swan Street
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T: (03) 9429 8800

Solicitors
Madgwicks

Bankers
Bank of Melbourne

Share Register
Computershare Registry Services Pty Limited
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Auditors
Ernst & Young

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