



ASX Announcement

4 December 2019

G MEDICAL SECURES A\$30 MILLION FUNDING FACILITY

- A\$30m funding facility secured to significantly fast track US and global sales growth of its market leading Prizma and VSMS patch
- GMV to capitalise on immediate growth opportunities and expand US sales force 4-fold
- Funding secured from top tier financial institution GEM Global and can be drawn at GMV's discretion
- Product suite gaining significant traction with multiple opportunities developing in USA and other markets
- Considerable near-term value drivers expected from end of H1 2020 and going forward
- GEM's decision to fund GMV is a vote of confidence to the future growth of the company

Mobile and e-Health company G Medical Innovations Holding Limited (ASX:GMV) ("G Medical", "GMV" or the "Company") is pleased to advise that it has secured capital commitments of up to A\$30 million over a three year period from Luxembourg based GEM Global Yield LLC SCS ("GEM Global" or "GEM"). The funding allows GMV the financial flexibility to rapidly grow in established markets where its technology is gaining significant traction.

The facility was secured from GEM Global, a leading investment group based in Luxembourg. Founded in 1991, GEM is a \$3.4 billion alternative investment group that manages a diverse set of investment vehicles focused on emerging markets across the world.

The funding provides G Medical with the balance sheet flexibility to aggressively expand its sales force in the United States and global markets, capitalising on multiple opportunities at hand. The Company currently has a US sales team of 5 representatives that will generate approximately US\$5.5million – US\$6 million in annual revenue this year, which represents up to approximately 100% growth from the prior year 2018.

G Medical will utilise the funding to hire an additional 20 sales representatives in 2020, with a total of 60 expected by 2022. The Company is confident that additional sales personnel will significantly grow its revenue base.

Subject to the terms of a Capital Commitment Agreement, the Company may choose to, on one or more occasions within the three year period, subject to conditions precedent draw down on the facility by giving GEM 15 trading days' notice to subscribe for fully paid ordinary shares in the Company. The number of shares which GMV may draw down under a notice is capped at 1,000% of the average daily number of GMV shares traded on ASX during the 15 trading days prior to that draw down notice, subject to adjustments. If the

Company issues a draw down notice, the subscription price of the shares to be issued to GEM (or its nominees) will be 90% of the higher of:

- the average closing bid price of GMV shares as quoted by ASX over the pricing period, being the 15 consecutive trading days after GMV gives the draw down notice to GEM (subject to certain adjustments); or
- a fixed floor price nominated by the Company in its draw down notice.

The issue of shares to GEM pursuant to a draw down notice will be conditional upon obtaining any requisite shareholder approval (if there is insufficient placement capacity under the Listing Rules when GMV issues a draw down notice). The Company has not yet agreed to issue any such shares to GEM as it has not issued a draw down notice. The Company has given to GEM warranties, representations and indemnities as are customary for agreements of this type.

The Company will pay a fee of A\$440,000 (exclusive of GST) to GEM in connection with the Capital Commitment Agreement. The Company may choose to pay part or all of such fee in shares calculated at 95% of the average closing bid price of GMV shares during the 15 consecutive trading days prior to payment. In addition, G Medical will issue to GEM or its nominee 25 million options, each exercisable by the option holder into one GMV share at an exercise price of \$0.265 on or before 29 November 2024. 12.5 million of those options will be issued immediately from GMV's ASX Listing Rule 7.1 placement capacity with the balance to be issued following shareholder approval which will be sought at a General Meeting.

CEO and Executive Director Dr Yacov Geva said: "This is the funding catalyst that GMV has needed to significantly scale our sales function and fast track our market penetration. Based on our sales success to date achieved with a modest sized team in the United States, we can replicate this success with a larger and more experienced sales team, and as a result much more revenue will materialise. We have already identified a number of candidates and expansion is imminent.

"To date, we have invested heavily in achieving strong recognition in the market. We are now capitalising on this investment.

"GMV is exceptionally well positioned to realise the benefits from its expanding sales pipeline, predominantly in the United States, as well as other international markets where our technology has received considerable interest."

Ends

About G Medical Innovations

G Medical (**ASX: GMV**) was founded in August 2014, aiming to be at the forefront of the digital health revolution, developing the next generation of mobile health (mHealth) technologies. The Company leverages the experience and expertise of its Board to deliver best-in-class solutions to address this global opportunity.

The Company specialises in innovative next generation mobile and e-health solutions and services using its suite of devices and software solutions with a view to driving multiple and recurring revenue streams, across numerous verticals and territories.

For more information on G Medical, please visit www.gmedinnovations.com

About G Medical Products

G Medical offers a suite of consumer and professional clinical-grade products (with regulatory approval) that are positioned to streamline healthcare services, improve remote access to medical data, reduce costs, improve quality of care, and make healthcare more personalized and precise. Currently the Company is focusing on two main verticals.

The 'Prizma' Medical Smartphone Case is one of two key products developed by G Medical and is aimed at everyday consumers focused on their medical health and wellbeing. The 'Prizma' allows consumers to turn their smartphone into a mobile medical monitor to measure a wide range of vital signs, with the added advantage that users are able to store their medical data in the cloud and share it with third parties such as healthcare professionals and family members.

G Medical also offers a professional real-time patient continuous monitoring solution, G Medical's Vital Signs Monitoring System (VSMS) and G Medical Patch (GMP). This modular solution measures a wide range of vital signs that are automatically presented in a call centre (IDTF) or a hospital setting. The GMP assists in diagnosing patient complaints and conditions remotely, from pre-hospitalisation, hospitalisation and through to post discharge home-based settings.