

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

G Medical Innovations Holdings Ltd

ABN

617 204 743

Quarter ended ("current quarter")

30 June 2019

Consolidated statement of cash flows	Current quarter \$US'000	Year to date (6 months) \$US'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,314	2,540
1.2 Payments for		
(a) research and development	(142)	(370)
(b) product manufacturing and operating costs	(424)	(717)
(c) advertising and marketing	(181)	(365)
(d) leased assets	-	-
(e) staff costs	(2,096)	(4,275)
(f) administration and corporate costs	(585)	(1,299)
1.3 Dividends received	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	(104)	(119)
1.6 Income taxes received	23	23
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	(47)	(69)
1.9 Net cash from / (used in) operating activities	(2,242)	(4,651)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(148)	(299)
(b) businesses (see item 10)	-	-
(c) investments	-	-

Consolidated statement of cash flows	Current quarter \$US'000	Year to date (6 months) \$US'000
(d) intellectual property	-	-
(e) other non-current assets	(9)	(34)
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received	-	-
2.5 Other (restricted deposits)	-	-
2.6 Net cash from / (used in) investing activities	(157)	(333)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	-
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	1,830	4,317
3.6 Repayment of borrowings	(89)	(1,593)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	1,741	2,724

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	993	2,634
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(2,242)	(4,651)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(157)	(333)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	1,741	2,724

Consolidated statement of cash flows		Current quarter \$US'000	Year to date (6 months) \$US'000
4.5	Effect of movement in exchange rates on cash held	17	(22)
4.6	Cash and cash equivalents at end of quarter/ year to date	352	352

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$US'000	Previous quarter \$US'000
5.1	Bank balances	352	993
5.2	Call deposits		
5.3	Bank overdrafts		
5.4	Other (provide details)		
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	352	993

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$US'000
-
-

On 18 July 2019, subsequent to the end of the quarter, a total of 2,000,000 shares were issued to 4 board members, and 500,000 performance rights to a fifth director.

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$US'000
-
-

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$US'000	Amount drawn at quarter end \$US'000
8.1 Loan facilities	2,502	2,502
8.2 Credit standby arrangements	-	-
8.3 Other (Loan from controlling shareholder)	10,479	4,464
Other (Convertible Notes)	3,492	3,492
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

8.1- The Company received several loans from Bank Mizrahi Tfahot in Israel. As of June 30, 2019, the total amount of these loans is: US\$ 1.35 M.

The loans are denominated in US Dollars and NIS and bear interest rates of Libor + (2.5%) and prime+ (0.5%- 0.85%) per annum.

The Company's major shareholder provides a guarantee for part of these loans payments.

Upon CardioStaff acquisition, additional long- term loans were added to the Company balance.

As of June 30, 2019, the total amount of these loans is US\$ 1.152 M and include mainly loans from private people/institutions and bear interest of 4%-12% per annum.

8.3- Loans from controlling shareholder (Yacov Geva) - Yacov Geva has entered into a credit line agreement in May 2018, to provide the Company up to US\$ 3 M. The agreement was amended and effective as of October 31, 2018 the aggregate amount available to the company is US\$ 10 M.

On April 24, 2019 our shareholders approved the conversion of approx. US\$ 3.3 million that had been drawn from the credit line into an aggregate of 14,706,719 shares.

On June 24, 2019 our shareholders approved additional conversation of US\$ 2 M that had been down from the 2018 credit line into an aggregate of 14,532,771 shares.

As of June 30, 2019, the total amount of Yacov Geva loans including the accrued interest is amounting to US\$ 4.464 M.

Convertible Notes

The Company issued, in the last quarter of 2018, 4,050,000 Convertible Notes at a face value of US\$ 4.455 M. The Fixed conversion price is A\$ 0.3362, the maturity date is 18 months after the purchase date and the payment is 115% of the face value of the outstanding Convertible Notes.

During 1-6/2019 the company redeemed 558,333 Convertible Notes and the Convertible Notes remaining as of June 30, 2019 is US\$ 3,491,667.

9. Estimated cash outflows for next quarter	\$US'000
9.1 Research and development	200
9.2 Product manufacturing and operating costs	600
9.3 Advertising and marketing	150
9.4 Leased assets	-
9.5 Staff costs	1,500
9.6 Administration and corporate costs	500
9.7 Other (provide details if material)	300
9.8 Total estimated cash outflows	3,250

Notes:

9.7 includes expenditure for the purchase of fixed assets for approximately US\$ 100 k and the repayment of borrowings for approximately US\$ 200 k.

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	-	-
10.2 Place of incorporation or registration	-	-
10.3 Consideration for acquisition or disposal	-	-
10.4 Total net assets	-	-
10.5 Nature of business	-	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

[lodged electronically without signature]

30 July 2019

Sign here:

Date:

(Director/Company secretary)

Steven Wood

Print name:

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.