

G Medical Innovations seeks medical monitoring buys and strategic partners - CEO

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G Medical Innovations [ASX:GMV], a mobile health technology company, is seeking to acquire companies with medical monitoring technologies or services, said Chief Executive Officer Yacov Geva.

The AUD 19m (USD 15m) market capitalization company is keen on established companies with technology or services that are complementary to its monitoring products, Geva said, citing as examples home dialysis systems or asthma monitoring systems. It is also interested in targets that provide monitoring services to organisations such as nursing homes, he added.

The company will consider acquisitions globally but is most likely to initially find buys in the US and China, which are the first target markets for sales of its products, Geva said, noting that it is happy to hear from advisors that can bring potential targets.

Established in 2014, G Medical raised AUD 12m when it listed on the ASX in May this year with a market cap on listing of AUD 45m. According to its audited accounts for the financial year ended 31 December 2016, it had total assets of USD 863,000 and total liabilities of USD 974,000.

The company will consider raising capital if necessary to fund acquisitions, Geva said.

G Medical is also seeking strategic partners including distributors of its products in China and the US, and is having discussions with potential partners in both markets, Geva said. Last week it announced the signing of a binding memorandum of understanding with Chinese medical and healthcare company **Shandong Boletong Information S&T Co**, which will purchase products from G Medical valued at a minimum of USD 67.5m to distribute in China.

G Medical has also signed a joint venture (JV) agreement with China's **Guangzhou Sino-Israel BioIndustry Investment Fund (GIBF)**, which will invest USD 5m into a new JV subsidiary company in China for a 30% equity interest and will have a right to list the subsidiary when it is valued at no less than USD 50m.

G Medical's first two products are its Medical Smartphone Jacket, which attaches to the phone to convert it into a medical monitor; and its G Medical Patch, which measures vital signs as well as the person's location. Both have submitted applications for US Food and Drug Administration (FDA) and China Food and Drug Administration (CFDA) certification.

G Medical competes with makers of electrocardiography (ECG) machines for its Medical Smartphone Jacket, but has no peers in the G Medical Patch space, according to Geva, who owns some 60% of the listed company.

Its headquarters are in the Cayman Islands and, in addition to Israel and Australia, it has offices in New York, Macedonia, and Hong Kong. G Medical's corporate advisor is Perth-based Otsana Capital and its public relations manager is Sydney-based Closer Communications.

by Louise Weihart in Sydney