



G Medical Innovations Holdings Ltd
ARBN 617 204 743

ASX Announcement

4 April 2018

President & Chief Executive Officer's Update

Dear Shareholders,

It continues to be a very busy and positive time at G Medical Innovations and I'm delighted to share an update with you today. This is the first of regular monthly updates we look forward to sharing with you.

I am in the fortunate position of regularly speaking with many of our investors, large and small, and I am happy to share these updates that also address the many and varied questions and topics that are raised with me. I continue to welcome such feedback and questions.

China Food and Drug Administration (CFDA) Green Channel

We recently announced that our China-based subsidiary has been granted acceptance to the Green Channel expedited Guangdong Provincial CFDA (China Food and Drug Administration) regulatory approval process for our Prizma Medical Smartphone Case. This is a tremendous endorsement and comes with additional benefits as outlined previously in the 'Green Channel' ASX announcement. While the CFDA itself is undergoing changes in structure and reporting within the Chinese government, we remain in ongoing communication with them and remain unaffected by these changes and on track as initially reported. In addition to our Chinese management team being in regular contact with them, I personally met with CFDA representatives two weeks ago in China and was positively encouraged by our dialogue. We anticipate receiving CFDA approval on our new manufacturing facilities soon after, being fully operational in May.

Broader Commercialisation and Mass Manufacturing

The manufacturing and initial part-filling of orders are currently being fulfilled out of our facility in Israel, which is able to handle small runs for the territories in which we have both regulatory approvals already granted and off-take partners and orders in place.

Whilst this is taking place, we are focused on bringing our factory in China online and fully operational to handle the broader fulfillment and global commercialisation of our solutions, most especially the Prizma in the first instance. We expect our factory in China to be fully operational in May which, combined with the expected delivery of key components required, will enable us to scale-up production to both fulfil these initial orders and launch more broadly. It is in everyone's interests for us to be diligent in establishing our processes and ensuring they are being carried out to reflect the quality and results expected of a G Medical device.

Commencing Order Fulfilment

We have recently commenced fulfilling some initial small purchase orders for our Prizma Medical Smartphone Case, with the first of these deliveries going to MEDTL Medical Technologies in Cyprus, along with some partners around the world for the purpose of product evaluation. These are important commercial partners for us and it is rewarding to receive such positive feedback on the initial products shipped. While limited quantities initially, these first deliveries mark the start of a much bigger and more extensive delivery which we intend on commencing once CFDA approval has been received.

Driving sales direct to consumer continues to be an important part of our strategy, most especially for the Prizma Medical Smartphone Case. The addition of an online store to our global website, with an anticipated launch in the next month, will enable consumers from around the world to place orders. I am excited to share more details on this in the near future.

Ancillary Service Providers

While one aspect of our offering is the Prizma Medical Smartphone Case itself, it is the complete service offering from the device (including data collection and analytics) through to the ancillary support services that will see its true impact in the healthcare system. G Medical's "A to Z" solutions ensure true value is driven in terms of the multiple ingrained revenue streams that form part of our total solutions. This is why we are also ensuring our ancillary service providers are in place and up-and-running, particularly in our key commercial launch territories, being North America, China and Europe. As you are aware we acquired "IDTF", our first Services Business in North America, which is currently generating revenues via cardiac monitoring services. We anticipate substantial benefits to adding G Medical's device solutions to this existing infrastructure and market penetration.

Growing the brand in the crucial North American market

I was delighted with the response from the North American Healthcare community upon seeing demonstrations of both the Prizma and our Vital Sign Monitoring System with the G Medical Patch recently at HIMSS, the Healthcare Information and Management Systems Society. Attracting approximately 45,000 industry stakeholders, it was a very busy show for our North American team with extensive meetings booked with potential partners, customers and government agency representatives.

It remains a busy and very positive time for G Medical Innovations as we continue to bring key elements of the business online that will enable us to scale efficiently and effectively. We are focused not just on the manufacturing but of ensuring the entire full-flow operations for our solutions become operational so that the true benefits can be seen by the market and maximum value be unlocked for our shareholders.

We are confident that this coming quarter will see our China facilities fully operational and given the required approvals from the CFDA, this will deliver G Medical significant benefits. This should translate into our ability to fulfil existing purchase orders whilst also launching Prizma more broadly, including direct to consumers for the first time.

I welcome your feedback and questions at anytime about the company, which can be emailed to investors@gmedinnovations.com.

Thank you for being on this journey with me.

Yours,

Dr. Yacov Geva
President & CEO

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 brings forth 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

For investor enquiries or feedback for the Company that are not related to your shareholding, email investors@gmedinnovations.com