

G MEDICAL INNOVATIONS HOLDINGS LTD. (NASDAQ: GMVD)

Founded in 2014, Israel-based G Medical Innovations Holdings Inc. develops and manufactures mobile health products and provides telemedicine services. The company's products include Prizma, a clinical-grade device that enables smartphones to be used for medical monitoring, and the Extended Holter Patch, a biosensor that captures electrocardiogram data. G Medical is also developing a wireless vital signs monitoring service. In late 2021, the company entered the COVID-19 testing market in California. The company has three patents on its technology and

COMPANY HIGHLIGHTS

- * In our view, G Medical has a differentiated group of products and services compared with its peers. Its current products include Prizma, a clinical-grade device that enables smartphones to be used for medical monitoring, and the Extended Holter Patch System, a biosensor that captures electrocardiogram data continuously for up to 14 days. The company is also developing a wireless vital-signs monitoring service that we think is well positioned to generate recurring revenue through monthly subscription fees.
- * The Prizma mobile medical monitoring device is designed to provide more-detailed data than competing devices, which capture only ECG data, or are solely focused on fitness applications. We think its user-friendly data features (designed to be easier for consumers to understand) should be a key competitive advantage for Prizma. The device currently captures information related to ECG data, as well as oxygen saturation, temperature, heart rate, and stress levels. We expect the device's capabilities to be expanded over time to capture additional vital statistics including glucose levels, cholesterol, triglyceride, hemoglobin, and uric acid levels, among others.
- * In December 2021, the company entered the COVID-19 testing market in California. Although we expect testing levels to be below what was seen during the

(continued on next page)

KEY STATISTICS

Key Stock Statistics

Recent price (6/3/22)	\$0.57
Fair Value Estimate	\$4.00
52 week high/low	\$6.74-\$0.56
Shares outstanding (M)	24.4
Market cap (M)	14
Dividend	Nil
Yield	Nil

Sector Overview

Sector	Healthcare
Sector % of S&P 500	14.4%

Financials (\$M, as of 12/31/21)

Cash & Mkt Securities	6.0	Debt	8.4
Working Capital (\$M)	0.3		
Current Ratio	1.0		
Total Debt/Equity (%)	NM		
Payout ratio	NM		
Revenue (M) TTM	5.1		
Net Income (M) TTM	NM		
Net Margin	NM		

Risk

Beta	-1.41
Inst. ownership	3%

Valuation

P/E forward EPS	NA
Price/Sales (TTM)	2.7
Price/Book (TTM)	NM

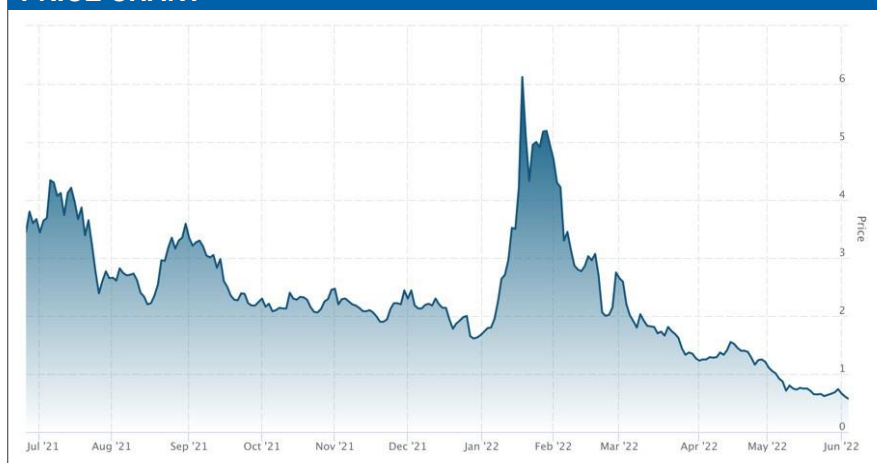
Top Holders

Regal Funds Management Pty Ltd.
Schoenfeld Strategic Advisors
Citadel Advisors LLC

Management

Chairman	Dr. Kenneth R. Melani
President & CEO	Dr. Yacov Geva
CFO	Mr. Kobi Ben-Efraim
Company website	www.gmedinnovations.com

PRICE CHART



COMPANY SPONSORED REPORT. SEE LAST PAGE FOR DISCLOSURES.

peak of the pandemic, we expect testing to remain prevalent as local economies continue to re-open broadly and aim to mitigate future outbreaks.

- * As of December 31, 2021, G Medical had \$6.0 million in cash on its balance sheet and has subsequently raised around \$20 million from private placements thus far in 2022, which helped to pay off all of its outstanding convertible debt.
- * Based on our EV/revenue analysis, we arrive at a fair value estimate for GMVD of \$4.00 per share, well above current levels.

INVESTMENT THESIS

Founded in 2014, Israel-based G Medical Innovations Holdings Inc. develops and manufactures next-generation, mobile health products, telemedicine solutions and monitoring service platforms. In December 2021, the company entered the market to conduct laboratory testing for COVID-19 in the state of California.

The company's product portfolio is led by Prizma, a clinical-grade device that enables smartphones to be used for medical monitoring, and the Extended Holter Patch System, a biosensor that captures electrocardiogram (ECG) data continuously for up to 14 days. It also provides telemedicine services that help patients to manage medical conditions, particularly in areas such as cardiovascular disease, pulmonary disease, and diabetes. The company is also developing its wireless Vital Signs Monitoring System (VSMS), which will provide real time diagnostic and monitoring services.

In our view, G Medical is well positioned to participate in the fast-growing "mHealth" or mobile health industry. Estimates for the value of the mHealth market range from \$50-60 billion as of the end of 2021, and the market is expected to continue to grow at a more than 25% compounded annual growth rate over the next five years. We look for growth in mHealth to be driven by both the greater use of wearable devices, increased functionality among marketed products, and the increased prevalence of chronic medical conditions, including cardiovascular disease (CVD), cancer, heart ailments, chronic pain, and diabetes.

We note that telemedicine provides a cost-effective alternative to traditional care for many medical conditions. It provides patients with basic healthcare services when they cannot visit physicians' offices or hospitals -- as was often the case during pandemic-related lockdowns across 2020 and 2021. According to a recent Gartner survey, 84% of respondents cited using telemedicine during the pandemic as a way to avoid in-person activities. Importantly, 63% of respondents who had used telehealth in the past planned to increase their use of such services post-pandemic. Thus, in our view, the pandemic has fostered a favorable outlook for telemedicine services.

In 2017, G Medical's Prizma received 510(k) clearance (under prescription) from the U.S. FDA, and CE mark designation in Europe. The device has been cleared in additional global jurisdictions as well. G Medical believes that a key differentiator between Prizma and competing devices is that Prizma provides more-detailed and actionable data to its users, particularly with respect to cardiovascular and pulmonary health, and that it makes this data easier for consumers to understand. Among its primary competitors in the market for wearable medical devices, Alive-Cor's product captures only EKG data, Qardio is focused on blood pressure tracking, and Tytocare is focused on home health medical exams. The Apple Watch also is considered to be a competitor.

Prizma connects to any smartphone using a wireless Bluetooth connection. It enables users to take an ECG and measures a wide range of vital signs including oxygen saturation, temperature, heart rate, and stress levels. Users can also manually enter blood pressure, body weight, and blood glucose measurements, and track them on Prizma app and cloud portal. In addition, users can generate reports based on the data and share them with medical professionals or family members, which we think can have a favorable impact on patient compliance and outcomes. Prizma will also be integrated with the company's wireless Vital Signs Monitoring System, to provide enhanced real-time monitoring and monthly reporting, which can be provided as a monthly recurring service, if prescribed by the physician.

We like G Medical's plan to expand the functionality of the Prizma device. We see potential for the device to capture blood chemistry information in its next-generation, including glucose level measurement, cholesterol, triglyceride, total cholesterol levels, hemoglobin level and uric acid levels, among others. In addition, the company has entered into a partnership with Heartbuds AK, on a jointly-developed version of the latter's smartphone-enabled device that enables doctors and others to listen to and record a patient's heart and lungs. This product could be included with the sale and distribution of Prizma, but also be sold separately.

We think that expanded functionality will support more-wide-spread adoption in coming years, as we see its market acceptance to date as modest. We attribute this to modest marketing and market education, in part due to the COVID-19 pandemic. We expect these efforts to ramp up as global economies continue to re-open broadly as the COVID-19 pandemic eases.

G Medical's product portfolio includes the Extended Holter Patch System, a multichannel biosensor that captures ECG data continuously for up to 14 days. G Medical believes that multichannel ECGs can deliver higher predictive values with more-actionable data, helping physicians to make more-accurate diagnoses. In addition,

(continued on next page)

PEER COMPARISON

Company	Ticker	Recent Price (\$)	52-Week High (\$)	52-Week Low (\$)	Mkt. Cap (\$MIL)	1-yr Price Change (%)	1-yr Rev Growth (%)	1 YR EPS Growth (%)	P/E Ratio	Beta	Yield (%)
G MEDICAL INNOVATIONS HOLDINGS, INC.	NASDAQ: GMVD	0.57	6.74	0.56	14	-83	3	NM	NM	-1.41	NA
BIOTRICITY, INC.	NASDAQ: BTCY	1.27	5.30	0.95	63	-57	139	NM	NM	2.41	NA
DARIOHEALTH CORP.	NASDAQ: DRIO	7.02	23.80	4.11	154	-65	171	NM	NM	1.38	NA
IRHYTHM TECHNOLOGIES, INC	NASDAQ: IRTC	143.46	169.54	41.66	4270	131	22	NM	NM	1.23	NA

tion, the system allows patients to capture symptomatic events by tapping a button on the recorder and documenting their symptoms in the patient diary. Following a monitoring session, the patient returns the device to G Medical, and the data is then uploaded to a secure cloud for analysis. Certified cardiac technicians then generate a concise clinical report based on the ECG. The report is validated through a quality-assurance process and made available to the patient's physician on the company's secure portal.

The Holter Patch has received FDA emergency use authorization, and is ready for commercialization. We believe the Extended Holter Patch System has the potential to be a major revenue source for the company, given the rise in telemedicine and eHealth and the benefits of this system in helping doctors with diagnoses.

In addition to commercializing Prizma and the Extended Holter Patch System in the U.S., China, and other markets, G Medical is completing development of its proprietary, wireless Vital Signs Monitoring System (VSMS), designed to provide continuous real-time monitoring of a wide range of patients' vital signs and biometrics in pre-hospitalization condition, during hospitalization, or after discharge. Management expects the system to generate a recurring revenue stream in the form of monthly remote monitoring fees paid by hospitals, insurance companies, chronic care management companies, as well as by individual patients through a direct-to-consumer channel. We think that G Medical could finalize an initial prototype of VSMS by the end of 2022, as it completes algorithm development and the development of its embedded software.

We also have a favorable view of additional next-generation technologies being developed by G Medical. The company is developing a backend system for the hospital segment as well as for its monitoring call center. It will be highlighted by: a six-lead ECG patch utilizing an arrhythmia-detection algorithm, body-positioning algorithm, internal memory, and wireless capabilities to communicate with the smartphone gateway and transmit data to the call center; a small wireless thermometer sensor to monitor body temperature; and a central, cloud-based and user-friendly analytical "Hub" platform. G Medical expects development of the ECG patch, which requires internal clinical trials to integrate with VSMS, to be completed by the end of 2022. Longer-term, this offering could include the measuring of respiratory function and blood testing, and G Medical plans to develop Artificial Intelligence (AI) to improve its arrhythmia-detection algorithms.

The mHealth industry is characterized by strong R&D, rapid innovation, and the development of proprietary software, and is likely to see intense competition over the next decade. However, we think that G Medical has the potential to carve out a niche in health telemetry and monitoring. The company has three patents on its technology and 11 pending patent applications. It currently manufactures its products in Israel, but expects to find a lower-cost manufacturing option in China or another location, which should help to boost gross margins over time.

In December 2021, G Medical launched a COVID-19 testing and services business. The unit has established five testing facilities and laboratories to date throughout the state of California, concentrated around the Los Angeles market, and employs nearly 40 employees, most of whom are licensed and certified technicians.

All tests are performed by Clinical Laboratory Improvement Amendments (CLIA) certified labs, and have received emergency use authorization from the U.S. FDA. In March 2022, G Medical acquired a business conducting testing at more than 150 additional locations throughout California for \$5.2 million in cash, to be paid over time upon the achievement of milestones.

Although the rate of COVID-19 testing has come down from its peak and the market for testing is expected to remain competitive, we expect demand for testing to continue in the coming years, as markets continue to re-open and in-person work resumes. G Medical Tests and Services' offerings include Same-Day Rapid PCR results for a fee to the patient and laboratories services (through G Medical Lab Services, Inc) that receives the PCR samples. PCR tests, most accepted for travel, have a 3-5 day turnaround (whether administered from G Medical or its competition). Antibody Tests tells a patient if they previously had an infection with SARS-CoV-2, the virus that causes COVID-19. This type of test is also called a serology test. Antibody tests are not used to diagnose a current infection but may indicate if a patient had a past infection.

RECENT DEVELOPMENTS

G Medical completed an initial public offering on June 29, 2021, and began trading on the NASDAQ under ticker GMVD. At the end of 2021, the shares had declined 67% from the IPO price of \$5.00 per share, which compares to an 11% increase for the S&P 500 over the same period. Year-to-date in 2022, the stock has declined approximately 67%, compared with a 14% decline for the S&P 500.

In April 2022, G Medical reported full-year results for 2021, highlighted by 3% revenue growth to \$5.1 million, and a net loss of \$1.30 per share, compared with a net loss of \$1.71 per share in 2020.

In March 2022, G Medical announced the expansion of its COVID-19 testing service to more than 150 additional locations across California, including theme parks, schools, commercial properties, office complexes, public buildings, and mobile facilities. G Medical acquired the business conducting these tests for \$5.2 million in cash, to be paid out based on achieved milestones.

In December 2021, G Medical announced its entry into the COVID-19 testing market in the state of California.

In November 2021, the company entered into a joint venture with Heartbuds AK to develop a new version of Heartbuds' smartphone-enabled device that will enable doctors and others to listen to and record a patient's heart and lungs.

In April 2021, the UnityPoint Health Methodist Hospital in Peoria, Illinois agreed to begin a Prizma pilot program for cardiac outpatients. The program will initially include 500 patients, who will be monitored remotely to detect abnormal heart rate and other conditions. G Medical monitoring centers will use Prizma to alert patients and physicians to abnormalities before they require critical care. Patients identified by Prizma may then see a cardiologist at UnityPoint's Peoria clinic, potentially preventing unnecessary emergency room visits and hospitalization. G Medical believes that the program could be expanded to other hospitals in the UnityPoint system if it proves successful.

EARNINGS AND GROWTH ANALYSIS

We project 2022 revenue of \$30 million, up from \$5.1 million in 2021, which we expect to be driven by the COVID-19 testing unit, and to a lesser extent, from expanded rollout of the Prizma device over the second half of the year. In 2023, we expect revenues of \$35 million, with higher product-revenue growth offsetting moderating COVID-19 testing revenues. Excluding COVID-19 testing, we expect services to account for approximately 75% of mHealth revenue over the long-term, driven by growth in the Holter Patch and VSMS businesses. We note that initial purchase orders for COVID testing kits exceeding \$20 million have been slow to materialize into revenues, as the pandemic slowed during the first quarter of 2022. Still, we expect the need for testing to continue, as economies continue to re-open broadly and attempts are made to mitigate future outbreaks.

We forecast a gross margin of 35% in 2022 and 45% in 2023, reflecting an increase in higher-margin service revenues and enhanced cost leverage. We anticipate operating expenses will rise in 2022 and 2023, as G Medical builds out its sales team, expands marketing efforts, commercializes its wireless monitoring system, and continues to spend on R&D. We project operating expenses of \$18.5 million in 2022 and \$21 million in 2023.

We forecast net losses of \$0.29 per share in 2022 and \$0.14 per share in 2023.

FINANCIAL STRENGTH & DIVIDEND

Our financial strength rating on G Medical is Medium-Low. As of December 31, 2021, the company had \$6.0 million in cash and \$7.8 million in debt. The company raised \$13.4 million in proceeds from its June 2021 IPO. In December 2021, the company issued a \$5.8 million face-value convertible note with Lind Global.

To date in 2022, G Medical has repaid in full the Lind note, thus removing all convertible debt from its balance sheet. During the first half of 2022, G Medical has completed two private placements that provided approximately \$20 million in capital, which enabled the note repayment. In January 2022, the company issued 2.4 million shares at \$5 per share yielding proceeds of \$12 million, and the same number of warrants, exercisable at the same price. In April 2022, G Medical completed a private placement, issuing 5 million shares at \$1.50 per share for proceeds of \$7.5 million, and warrants up for 6.25 million shares, exercisable at the same price. In total, we assume a share count of approximately 54 million, on a fully diluted basis, which includes approximately 20 million warrants, which would provide additional operating capital to the company over time, as exercised.

In April 2022, CEO Dr. Yacov Geva committed to support company operations, if needed, for up to \$10 million over a 12-month period, under certain conditions, including his retaining controlling interest in the company. Dr. Geva was issued 2 million shares and a similar number of warrants, exercisable at \$1.24 per share.

As of May 2022, G Medical had paid \$1.2 million of the \$5.2 million consideration for the expansion of the COVID-19 testing business. The balance is payable, but based on the achievement of certain milestones.

Net cash used in operating activities in the year ended December 31, 2021, was \$11.5 million, compared with \$4.6 million in

2020. Net cash used for investing activities was immaterial in both periods. Net cash generated from financing activities was \$17.3 million in 2021, compared with \$5.4 million in 2020, driven by proceeds received from the June 2021 IPO. We think cash use is likely to increase over the next year as the company steps up sales and marketing efforts. The company also continues to spend on R&D and on the development of its wireless monitoring system. However, we think that G Medical has ample cash to fund these activities.

We expect G Medical to approach profitability, as sales rise over the next few years and the company is able to leverage its costs over a larger base, driving higher gross and operating margins. We think that cash should track net income relatively closely given low depreciation and amortization expense (due to low fixed assets) and the absence of goodwill and limited debt on the balance sheet.

As of December 31, 2021, G Medical had working capital of \$0.3 million, and a current ratio of 1.0. The company does not pay a dividend, and we do not expect it to pay one for the foreseeable future.

MANAGEMENT

Dr. Yacov Geva is G Medical's president and CEO. He previously founded LifeWatch AG in 1989 and served as its CEO for 25 years, leading the company through its initial public offering. From 1979-1989, Dr. Geva was chief mechanical engineer at Vishay Israel. He holds a B.Sc. in mechanical and nuclear engineering from the Technion-Israeli Institute of Technology; a Ph.D. in business administration from the International School of Management, Paris; and an honorary doctorate from Oxford Brookes University. Dr. Geva is also a senior member of the Royal Society of Medicine in the UK.

Dr. Geva is the largest shareholder of the company, with ownership of approximately 36% of G Medical's ordinary shares outstanding. He is the company's only 5%+ stockholder. G Medical's board has seven directors, five of which are independent. Importantly, its Chairman, Dr. Kenneth R. Melani, is not a company officer, which we view favorably as it relates to corporate governance.

RISKS

G Medical operates in a competitive business environment with many larger and financially stronger rivals. In arrhythmia monitoring, the company faces competition from Biotelemetry, iRhythm Technologies, Preventice Solutions, and Bardy Diagnostics. The Holter Patch System faces competition from GE Healthcare, Philips Healthcare, Mortara Instrument, and Welch Allyn Holdings. We also view mHealth companies such as Teledoc, DarioHealth, and Itamar as players in the space, as well as smartwatch/smartphone platforms including Apple and Samsung. However, we believe that G Medical's data gathering capabilities and user-friendly data presentation represent differentiation from rival products, and expect the company to benefit from a leadership team with years of experience in the mobile health industry.

We also see risk in the continued rate of testing for COVID-19 and competition in that market, but view the market favorably, given the company's robust target market around the greater Los Angeles area.

Lastly, we see risk in the manufacturing of its Prizma and Extended Holter-Patch System devices, as G Medical has been using an Israeli-based contract manufacturer, which is more expensive than its planned China-based manufacturer (a move that was disrupted by the COVID-19 pandemic).

COMPANY DESCRIPTION

Founded in 2014, Israel-based G Medical Innovations Holdings Inc. develops and manufactures mobile health products and provides telemedicine services. The company's products include Prizma, a clinical-grade device that enables smartphones to be used for medical monitoring, and the Extended Holter Patch, a biosensor that captures electrocardiogram data. G Medical is also developing a wireless vital signs monitoring service. The company has three patents on its technology and eleven patent applications pending.

VALUATION

Since the IPO, GMVD shares have traded in a range of \$6.74 and \$0.60. We believe that the recent share price (near the bottom of this range) does not reflect the company's promising technology

and near-term revenue growth, which has been boosted by the COVID-19 testing business. While we see inherent volatility in testing volumes, we expect testing to remain prevalent as California, which is among the largest U.S. markets, continues to reopen.

As a result of the completed private placements and CEO support, if needed, we think G Medical should remain on solid financial footing and will be able to complete development of its expanding suite of mHealth product and service offerings. In addition, we note that the company has recently announced that its board of directors authorized the repurchase of up to \$1 million of its shares.

To value the shares, we apply an enterprise value/revenue multiple of 5.5-times, in line with the average for a basket of healthcare testing and diagnostic equipment companies, to our 2022 sales estimate of \$30 million. We assume 49.5 million fully diluted shares on the expectation of G Medical repurchasing more than 1 million shares from the current 50.6 million, and add back estimated net cash of \$35 million from the exercise of warrants, to arrive at a fair value estimate for GMVD of \$4.00 per share, well above current levels.

Steve Silver,
Argus Research Analyst

INCOME STATEMENT

Growth Analysis (\$MIL)	2019	2020	2021	1H 2022E	2H 2022E	2022E	1H 2023E	2H 2023E	2023E
Revenue	5.5	4.9	5.1	13.0	17.0	30.0	17.0	18.0	35.0
Gross Profit	-0.2	0.7	1.5			10.5			15.8
G&A	10.0	11.7	11.1			16.0			18.0
R&D	2.6	1.3	1.7			2.5			3.0
Operating Income	-12.8	-12.3	-11.3			-8.0			-5.3
Interest Expense	3.6	0.4	4.5			-0.8			-0.4
Pretax Income	-16.4	-12.7	-14.9			-6.7			-3.7
Tax Rate (%)	NA	NA	NA			NA			NA
Net income	-15.5	-12.7	-14.8			-7.0			-3.7
Diluted Shares	44.4	7.4	11.4			24.0			27.0
EPS	-3.49	-1.71	-1.30	-0.14	-0.15	-0.29	-0.08	-0.06	-0.14
Dividend	NA	NA	NA			NA			NA
Growth Rates (%)									
Revenue	NA	-11%	5%			488%			17%
Operating Income	NA	NA	NA			NA			NA
Net Income	NA	NA	NA			NA			NA
EPS	NA	NA	NA			NA			NA
Valuation Analysis									
Price (\$): High	NA	NA	4.63			NA			NA
Price (\$):Low	NA	NA	1.53			NA			NA
PE: High	NA	NA	NA			NA			NA
PE: Low	NA	NA	NA			NA			NA
PS: High	NA	NA	NA			NA			NA
PS: Low	NA	NA	NA			NA			NA
Yield: High	NA	NA	NA			NA			NA
Yield: Low	NA	NA	NA			NA			NA
Financial & Risk Analysis (\$MIL)									
Cash	0.0	0.1	6.0			NA			NA
Working Capital	-0.6	-1.1	0.3			NA			NA
Current Ratio	0.1	0.1	1.0			NA			NA
LTDebt/Equity (%)	NM	NM	NM			NA			NA
Total Debt/Equity (%)	NM	NM	NM			NA			NA
Ratio Analysis									
Gross Profit Margin	NM	14%	29%			35%			45%
Operating Margin	NM	NM	NM			NM			NM
Net Margin	NM	NM	NM			NM			NM
Return on Assets (%)	NA	NA	NA			NA			NA
Return on Equity (%)	NA	NA	NA			NA			NA
Op Inc/Int Exp	NA	NA	NA			NA			NA
Div Payout	NA	NA	NA			NA			NA

DISCLAIMER

Argus Research Co. has received a flat fee from the company discussed in this report as part of a “Sponsored Research” agreement between Argus and the company. No part of Argus Research’s compensation is directly or indirectly related to the content of this assessment or to other opinions expressed in this report. Argus Research provides a suite of Sponsored Research services including but not limited to initial reports with ongoing coverage and updates; proprietary Argus Research earnings estimates; distribution to Argus Research’s clients; a license to enable the company to proactively use and distribute the report ; a press release announcing our initial coverage and updates; and access to the Vickers Research database. The price for this suite of services generally ranges from \$22,000 to \$35,000 depending on the level of services selected. Argus Research receives no part of its compensation in the form of stock or other securities issued by the company discussed in this report, and has no long equity position or short sale position in the company’s stock. Argus Research is not involved in underwriting securities for the subject company, and will receive no proceeds or other financial benefit from any securities offering by the company. Argus Research; its officers, directors, and affiliates; and the author of this report have no financial interest in, or affiliation with, the subject firm. The report is disseminated primarily in electronic form and is made available at approximately the same time to all eligible recipients.

Argus Research Co. (ARC) is an independent investment research provider whose parent company, Argus Investors’ Counsel, Inc. (AIC), is registered with the U.S. Securities and Exchange Commission. Argus Investors’ Counsel is a subsidiary of The Argus Research Group, Inc. Neither The Argus Research Group nor any affiliate is a member of the FINRA or the SIPC. Argus Research is not a registered broker dealer and does not have investment banking operations. The Argus trademark, service mark and logo are the intellectual property of The Argus Research Group, Inc.

The information contained in this research report is produced and copyrighted by Argus Research Co., and any unauthorized use, duplication, redistribution or disclosure is prohibited by law and can result in prosecution. The content of this report may be derived from Argus research reports, notes, or analyses. The opinions and information contained herein have been obtained or derived from sources believed to be reliable, but Argus makes no representation as to their timeliness, accuracy or completeness or for their fitness for any particular purpose. This report is not an offer to sell or a solicitation of an offer to buy any security. The information and material presented in this report are for general information only and do not specifically address individual investment objectives, financial situations or the particular needs of any specific person who may receive this report. Investing in any security or investment strategies discussed may not be suitable for you and it is recommended that you consult an independent investment advisor. Nothing in this report constitutes individual investment, legal or tax advice. Argus may issue or may have issued other reports that are inconsistent with or may reach different conclusions than those represented in this report, and all opinions are reflective of judgments made on the original date of publication. Argus is under no obligation to ensure that other reports are brought to the attention of any recipient of this report. Argus shall accept no liability for any loss arising from the use of this report, nor shall Argus treat all recipients of this report as customers simply by virtue of their receipt of this material. Investments involve risk and an investor may incur either profits or losses. Past performance should not be taken as an indication or guarantee of future performance.

Argus has provided independent research since 1934. Argus Investors’ Counsel (AIC), a portfolio management business based in Stamford, Connecticut, is a customer of Argus Research Co. (ARC), based in New York. Argus Investors’ Counsel pays Argus Research Co. for research used in the management of the AIC core equity strategy and model portfolio and UIT products, and has the same access to Argus Research Co. reports as other customers. However, clients and prospective clients should note that Argus Investors’ Counsel and Argus Research Co., as units of The Argus Research Group, have certain employees in common, including those with both research and portfolio management responsibilities, and that Argus Research Co. employees participate in the management and marketing of the AIC core equity strategy and UIT and model portfolio products.