



G Medical Innovations Holdings Ltd  
ARBN 617 204 743

**ASX Announcement**

27 July 2017

## **G MEDICAL SIGNS BINDING MOU FOR CHINA DISTRIBUTION VALUED AT US\$67.5M**

- *Binding MOU signed with Shandong Boletong Information S&T Co. Ltd.*
- *Agreed terms include call centre cooperation and a minimum purchase order of Smartphone Prizma units within the first year.*
- *Medical and ancillary support via Nurse and Physician staffed call centres and 'Cloud' services.*

Mobile health and e-health company **G Medical Innovations Holdings Ltd** ("**G Medical**" or the "**Company**") is pleased to announce it has executed a Binding Memorandum of Understanding ("**Agreement**") between its subsidiary G Medical Innovations Asia Limited and Shandong Boletong Information S&T Co. Ltd. ("**Boletong**"), for the distribution of G Medical's products and for call centre and 'Cloud' services in the People's Republic of China.

### **G Medical Smartphone Prizma Purchase Order**

Pursuant to the terms of the Agreement, Boletong has agreed to purchase a **minimum quantity of units within the 1<sup>st</sup> Year** of the G Medical Smartphone Prizma, and to provide associated support services for a minimum period of 60 months.

Boletong will pay a pre-determined price for each unit, with the value of the agreement based on the minimum commitments being no less than **US\$67,500,000**. The obligation to acquire the units commences on the granting of the CFDA certification to G Medical, which is currently in process.

### **Support Services**

#### 1) Medical Services:

Pursuant to the terms of the Agreement, Boletong and G Medical will set up a medical call centre providing support services from 50-60 Nurses and 3-5 General Practising Physicians.

Boletong will be responsible for the recruitment of the Nurses and General Practising Physicians, and the establishment of the call centre.

#### 2) 'Cloud' Subscription and Support Services:

Pursuant to the terms of the Agreement, Boletong and/or G Medical will provide;

- a) Automated Cloud algorithm interpretation services, for biomedical signals

- b) Level 1 services including, Live and/or automated end-user technical support
- c) Level 2 services including, hardware (device) support, replacement/repairs

### **Marketing and advertising**

G Medical agreed to contribute an immaterial portion of the per unit price as marketing and investment for Boletong's promotion of the products and services in China, with such payments to be set-off against payment of the purchase orders by Boletong.

### **Non-competition**

Boletong and its associations are subject to non-competition restraints for the period of the Agreement, and ending five years after its termination (unless G Medical is found by a Court to have breached the Agreement). These non-competition restraints extend to competing with the products or services of G Medical.

**G Medical CEO Dr. Yacov Geva, commented:** *"I am extremely pleased to announce yet another significant relationship for G Medical within the ever-growing and lucrative Chinese territory. To have further increased our purchase commitment for our G Medical Smartphone Prizma devices, over and above our existing agreements, is an exceptional outcome with a key partner in Boletong. This adds further to our robust, multi-year revenue stream for the Company, particularly within the first year of a CFDA approval being granted".*

*"I have met with the executives of Boletong, and whilst in China have visited their facilities and operations. Boletong operates in 16+ provinces and works with the National Public Health care system and acts as a distributor of medical services for the government. Boletong is currently working with several large healthcare organisations such as Wanda, a medical company which is positioned in the top three in their area, and along with telecom carriers such as China Telecom. Boletong is also supported through investment from a large and reputable group in Beijing. Our team, has invested more than 3 months in bringing this MOU to fruition, during which time we were able to satisfy ourselves as to Boletong's strong financial position, their key government partnerships in place, and the ability to deliver all aspects under our agreement."*

*"This relationship is a significant strategic partnership, allowing the roll out the Company's medical and ancillary support services within the Chinese territory, for both our professional call centre and Cloud based systems".*



**Ends**

### **Corporate Advisors**

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### **About Shandong Boletong Information S&T Co., Ltd**

Shandong Boletong Information S&T Co., Ltd. (**Boletong**) is a hi-tech medical and healthcare company invested by Beijing Honghui Group which has businesses in medicine, investment, drug store automation system and new energy areas, based in China. Boletong focuses on the production and sales of medical devices, membership healthcare management systems and R&D and applications for the National Basic Public Healthcare Project Solution. Boletong is currently one of the top 16 service providers for the national public healthcare system.

Boletong is located in Jinan Hi-tech Technology Development Area, Shandong province.

Boletong's website is [www.sdboletong.com](http://www.sdboletong.com)

### **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](http://www.gmedinnovations.com)