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Medical Developments off to a ripsnorter start

Eli Greenblat

Medical Developments International notched up one of the year's most successful biotech floats yesterday when its shares, offered at 25¢ each, opened trading at 49.5¢ then raced to a high of 52¢ — a 98 per cent premium. They finished the day at 48¢.

Backed by new financial services company Mariner Corporate Finance, the offer was only open for two days before being closed due to strong demand.

There was support for the float from 10 leading institutions, including WAM Capital, SG Hiscock, Opis, Alex Waislitz's Thorney Holdings and Smorgon family offshoot investment company River Capital.

Medical Developments makes a patented inhaler device that delivers pre-hospital or emergency pain relief. It is now widely used by ambulance services in Australia and by various arms of the defence force.

It has also become popular among sports enthusiasts, with Essendon footballer James Hird

using the device in the highly physical game against Fremantle in Round 6 last year.

Medical Developments also designs and manufactures a range of medical and veterinary equipment and devices.

The company had turnover of \$5.5 million and earnings before interest and tax of \$2.1 million in 2002-03. Its profit last financial year was \$1.2 million.

Chairman David Williams

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said he was pleased with the company's Australian Stock Exchange debut. "This company is profitable, has a great technology and plenty of blue sky potential," he said.

Mr Williams, who is also managing director of Mariner, said Medical Developments would concentrate on selling its pain relief device to defence forces overseas.