



# Six months ended 30 June 2016

## Results

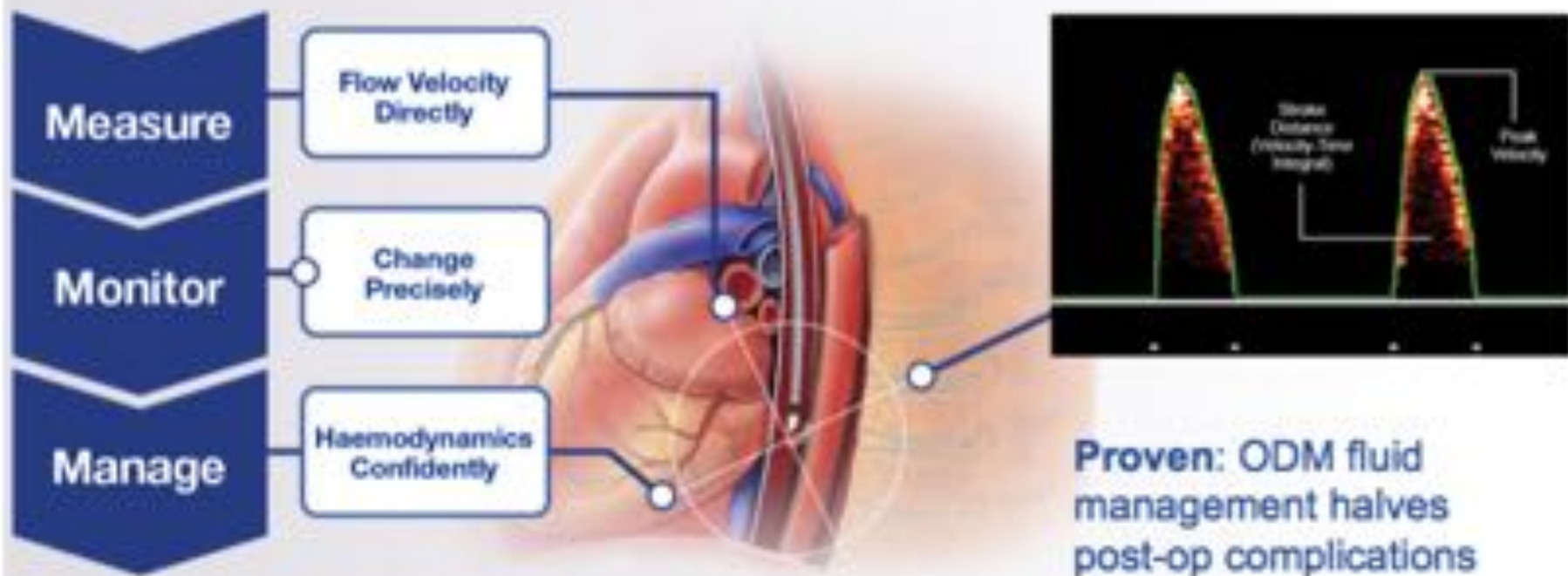
September 2016

[www.deltexmedical.com](http://www.deltexmedical.com)

Ewan Phillips, CEO  
Jonathan Shaw, FD



## Doppler Directly Measures Central Blood Flow



**Proven:** ODM fluid management halves post-op complications

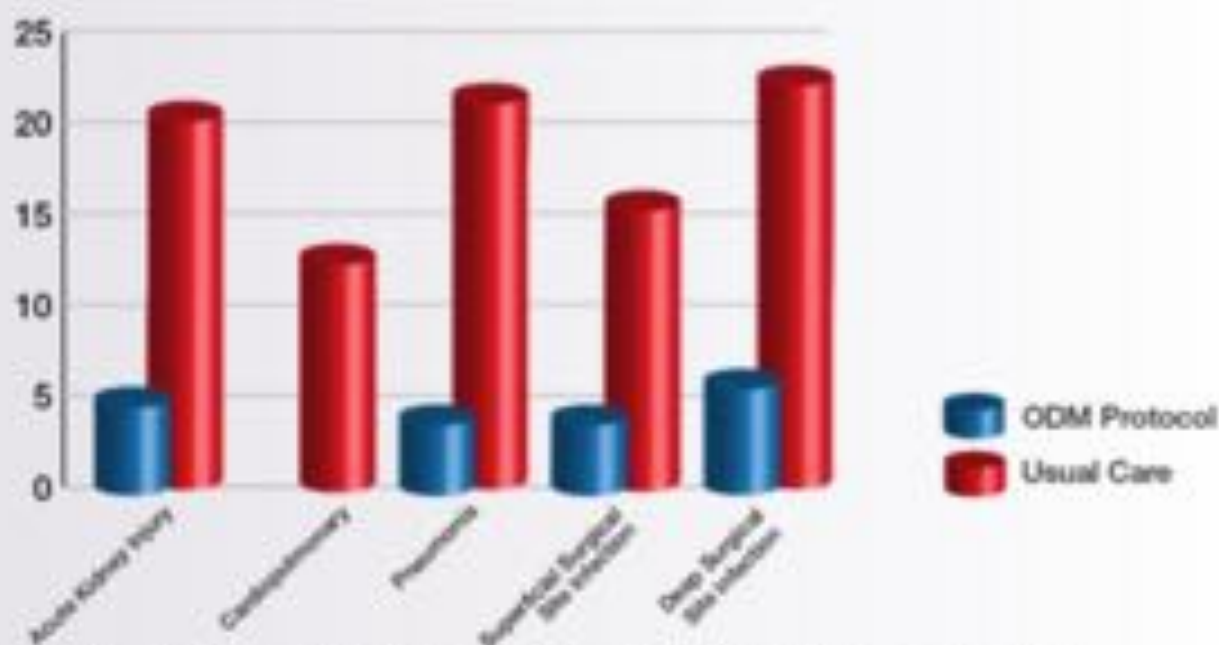
## Major Multi-Centre RCT Confirms Benefits of Doppler Guided Fluid Management in Non-Cardiac Surgery.

### Results:

- 72% reduction in total number of complications from 198 to 56 ( $p < 0.01$ ).
- 45% reduction in number of patients suffering one or more complications, meaning Doppler use saved 28 additional patients from suffering any complication (15% v 28%;  $p < 0.01$ )
- 2 day reduction in median length of stay ( $p < 0.01$ ).

Rivolta Matteo J.1, Cassini Francis R.2, Mathew Hutterli S.1, Alvaro Reina L.1, Lucena E.1, Cabo Nunez J.M.1, EAR GROUP Evidence Anesthesia Review Group, EAR DIRECTED HEMODYNAMIC THERAPY DECREASES POSTOPERATIVE COMPLICATIONS: RESULTS FROM A MULTICENTER RANDOMIZED CONTROLLED TRIAL. Presented at Euroanaesthesia 2016, London, Ontario Loma University Hospital, Madrid, Spain. Universidad Complutense de Madrid, Dept of Anesthesiology Madrid, Spain, 2 Hospital Clinic Universidad Loma (Bas), Dept of Anesthesiology, Zaragoza, Spain.

## Major Multi-Centre RCT Confirms Benefits of Doppler Guided Fluid Management in Non-Cardiac Surgery.



Núñez Muñoz J.J., Osuna Franco R.J., Martínez Hualde E.L., Álvarez Reina L.J., Lucena E.L., Cebal Vicedo J.M.E., EAR GROUP/Evidence Anesthesia Review Group. DUAL DIRECTED HEMODYNAMIC TARGETING DECREASES POSTOPERATIVE COMPLICATIONS: RESULTS FROM A MULTICENTER-RANDOMIZED CONTROLLED TRIAL. Presented at Euroanaesthesia 2016, London, Valencia Lauro University Hospital, Madrid, Spain, Universidad Complutense de Madrid, Dept of Anesthesiology, Madrid, Spain, Hospital Clínico Universitario López de Letona, Dept of Anesthesiology, Zaragoza, Spain.

## H1 2016 financial highlights

- Flat consumable revenues of £2.5m (2015: £2.5m)
- US probe revenues up 39% at £0.8m
  - 24 US Platform Programme accounts up from 17 at 1 Jan; now 27
  - Underlying growth >50%: major a/c shifted from bulk back to regular orders
- International probe revenues up 12% at £0.7m
  - Progress in established territories: France, Sweden, Peru, Korea
  - New territories opening: Turkey, Thailand
- UK probe revenues down 36% at £0.8m
  - Sales strategy reviewed and refocused
  - Three planned major developments in place:
    - New probes from May
    - Spanish trial results from June
    - First outcome comparative trial in surgery from July
- Cash position £0.5m: additional £0.45m raised in July



## July & August 2016 highlights

- Increasing US growth
  - July & August US probe revenues increase of 80% at budget forex: YTD growth at c50%
  - Additional boost from fall in £ since EU referendum
  - 3 additional platform accounts including first paediatric
- UK trend improved
  - YTD decline at end August <30% (36% until June)
- All of cost reductions made in Q1 now flowing through
  - >£100,000 pcm before £30,000 pcm additional US staff
- New probe manufacturing process
  - Manufacturing and customer trials completed
  - Scaling up capacity for in-house probe tip manufacture

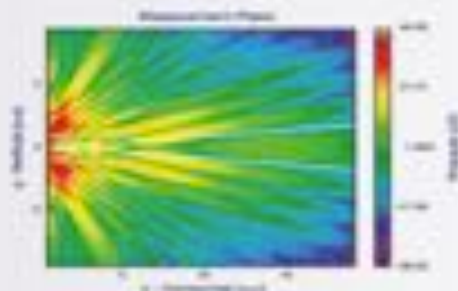


## Progress with US milestones

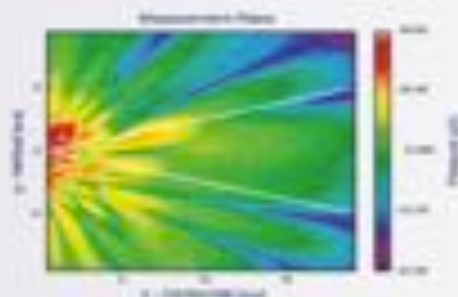
2016 US objective	Progress to date	Next steps
Become cash generative: 1,500 probes per month	Step up in probe run-rate since March: running at 1,100-1,200	Continue growth in platform accounts & add new accounts
Growing at >50% pa	On track	
Complete platform programme: 30 accounts	27 in place	Close out current opportunities
Complete national coverage: add Texas & Florida territories	Targeting select leads from existing infrastructure	Recruit when supported by cash flows
Focus on major niches & clinical networks	Thought leadership group first meeting	Target identified clinical niches

## Probe developments

Before:



After:



Benefits:

- Easier to focus
- Stays in focus for longer
- Lower unit production cost & reduced lead times
- Margin improvement expected during H2 2016



## Summary

- US growth rate rising and running above 50% underlying
- Close to completing target of 30 platform accounts
  - 27 in place; up from 17 at start of year
  - Over 25 more potential platforms in pipeline
  - Increased success at spreading locally from established accounts
- UK approach re-focused: new developments in place on plan
- Manufacturing margin improvement validated and underway
- £70,000 net monthly cost reductions coming through in full