

21 July 2017

**Deltex Medical Group plc**  
("Deltex Medical", "Deltex" or "the Company")

**Pre-close Trading Update**  
**Return to growth from stronger export and more stable UK sales**

Deltex Medical Group plc (AIM: DEMG), the global leader in Oesophageal Doppler Monitoring ("ODM"), today announces an update on trading in the half year ended 30 June 2017.

**Highlights**

- Overall revenue growth of £0.2m (7%) to £2.9m
  - US revenues ahead by £0.3m (35%)
  - International sales £0.1m lower (9%) due to order timings: underlying growth in larger markets of France, Scandinavia, South Korea and Peru
  - UK revenues marginally reduced at 3% behind H1 2016 with £0.1m fall in probe sales mostly offset by other revenue streams
- US probe revenues ahead by over 20%
  - Four additional major accounts added in H1 with approvals in place at two more
  - Pipeline expanded and increasing opportunities for spread within hospital systems once opened
- Benefits of investments made in operating improvements starting to come through
  - C.£30,000 cost savings per month in manufacturing efficiencies since January 2017
  - UK launch of High-Definition Impedance Cardiography technology on CardioQ-ODM+ platform: pipeline building with encouraging response to date
  - First Veterinary ODM system released in advance of September launch
- Cash at 30 June of £0.2m before additional fundraise of £0.55m to be announced today

**Nigel Keen, Deltex Medical's Chairman, commented:**

*"The improved trends seen in the second half of 2016 have continued into the first half of 2017 and driven a return to growth in Group revenues. Both the level and rate of cash consumption in the first half of 2017 were substantially reduced from the first half of 2016. We enter the traditionally stronger second half with underlying growth in all our key export markets, a more stable UK position, higher probe margins and lower costs.*

*"We have made substantial progress towards evolving the Company from a single technology to a multiple technology business and are now starting to offer the three major modern advanced haemodynamic monitoring technologies on a single platform."*

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## **Notes for Editors**

Deltex Medical manufactures and markets haemodynamic monitoring technologies. Deltex Medical's proprietary ODM is the only technology to measure blood flow in the central circulation in real time. Minimally invasive, easy to set up and quick to focus, the technology generates a low-frequency ultrasound signal, which is highly sensitive to changes in flow and measures them immediately. Deltex has been the only company in the enhanced haemodynamic space to build a robust and credible evidence base proving the clinical and economic benefits of its core technology, ODM which is proven to reduce complications suffered by patients after surgery and save hospitals the costs of treating those complications.

Deltex Medical's CardioQ-ODM+ platform also now provides clinicians with two further advanced haemodynamic monitoring technologies. High Definition Impedance Cardiography is an entirely non-invasive monitoring technology which creates an electrical field across the chest and measures the disruption to this field when the heart pumps blood. Pulse Pressure Waveform Analysis uses peripheral blood pressure signal analysis to give doctors information on changes in the circulation and is particularly suited to monitoring lower risk or haemodynamically stable patients.

## **Company goal**

Haemodynamic management is now becoming widely accepted as an important major new medical modality. Consequently, the Company's focus is on maximising value from the opportunities presented as enhanced haemodynamic management is adopted into routine clinical practice around the world. The Company aims to provide clinicians with a single platform, a 'haemodynamic workstation', which offers them a range of technologies from simple to sophisticated to be deployed according to the patient's condition and skill and expertise of the user. Doing this will enable the Company to partner healthcare providers to support modern haemodynamic management across the whole hospital.

The Company is currently in the implementation phase of achieving this goal in a number of territories worldwide, operating directly in the UK, USA, Spain and Canada and through distribution arrangements in a further 30 countries.

There are over 3,400 monitors installed in hospitals around the world and around 700,000 patients have been treated to date using Deltex Medical's single patient disposable products.