

Deltex Medical Group plc
(“Deltex Medical” or the “Group”)
AGM Statement 3rd June 2020

At today's Annual General Meeting of Deltex Medical Group plc (AIM: DEMG), the global leader in Oesophageal Doppler Monitoring ("ODM"), the Group's Chairman, Nigel Keen, will make the following statement:

Deltex Medical promotes the benefits of its unique Doppler-based haemodynamic monitoring technology, backed by a substantial body of scientific evidence, to anaesthetists in the operating room (OR) and intensivists in intensive care (ICU). The COVID-19 pandemic is providing an external stimulus to drive higher adoption rates of the Group's TrueVue Doppler technology in ICUs, especially here in the UK where our critical care probe revenues increased significantly during March and April. However, as previously announced, the ICU demand has been offset by a significant reduction of OR-related revenues, as hospitals dramatically curtailed admitting patients for elective surgery. This trend is also reflected in the US and International markets where a large percentage of Deltex Medical's revenues are OR related.

Now that the number of COVID-19 patients requiring hospitalisation is continually decreasing, hospitals are moving to restart elective surgery. At the moment it is too early to determine what proportion of the reduction in OR-related revenues experienced through the first half will be caught up later in the year. Nor is it possible to assess how large demand will be this year for TrueVue Doppler (and other modalities on its TrueVue haemodynamic monitoring system) in the ICU setting. However, it is already clear that, where COVID-19 patients are being treated, there is increased demand for the Group's TrueVue Doppler.

As part of our management response to the pandemic, we have taken proactive steps to minimise expenditure and reduce our cost base. This includes the cessation of all discretionary expenditure, implementing a hiring freeze, and, where appropriate, furloughing staff members not required to service the day-to-day business. As a consequence, we have been able to make significant savings which have helped to offset the reduction in OR related revenues.

Deltex Medical Group plc

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This announcement contains Inside Information as defined under the Market Abuse Regulation (EU) No. 596/2014.

Notes for Editors

Deltex Medical manufactures and markets haemodynamic monitoring technologies which are primarily used in critical care and general surgical procedures. Deltex Medical's proprietary oesophageal Doppler monitoring ("ODM") (TrueVue Doppler) measures blood flow velocity 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 blood flow and measures such changes in 'real time'. Deltex Medical is the only company in the enhanced haemodynamic space to have built a robust and credible evidence base demonstrating both the clinical and economic benefits of its core technology: TrueVue Doppler. This technology has been proven in a wide range of clinical trials to reduce complications suffered by patients after surgery and consequently can save hospitals money.

Deltex Medical's TrueVue System on the CardioQ-ODM+ monitor platform now provides clinicians with two further advanced haemodynamic monitoring technologies. TrueVue Impedance is an entirely non-invasive monitoring technology which transmits low magnitude, high frequency electrical signals through the thorax and measures the changes to this signal when the heart pumps blood. TrueVue PressureWave uses the 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.

Group goal

Haemodynamic management is now becoming widely accepted as a vital part of the anaesthesia protocols for surgical patients, as well as treating ventilated intensive care patients, including ventilated COVID-19 patients. Consequently, the Group's focus is on maximising value from the opportunities presented, as enhanced haemodynamic management is adopted into routine clinical practice around the world. The Group 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 clinical condition as well as the skill and expertise of the user. Doing this will enable the Group to partner with healthcare providers to support modern haemodynamic management across the whole hospital.

The Group is currently in the implementation phase of achieving this goal in a number of territories worldwide, operating directly in the UK and the USA, and via agreements with approximately 40 distributors overseas