The information contained within this announcement was deemed by Deltex Medical to constitute inside information as stipulated under the UK Market Abuse Regulation

30 March 2023

Deltex Medical Group plc

("Deltex Medical" or the "Group")

Results for the year ended 31 December 2022

Deltex Medical Group plc (AIM: DEMG), the global leader in oesophageal Doppler monitoring, today announces its results for the year ended 31 December 2022.

HIGHLIGHTS

Financial

- Revenues increased by 10% to £2.5 million (2021: £2.3 million)
- Strong performance by International division with a 30% increase in revenues to £1.2 million (2021: £0.9 million)
- Increase in average selling prices drove gross margin up to 74% (2021: 70%)
- Overheads held at £2.9 million (2021: £2.7 million)
- Adjusted EBITDA of £(0.6) million (2021: £(0.5) million)
- Loss for the year £(1.1) million (2021: £(1.0) million)
- Gross expenditure on research and product development: £0.8 million (2021: £0.7 million)
- Cash at hand of £0.5 million (2021: £0.4 million)
- Standby loan facility repayment date extension to 30 June 2024

Business / commercial activities

- Sales of the current monitor were strong across all three divisions in 2022: UK: +83%; USA: +126% and International: +253%; historically, monitor sales have given rise to increased probe sales
- Further growth from the International division expected
- As previously reported, the Group has been participating in a national tender for haemodynamic monitoring with one of its Latin American distributors. Hospitals have now started to place orders with this distributor in a contract process that is expected to continue for some 2 months, by when further information on the orders to be placed on Deltex Medical should be known
- New targeted commercial approach in the USA to drive increases in revenues on a more cost effective and region-by-region basis
- The external Electromagnetic Compatibility testing required to obtain regulatory approval to launch the new monitor onto the UK and European markets has been successfully concluded which allows the final testing and associated internal documentation to be completed.
- Work is continuing on the new, novel non-invasive TrueVue ODM technology with a substantial addressable market

Related party transaction

On 22 December 2022 Deltex Medical announced an extension to a standby loan facility (the "Loan") provided by Imperialise Limited, a company controlled by Nigel Keen, Chairman of Deltex Medical, of which he is a director. Mr. Keen has now agreed to extend the repayment date for the Loan from 31 December 2023 to 30 June 2024 (the "Transaction"). All other terms relating to the Loan remain unchanged. The Transaction constitutes a related party transaction with Nigel Keen under Rule 13 of the AIM Rules for Companies. Accordingly, the directors independent of the Transaction, being Andy Mears, Natalie Wettler, Julian Cazalet, Tim Irish, Christopher Jones and Mark Wippell, having consulted with Deltex Medical's nominated adviser, Allenby Capital, consider that the terms of the Transaction are fair and reasonable insofar as the Group's shareholders are concerned.

Commenting on the results, Nigel Keen, Chairman of Deltex Medical, said:

"We are encouraged by double digit growth in revenues during the year."

"The performance of the International division has been notably strong over the last two years – and we are expecting continuing progress this year."

"The 'heavy lifting' has been done in terms of new product development - and we are expecting the level of investment in R&D to reduce going forwards."

"The launch of the new, next generation monitor will be extremely helpful for sales across all our territories – both via direct sales and our overseas distributors."

For further information, please contact:

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Notes for Editors

Deltex Medical's technology

Deltex Medical's TrueVue System uses proprietary haemodynamic monitoring technology to assist clinicians to improve outcomes for patients as well as increase throughput and capacity for hospitals.

Deltex Medical has invested over the long term to build a unique body of peer-reviewed, published evidence from a substantial number of trials carried out around the world. These studies demonstrate statistically significant improvements in clinical outcomes providing benefits both to patients and to the hospital systems by increasing patient throughput and expanding hospital capacity.

The Group's flagship, world-leading, ultrasound-based oesophageal Doppler monitoring ("ODM") is supported by 24 randomised control trials conducted on anaesthetised patients. As a result, the primary application for ODM is focussed on guiding therapy for patients undergoing elective

surgery. The Group will shortly launch a new, next generation monitor which will make the use of the ODM technology more intuitive and provide augmented data on the status of each patient.

Deltex Medical's engineers and scientists carried out successful research in conjunction with the UK's National Physical Laboratory ("NPL"), which has enabled the Group's 'gold standard' ODM technology to be extended and developed so that it can be used completely non-invasively. This will significantly expand the application of Deltex Medical's technology to non-sedated patients. This new technological enhancement, which will be released on the new next generation monitor, will substantially increase the addressable market for the Group's haemodynamic monitoring technologies and is complementary to the long-established ODM evidence base.

Deltex Medical's new non-invasive technology has potential applications for use in a number of healthcare settings, including:

- Accident & Emergency for the rapid triage of patients, including the detection and diagnosis of sepsis;
- in general wards to help facilitate a real-time, data-driven treatment regime for patients whose condition might deteriorate rapidly; and
- in critical care units to allow regular monitoring of patients post-surgery who are no longer sedated or intubated.

One of the key opportunities for the Group is positioning this new, non-invasive technology for use throughout the hospital. Deltex Medical's haemodynamic monitoring technologies provide clinicians with beat-to-beat real-time information on a patient's circulating blood volume and heart function. This information is critical to enable clinicians to optimise both fluid and drug delivery to patients.

Deltex Medical's business model is to drive the recurring revenues associated with the sale of single-use disposable ODM probes which are used in the TrueVue System and to complement these revenues with a new incremental revenue stream to be derived from the Group's new non-invasive technology.

Both the existing single-use ODM probe and the new, non-invasive device will connect to the same, next generation monitor which is due for launch in 2023. Monitors are sold or, due to hospitals' often protracted procurement times for capital items, loaned in order to encourage faster adoption of the Group's technology.

Deltex Medical's customers

The principal users of Deltex Medical's products are currently anaesthetists working in a hospital's operating theatre and intensivists working in ICUs. This customer profile will change as the Group's new non-invasive technology is adopted by the market. In the UK the Group sells directly to the NHS. In the USA the Group sells directly to a range of hospital systems. The Group also sells through distributors in more than 40 countries in the European Union, Asia and the Americas.

Deltex Medical's objective

To see the adoption of Deltex Medical's next generation TrueVue System, comprising both minimally invasive and non-invasive technologies, as the standard of care in haemodynamic monitoring for all patients from new-born to adult, awake or anaesthetised, across all hospital settings globally.

For further information please go to www.deltexmedical.com

CHAIRMAN'S STATEMENT

Financial results

Group revenues for the year ended 31 December 2022 increased by 10% to £2.5 million (2021: £2.3 million), assisted by another strong performance from the Group's International division.

Last year we announced that the International division had achieved a 40% increase in revenues to £0.9 million. This year we can announce that the division posted a further 30% increase in revenues to £1.2 million. We believe that there is further profitable revenue growth to be generated by this division.

Probe revenues declined slightly to £1.8 million (2021: £1.9 million).

Group monitor sales increased by a robust 166% to £0.5 million (2021: £0.2 million). This is a good result taking into account that these monitor sales related to the current version of the monitor.

Gross margin increased again in 2022 to 74% (2020: 70%) reflecting enhanced discipline in relation to our pricing policies and a proactive campaign to obtain inflationary increases in price points. The gross margin also benefited from the relative weakness of sterling against the US dollar.

Overheads increased 4% to £2.9 million (2021: £2.7 million).

Adjusted EBITDA (comprising earnings before interest, tax, depreciation and amortization, share-based payments and non-executive directors' fees) was a loss of £(0.6) million (2021: £(0.5) million). Adjusted EBITDA is reconciled to operating loss in note 3 in the notes at the back of this document.

Gross cash expenditure on research and product development by the Group (excluding the effect of grants or capitalisation of product development) amounted to £0.8 million (2021: £0.7 million). The net amount, having taken into account grants, was £0.7 million (2021: £0.6 million). Our plans anticipate expenditure on research and product development to decline during 2023.

Operating loss for the year was £(0.9) million (2021: £(0.8) million).

Loss for the year was £(1.1) million (2021: £(1.0) million).

Cash at hand at 31 December was £0.5 million (2021: £0.4 million).

Business activities

Deltex Medical sells directly, via its own sales teams, into UK and US hospitals. We continue to see significant constraints imposed on our sales teams in terms of being able to access key decision makers in UK and US hospitals' operating theatres ("ORs") and intensive care units ("ICUs"). Notwithstanding these specific sales-related challenges, we did see a substantial increase in sales of monitors in both territories. Sales of monitors into UK hospitals increased by 77% and into US hospitals by 122%. We believe that this substantial increase in monitor sales is all the more impressive given that the market is aware that Deltex Medical will shortly launch a new, next generation monitor.

Although probe sales declined slightly in both our direct markets, the fact that customers increased significantly their purchases of monitors is, we believe, extremely encouraging as historically probe revenues have tended to increase in accounts where monitors have recently been purchased.

Deltex Medical's International division continues to impress with a 30% revenue growth recorded in the year. In the last two years revenues have nearly doubled from £0.7 million to £1.2 million. We have worked carefully on a rolling programme of cost reduction initiatives to ensure that the Group's monitors and probes both enjoy significant gross margins. As a result, we are able to sell on a profitable basis to hospitals around the world via our extensive network of overseas distributors. We believe that there is further growth to come from our International division. The Group has been participating in a national tender for haemodynamic monitoring with one of its Latin American distributors. Hospitals have now started to place orders with this distributor in a

contract process that is expected to continue for some two months, by when further information on the orders to be placed on Deltex Medical should be known.

Significant progress has been made on the development of Deltex Medical's new monitor. The external Electromagnetic Compatibility testing required to obtain regulatory approval to launch the new monitor onto the UK and European markets has been successfully concluded which allows the final testing and associated internal documentation to be completed. This is expected to take approximately two months.

The launch of this new, next generation monitor enables us to progress to the next stage of our strategic product development programme, including the development of the new non-invasive TrueVue ODM technology which has a substantial addressable market.

Employees

On behalf of the Board, I would like to thank Deltex Medical's high quality and dedicated employees for their hard work during the year. The adverse after-effects of the Covid pandemic continued to be felt in a number of ways during 2022 and we very much appreciate the key contributions from our UK and overseas teams.

Current trading and prospects

The significant increase in monitor sales in all three divisions in 2022 augurs well for increases in probe revenues in the future.

We believe that there continue to be significant opportunities for growth from the International division, and we are particularly focussed on maximising the commercial benefits associated with a national tender in Latin America.

We are seeing strong interest in our new monitor, particularly from the UK, and we believe that its launch will also help drive revenues in 2023.

The fact that the new monitor is substantially complete is extremely helpful in terms of reducing the quantum of cash expenditure on new product development going forwards. Further, we will be able to free up our technical teams to carry out broader customer support activities as well as more targeted, and less capital intensive, product development.

2023 has started well.

Nigel Keen
Chairman
29 March 2023

BUSINESS REVIEW

Overview

Deltex Medical is the world leader in high accuracy oesophageal Doppler monitoring ("ODM"), via its TrueVue platform, which allows real-time monitoring of a patient's haemodynamic status.

A substantial number of peer-reviewed, randomised controlled trials have demonstrated that an ODM-driven haemodynamic protocol can result in statistically significant reductions in post-operative complications such as acute kidney injuries, resulting in lower costs for hospitals due to shorter patient length-of-stay. This is not only good for patients but also increases throughput and capacity for hospitals, which should be a key factor for reducing the backlog in elective surgery, particularly in the UK.

Deltex Medical's technology was originally developed in a London ICU to assist with the treatment of acutely unwell critical care patients. Over time demand for the Group's high fidelity oesophageal Doppler-based haemodynamic monitoring technology has migrated from the ICU to the OR, and particularly for complex elective surgical procedures.

Before the Covid pandemic, approximately 80% of the Group's revenues were associated with elective surgical procedures in ORs. The near-complete cessation of elective surgery during the pandemic was highly disruptive to Deltex Medical's commercial activities, particularly in the UK and the USA, where the Group sells its technology directly. Although elective surgery has re-started around the world as the pandemic subsides, Deltex Medical's sales teams are still experiencing more restricted levels of access to the OR and ICU than they enjoyed pre-pandemic.

Our key challenge for 2023 is to maximise the commercial benefits for the Group of the launch of the new monitor. We are also hoping to land a significant Latin American contract for both monitors and probes. We will also continue to educate, in conjunction with our overseas distributors, decision-makers in hospitals about the potential capacity / throughput-related and financial benefits associated with using the Deltex Medical TrueVue ODM technology during elective surgery.

Three principal divisions: UK, USA and International

Deltex Medical's commercial activities are structured across three divisions: the UK; the USA and International.

The Group has not yet managed to drive commercial activity up to pre-pandemic levels in the UK and US divisions for a number of reasons. Many hospitals have imposed significant restrictions on salespersons or clinical educators accessing ORs or ICUs. Once hospitals stop using Deltex Medical's ODM technology, it can take some time to re-instigate the use of ODM via updated standard operating procedures. We have also been restricting, particularly in the USA, expenditure on sales and marketing activities as we diverted resources into completing the development of our new monitor. We know from experience that where our sales personnel are unable to obtain meaningful face-to-face access to anaesthetists, or other appropriate OR staff, then probe usage typically declines over time.

One way in which we have been seeking to mitigate the impact of greater restrictions for our sales teams in meeting hospital-based decision-makers in person is by increasing the use of online materials, including training via the launch of the online Deltex Medical Academy.

Notwithstanding some of the challenges that the Group has faced in terms of accessing customers, we have been encouraged by a significant year-on-year increase in monitor revenues into our three divisions: UK (+ 77%); USA (+122%); and International (+ 221%). It is notable that these increases all relate to the current version of the monitor. These monitor sales should result in increased probe revenues which will be helpful in terms of driving up high margin recurring revenues in the future.

In the UK we have seen strong interest via pre-launch educational presentations for our new monitor from a number of NHS hospitals. We believe that there will be significant demand for the new monitor once it is formally fully launched onto the UK market.

There remains a substantial backlog in elective surgery in the UK. This backlog represents both an opportunity and a challenge for the Group. For example, there are powerful arguments, supported

by the published evidence base, that the use of Deltex Medical's TrueVue technology increases patient throughput in the hospital and improves patient outcomes, thereby helping reduce the size (and associated cost) of the elective surgery backlog. Conversely, we have seen evidence in some NHS hospitals that the senior management teams are under pressure to reduce the backlog and, notwithstanding the peer-reviewed published evidence base, are reluctant to promote the adoption of new technology at this time.

In 2022, mindful of the need to conserve our cash resources, we decided to adopt a more focussed and targeted sales and marketing strategy in the USA. For example, we have been supporting the trial and evaluation of the TrueVue ODM technology in a Top 5 US hospital system on the East coast. Thus far the feedback from this prestigious hospital has been most encouraging. As and when this leading US hospital decides to roll out the use of TrueVue on a protocolised basis, we believe that this will be extremely helpful for Deltex Medical to generate new customer accounts in the region. Adopting such a targeted regional approach is a significantly more cost-effective way of expanding the Group's coverage of the important US market. We intend to replicate this targeted approach with other leading US hospital systems in different regions, and build back up our US coverage on a region-by-region basis.

In 2022 the International division had another good year with overall revenue growth of 30% to £1.2 million (2021: £0.9 million). A substantial proportion of this growth came from Latin America. We continue to support our network of international distributors closely. Many of these distributors have long-standing and close relationships with ORs in hospitals, and enjoy privileged access to key decision makers.

There has been consolidation among suppliers of haemodynamic monitoring equipment over the last five years. This has resulted in consolidation of sales teams. As a result, on a number of occasions Deltex Medical has benefited from less competition in certain territories.

Product development and innovation

During 2022, our research and development team were focussed on completing the development of our new, next generation TrueVue monitor. This task was made more challenging by pandemic-related disruption to electronic supply-chains. There is some evidence that the disruption to these supply chains is beginning to abate.

In order to obtain the necessary regulatory approvals to launch the new monitor onto the UK and European markets, there is a requirement to complete Electromagnetic Compatibility (EMC) testing. EMC testing is carried out through an external test house and these tests have recently been successfully completed.

Now EMC testing has been completed the device can be passed through acoustic testing and the internal documentation required to support the regulatory submissions can be finalised. This self-certification process is expected to be completed shortly following which the new monitor will be available for sale in the UK and European markets.

Once the new monitor has been successfully launched in the UK and Europe, we intend to complete the necessary FDA filings to obtain US regulatory approval so that the new, next generation monitor should be launched onto the US market next year. We are expecting to sell the new monitor into new accounts as well as existing customers that wish to upgrade their ODM technology.

Following the launch of the new monitor , we will be refocussing our research and development team to work on a complementary, non-invasive haemodynamic monitoring technology which leverages the extensive evidence base supporting the use of our existing ODM technology. This new technology will allow instantaneous non-invasive haemodynamic monitoring, via the new monitor, anywhere in the hospital. This new, novel technology should substantially broaden the potential applications, and hence addressable market size, for the Group's Doppler-based ultrasound technology.

We are continuing to work with the UK's National Physical Laboratory to explore how the use of cutting-edge science will enable us to improve the performance and data generation from Deltex Medical's core ultrasound technology. We anticipate advancing this research project significantly in 2023.

Regulatory

Deltex Medical designs and manufactures Class II medical devices which it sells around the world. As a result, its business activities can be significantly affected by changes to regulations. The post-Brexit regulatory regime in the UK, as well as for UK companies selling into Europe, is still evolving and we keep actual or prospective changes in applicable regulations under close scrutiny.

In Europe the transition from the Medical Device Directive to the European Medical Device Regulation ("MDR") has been deferred until 2028. Although this reduces some regulatory-associated complexity in the short term, there is still considerable uncertainty as to what steps will be required, by when, for a Class II medical device manufacturer to comply with MDR in the future.

Conclusion

Completion of the new monitor will greatly enhance Deltex Medical's technological offering to the market as well as opening up the possibility to use this device as a platform for further product line extensions. We are particularly interested in the commercial potential associated with the easier-to-use non-invasive haemodynamic monitoring technology which we are also developing.

So far market feedback and demand for the new monitor has been encouraging, both from prospective and existing customers, and we see its launch as a critical building block in driving up probe revenues across all three divisions.

We have concluded that the Covid era restrictions imposed on salespersons to stop them from enjoying relatively open access to ICUs and ORs will continue in the future. We have taken a number of mitigation steps to enable us to commercialise successfully our technology with this 'new normal' in mind.

Andy Mears
Chief Executive
29 March 2023

Consolidated statement of comprehensive income

For the year ended 31 December 2022

	2022 £'000	2021 £'000
Revenue	**2,482**	2,259
Cost of sales	**(643)**	(684)
Gross profit	**1,839**	1,575
Administrative expenses	**(1,560)**	(1,585)
Sales and distribution expenses	**(1,027)**	(957)
Research and Development, Quality and Regulatory	**(231)**	(207)
Impairment loss on trade receivables	**(39)**	-
Total costs	**(2,857)**	(2,749)
Other operating income	**-**	312
Other gain	**71**	57
Operating loss	**(947)**	(805)
Finance costs	**(199)**	(173)
Loss before taxation	**(1,146)**	(978)
Tax credit on loss	**1**	12
Loss for the year	**(1,145)**	(966)
Other comprehensive expense		
Items that may be reclassified to profit or loss:		
Net translation differences on overseas subsidiaries	**35**	(2)
Other comprehensive expense for the year, net of tax	**35**	(2)
Total comprehensive loss for the year	**(1,110)**	(968)
Total comprehensive loss for the year attributable to:		
Owners of the Parent	**(1,114)**	(969)
Non-controlling interests	**4**	1
	(1,110)	(968)
Loss per share – basic and diluted	**(0.17p)**	(0.17p)

Consolidated balance sheet
As at 31 December 2022
Company Number 03902895

	2022	2021
	£'000	£'000
Assets		
Non-current assets		
Property, plant and equipment	**269**	264
Intangible assets	**3,769**	3,135
Financial assets at amortised cost	**164**	157
Total non-current assets	**4,202**	3,556
Current assets		
Inventories	**821**	796
Trade receivables	**456**	455
Financial assets at amortised cost	**15**	15
Other current assets	**140**	91
Current income tax recoverable	**72**	69
Cash and cash equivalents	**471**	413
Total current assets	**1,975**	1,839
Total assets	**6,177**	5,395
Liabilities		
Current liabilities		
Borrowings	**(935)**	(702)
Trade and other payables	**(1,704)**	(1,478)
Total current liabilities	**(2,639)**	(2,180)
Non-current liabilities		
Borrowings	**(1,069)**	(1,028)
Trade and other payables	**(177)**	(228)
Provisions	**(64)**	(57)
Total non-current liabilities	**(1,310)**	(1,313)
Total liabilities	**(3,949)**	(3,493)
Net assets	**2,228**	1,902
Equity		
Share capital	**6,990**	5,849
Share premium	**33,672**	33,502
Capital redemption reserve	**17,476**	17,476
Other reserve	**527**	573
Translation reserve	**168**	133
Convertible loan note reserve	**82**	82
Accumulated losses	**(56,566)**	(55,588)
Equity attributable to owners of the Parent	**2,349**	2,027
Non-controlling interests	**(121)**	(125)
Total equity	**2,228**	1,902

Consolidated statement of changes in equity for the year ended 31 December 2022

	Share capital	Share premium	Capital redemption reserve	Other reserve	Convertible loan note reserve	Translation reserve	Accumulated losses	Total	Non-controlling interest	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 January 2022	**5,849**	**33,502**	**17,476**	**573**	**82**	**133**	**(55,588)**	**2,027**	**(125)**	**1,902**
Comprehensive income										
Loss for the period	**-**	**-**	**-**	**-**	**-**	**-**	**(1,149)**	**(1,149)**	**4**	**(1,145)**
Other comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**35**	**-**	**35**	**-**	**35**
Total comprehensive income for year	**-**	**-**	**-**	**-**	**-**	**35**	**(1,149)**	**(1,114)**	**4**	**(1,110)**
Transactions with owners of the Group										
Shares issued during the year	**1,141**	**285**	**-**	**-**	**-**	**-**	**-**	**1,426**	**-**	**1,426**
Issue expenses	**-**	**(115)**	**-**	**-**	**-**	**-**	**-**	**(115)**	**-**	**(115)**
Equity-settled share-based payment	**-**	**-**	**-**	**125**	**-**	**-**	**-**	**125**	**-**	**125**
Transfers	**-**	**-**	**-**	**(171)**	**-**	**-**	**171**	**-**	**-**	**-**
Balance at 31 December 2022	**6,990**	**33,672**	**17,476**	**527**	**82**	**168**	**(56,566)**	**2,349**	**(121)**	**2,228**

Consolidated statement of changes in equity for the year ended 31 December 2021

	Share capital	Share premium	Capital redemption reserve	Other reserve	Convertible loan note reserve	Translation reserve	Accumulated losses	Total	Non-controlling interest	Total equity
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Balance at 1 January 2021	**5,773**	**33,444**	**17,476**	**505**	**82**	**135**	**(54,648)**	**2,767**	**(126)**	**2,641**
Comprehensive income										
Loss for the period	**-**	**-**	**-**	**-**	**-**	**-**	**(967)**	**(967)**	**1**	**(966)**
Other comprehensive income for the period	**-**	**-**	**-**	**-**	**-**	**(2)**	**-**	**(2)**	**-**	**(2)**
Total comprehensive income for year	**-**	**-**	**-**	**-**	**-**	**(2)**	**(967)**	**(969)**	**1**	**(968)**
Transactions with owners of the Group										
Shares issued during the year	**76**	**58**	**-**	**-**	**-**	**-**	**-**	**134**	**-**	**134**
Equity-settled share-based payment	**-**	**-**	**-**	**95**	**-**	**-**	**-**	**95**	**-**	**95**
Transfers	**-**	**-**	**-**	**(27)**	**-**	**-**	**27**	**-**	**-**	**-**
Balance at 31 December 2021	**5,849**	**33,502**	**17,476**	**573**	**82**	**133**	**(55,588)**	**2,027**	**(125)**	**1,902**

Consolidated statement of cash flows
for the year ended 31 December 2022

	2022 £'000	2021 £'000
Cash flows from operating activities		
Loss before taxation	**(1,146)**	(978)
Adjustments for:		
Finance costs	**199**	173
Depreciation of property, plant and equipment	**88**	74
Amortisation of intangible assets	**40**	40
Share-based payment expense	**125**	95
Other gain	**(71)**	(57)
Effect of exchange rate fluctuations	**35**	(2)
	(730)	(655)
(Increase)/Decrease in inventories	**(48)**	89
(Increase)/Decrease in trade and other receivables	**(57)**	148
Increase in trade and other payables	**306**	191
Increase in provisions	**7**	6
Net cash used in operations	**(522)**	(221)
Interest paid	**(153)**	(131)
RDEC taxes received	**69**	61
Net cash used in operating activities	**(606)**	(291)
Cash flows from investing activities		
Purchase of property, plant and equipment	**(70)**	(23)
Capitalised development expenditure (net of grants)	**(674)**	(621)
Net cash used in investing activities	**(744)**	(644)
Cash flows from / (used in) financing activities		
Issue of ordinary share capital	**1,340**	-
Expenses in connection with share issue	**(115)**	-
Net movement in invoice discount facility	**(17)**	43
Standby loan facility repayment	**(500)**	-
Standby loan facility drawdown	**750**	500
Principal lease payments	**(45)**	(41)
Net cash generated from financing activities	**1,413**	502
Net increase/(decrease) in cash and cash equivalents	**63**	(433)
Cash and cash equivalents at beginning of the period	**413**	853
Exchange loss on cash and cash equivalents	**(5)**	(7)
Cash and cash equivalents at end of the period	**471**	413

1. Nature of the financial information

This Results Summary containing condensed financial information for the year ended 31 December 2022 should be read in conjunction with the Deltex Medical Group Plc's Annual Report & Accounts 2022 which were prepared in accordance with UK-adopted International Accounting Standards. The consolidated financial statements have been prepared under the historical cost convention and on a going concern basis.

Financial information contained in this document does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006 ('the Act'). The statutory accounts for the year ended 31 December 2021 have been filed with the Registrar of Companies and those for the year ended 31 December 2022 will be filed with the Registrar of Companies following the Annual General Meeting. The report of the independent auditor on those statutory accounts was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under section 498(2) or (3) of the Act. The report for year ended 31 December 2021 of the independent auditor on those statutory accounts was unqualified and did not contain a statement under section 498(2) or (3) of the Act.

2. Accounting policies

The Group's principal accounting policies can be found in the Group's Annual Report & Accounts 2022.

Going concern

The Group meets its day-to-day working capital requirements through a combination of operational cash flows, an invoice discounting facility and, if required, the raising of additional finance.

In December 2022, the Group extended the standby loan facility with Imperialise Limited by £250,000 to £750,000 in order to help fund the costs to complete the new monitor. The Group intends to repay the £250,000 as soon as possible and specifically when positive operating cashflow is generated by way of sales of the new monitor. All other terms of the standby loan facility, which was issued in September 2021, remain unchanged. Furthermore, on 29 March 2023, the maturity date of the standby loan facility was extended from 31 December 2023 to 30 June 2024.

In February 2023, the maturity date of the convertible loan notes was extended from 26 February 2024 to 30 June 2026. All other terms of the convertible loan notes, which were issued in February 2016, remain unchanged.

The Directors have reviewed detailed budgets and forecasts until 30 June 2024. In making their forecasts, the Directors have carefully considered the possible continued after effects of post-Covid restrictions and associated disruption on the Group's business. This review indicates that the Group is expected to continue trading as a going concern based on projected net cash flows derived from sales of the Group.

The Directors consider that they have reasonable grounds to believe that the Group will have adequate resources to continue in operational existence for the foreseeable future and it is therefore appropriate to prepare the financial statements on the going concern basis.

3. Revenue and EBITDA

	For the year ended 31 December 2022						
	Direct market			Indirect markets			
	Probes	**Monitors**	**Other**	**Probes**	**Monitors**	**Other**	**Total**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
UK	**461**	**106**	**75**	**-**	**-**	**-**	**642**
USA	**463**	**122**	**51**	**-**	**-**	**-**	**636**
France	**-**	**-**	**-**	**464**[1]	**15**	**8**	**487**
Latin America	**-**	**-**	**-**	**90**	**212**	**2**	**304**
South Korea	**-**	**-**	**-**	**132**	**-**	**-**	**132**
Hong Kong	**-**	**-**	**-**	**13**	**32**	**3**	**48**
Austria	**-**	**-**	**-**	**44**	**-**	**2**	**46**
Cayman Islands	**-**	**-**	**-**	**24**	**18**	**1**	**43**
Other countries	**19**	**30**	**-**	**90**	**2**	**3**	**144**
	943	**258**	**126**	**857**	**279**	**19**	**2,482**

1. Total revenue for this segment relates to a single external customer

	For the year ended 31 December 2021						
	Direct markets			Indirect markets			
	Probes	Monitors	Other	Probes	Monitors	Other	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
UK	524	60	86	-	-	-	670
USA	561	55	47	-	-	-	663
France	-	-	-	489[1]	29	8	526
Scandinavia	-	-	-	105	-	2	107
South Korea	-	-	-	134	-	2	136
Portugal	-	-	-	35	-	-	35
Other countries	10	-	-	53	58	1	122
	1,095	115	133	816	87	13	2,259

1. Total revenue for this segment relates to a single external customer

The Group's revenue disaggregated between the sale of goods and the provision of services is set out below. All revenues from the sale of goods are recognised at a point in time; maintenance income is recognised at the point the service is carried out.

	2022	2021
	£'000	£'000
Sale of goods	**2,430**	2,192
Maintenance income	**52**	67
	2,482	2,259

The reconciliation of Adjusted EBITDA used by the Group's Chief Operating Decision Maker (CODM) to the result reported in the Group's consolidated SOCI is set out below:

	2022 £'000	2021 £'000
Adjusted EBITDA	**(607)**	(504)
Non-cash items:		
Depreciation of property, plant and equipment	**(88)**	(74)
Amortisation of development costs	**(40)**	(40)
Impairment loss on trade receivables	**(39)**	-
Non-executive directors' fees and employer's NIC	**(136)**	(138)
Share-based payment expenses	**(125)**	(95)
Change in accumulated absence cost liability	**17**	(11)
Cash item:		
Other tax income	**71**	57
	(340)	(301)
Operating loss	**(947)**	(805)
Finance costs	**(199)**	(173)
Loss before tax	**(1,146)**	(978)
Tax credit on loss	**1**	12
Loss for the year	**(1,145)**	(966)

The following table provides information about trade receivables and contract liabilities from contracts with customers. There were no contract assets at either 31 December 2022 or 31 December 2021.

	31 December 2022 £'000	31 December 2021 £'000
Trade receivables which are in 'Trade and other receivables'	**456**	455
Contract liabilities	**(39)**	(57)

The following aggregated amounts of transaction prices relate to the performance obligations from existing contracts that are unsatisfied or partially unsatisfied as at 31 December 2022:

	2023 £'000	2024 £'000	2025 £'000	2026 £'000	**Total £'000**
Revenue expected to be recognised	25	2	2	10	**39**

Revenue recognised in 2022 which was included in contract liabilities at 31 December 2021 amounted to £30,000. Revenue recognised in 2021 included in contract liabilities at 31 December 2020 amounted to £54,000.

4. Dividends

The directors cannot recommend payment of a dividend (2021: nil).

5. Basic and diluted loss per share

The loss per share calculation is based on the loss of £1,149,000 and the weighted average number of shares in issue of 685,490,974. For 2021, the loss per share calculation is based on the loss of £967,000 and the weighted average number of shares in issue of 580,712,339. While the Group is loss-making, the diluted loss per share and the loss per share are the same.

6. Subsequent events

On 27 February 2023, the maturity date of the convertible loan notes was extended from 26 February 2024 to 30 June 2026. All other terms of the convertible loan notes, which were issued in February 2016, remain unchanged. The Group have considered the financial impact of this modification to the loan's maturity date and determined that it is not substantial resulting in an estimated gain of £89,000 which will be recognised in the Consolidated Statement of Comprehensive Income for the year ended 31 December 2023.

On 29 March 2023, the maturity date of the standby loan facility was extended from 31 December 2023 to 30 June 2024. All other terms of the standby loan facility, which was initially issued in September 2021, remain unchanged.

Distribution of Annual Report and Accounts

The Group will shortly be posting a copy of the Annual Report and Accounts for the year ended 31 December 2022 to shareholders, together with a Notice of Annual General Meeting to be held at 11.00 am on 17 May 2023 at the offices of DAC Beachcroft LLP, 25 Walbrook, London, EC4N 8AF.

A copy of the Annual Report and Accounts and the Notice of Annual General Meeting will also shortly be available from the Group's website at www.deltexmedical.com