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26 June 2023

**Deltex Medical Group plc**  
(“Deltex Medical” or the “Group”)

**Trading update and  
suspension of trading of shares on AIM pending clarification of financial position**

On 25 April 2023, Deltex Medical announced, among other things, that the Group had entered into an agreement with Imperialise Limited, a company controlled by Mr. Nigel Keen, Chairman of Deltex Medical and its largest shareholder, for a bridging loan of £0.25 million to help fund working capital associated with accelerated production of the Group’s new generation TrueVue monitor. This loan is fully drawn.

Despite this additional financing, the new monitor has not yet been launched on the market, although the necessary steps to complete the technical file which would enable the new monitor to be launched are expected to be finalised soon – external testing has been completed and the Group has completed all steps required of it, including its internal testing, and is awaiting the third party review of its safety test report to complete the product technical file. It is a regulatory requirement for the Group to complete a technical file before such a product can be sold.

On 30 March 2023 in its annual results announcement, Deltex Medical provided information on, among other things, a national tender for haemodynamic monitoring equipment in conjunction with one of its Latin American distributors which involved the current generation TrueVue monitor. Contrary to the Board’s expectation, no significant further information on this national tender has been received to date and a material order has not been forthcoming as expected.

In addition to this, the Group has experienced weaker than expected trading in this current quarter, which the Board believes is due to customers waiting for the new monitor to be available.

As a result of these unexpected delays and events, the Group’s cashflows have come under pressure, with the result that working capital projections now indicate a need for additional funding by mid-July. The Group’s cash balance is currently approximately £180,000 and all loan facilities are fully drawn. Accordingly, the Group has been exploring additional sources of funding, including discussions with its lenders and major creditors, including Imperialise Limited, to provide additional working capital but these have not been successful. The Board of the Group continues to explore its options and pending clarification of its financial position, Deltex Medical has requested that its shares be suspended from trading on AIM.

The Group will make further announcements as soon as possible.

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