

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

6 July 2023

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

**Half-Year Trading Update
and
Potential Equity Fundraise**

Deltex Medical Group plc (AIM: DEMG), the global leader in oesophageal Doppler monitoring, provides a trading update following the end of the first half of its current financial year on 30 June 2023 ("H1 2023").

Key highlights:

- unaudited revenues for H1 2023 were £1.1 million (H1 2022: £1.2 million).
- cash at hand on 30 June 2023 was £0.1 million (H1 2022: £0.6 million).
- next generation TrueVue monitor has completed all required internal and external testing, with the finalisation of the technical file expected imminently to enable launch of the product.

Update on launch of next generation TrueVue monitor

As previously announced by the Group, work in relation to the next generation TrueVue monitor is substantially complete, with the Group having completed all the required internal and external testing. As a result of this, the independent test company used by the Group has issued its report on its third-party review of the safety tests and is now conducting the review on the electromagnetic compatibility (EMC) report of the monitor. Following completion of that review, the Group expects to be able to quickly finalise the technical file (the "**Technical File**") required for the launch of the new monitor and following which the product will be eligible for use by clinicians. It is a regulatory requirement for the Group to complete the Technical File before the new monitor can be released for sale in the UK and EU.

Trading update

Unaudited revenues for the six months ended 30 June 2023 were £1.1 million (H1 2022: £1.2 million). As announced on 26 June 2023, the Group has experienced weaker than expected trading in the second quarter of 2023, which the Board believes is a result of, inter alia, customers waiting for the new TrueVue monitor to be available. Cash at hand on 30 June 2023 was £0.1 million (H1 2022: £0.6 million).

The combination of delays in the launch of the Group's next generation TrueVue monitor and the national tender for haemodynamic monitoring with one of the Group's Latin American distributors failing to progress to the stage of a revenue contributing contract for the Group, has impacted the Group's financial position as announced on 26 June 2023. Accordingly, on 26 June 2023, the Group's ordinary shares were suspended from trading on AIM pending clarification of the Group's financial position, for which fundraising is being explored as detailed below.

Potential equity fundraise

The Board is considering various options to obtain additional finance for the Group and is currently exploring an equity fundraise to provide the necessary working capital. The Group is working with its broker, Allenby Capital, to discuss a potential equity fundraise with investors. In order that existing shareholders can also take part in a fundraising, a retail fundraising offer is also being considered. Brokers or wealth managers acting for existing shareholders may contact Allenby Capital, the Company's broker.

There can be no certainty that an equity fundraising will be concluded, however, any such equity fundraising is likely to be conducted at a material discount to the Group's current share price.

The Board is also seeking to obtain a resumption of trading in the Group's shares on AIM as soon as possible. In any case, this is expected to be after the completion of a sufficient fundraise.

In the absence of availability of any alternative funding solutions, the Directors consider that it is highly likely that the Company would be required to appoint an administrator in order to protect the interests of creditors.

The Group will make further announcements, including details of any fundraising, as and when appropriate.

For further information, please contact:

Deltex Medical Group plc

Nigel Keen, Chairman

Andy Mears, Chief Executive

Natalie Wettler, Group Finance Director

01243 774 837

investorinfo@Deltexmedical.com

**Allenby Capital Limited - Nominated Adviser
& Broker**

020 3328 5656

Jeremy Porter / Vivek Bhardwaj (Corporate Finance)

info@allenbycapital.com

Tony Quirke / Stefano Aquilino (Sales & Corporate
Broking)

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 newborn to adult, awake or anaesthetised, across all hospital settings globally.

For further information please go to www.deltexmedical.com