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4 July 2024

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

Half Year Trading Update

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 2024 ("**H1 2024**").

Key highlights:

- Unaudited revenues for H1 2024 were £1,064k (H1 2023: £1,059k), excluding a further £92k of orders received in H1 2024 awaiting components or payment prior to shipment
- EBITDA positive for two months during H1 2024; continuing improvement in EBITDA expected in the second half of the current financial year ending 31 December 2024 ("**H2 2024**")
- Cash at hand on 30 June 2024 was £325k (H1 2023: £107k)
- Probes unit sales increased by 16% across the Group, driven by growth from International markets
- Successful award by NHS Supply Chain ("NHSSC") of the national framework tender for the new TrueVue System to be eligible for purchase
- Group headcount as at 30 June 2024: 24 (H1 2023: 40)

Trading update

Unaudited revenues for the six months ended 30 June 2024 were £1,064k (H1 2023: £1,059k) with a further £92k in orders in-hand either awaiting components or payment in advance of shipping. Included within these outstanding orders is the first part of a new tender won in Latin America for our legacy ODM+ monitor and purchased by our distribution partner as part of the last time buy announced on this device in April 2024. These orders are expected to be shipped in July and the associated revenues recognised. Cash at hand on 30 June was £325k.

Group probe unit sales increased overall by 16% year on year, driven by unit growth from International of 21%, despite significantly reducing the Group-wide sales teams. Whilst International probes margins are lower than probe margins achieved on direct sales in the UK and USA, the quantum of the probe growth seen in the International division offsets the lower margins and provides us with a larger sales footprint.

Revenues generated in H1 2024 and including the orders in hand but not shipped as at 30 June 2024, meant that we met the internal expectations agreed by the Board for H1 2024. These revenues were achieved with a significantly reduced headcount, following the Company restructure in H2 2023, giving an annualised cost saving of c.£1m. In our internal models we were anticipating a monthly EBITDA loss in H1 2024, however, the Company was EBITDA positive for two months in H1 2024 and this would have been three months if we had been able to ship the orders received in June. EBITDA is expected to continue to improve in H2 2024.

We continue to showcase the new generation TrueVue monitor around the world and are receiving great interest, with increasing orders received for trials and demonstration by our reseller partners, as well as some initial small orders from customers new and old.

Progress continues for the new 2MHz non-invasive device, with the required crystals now sourced and delivered; prototyping of the new device can now be taken forward.

Nigel Keen, Chairman of Deltex Medical said:

"We have made good progress during H1 in selling and creating pipeline for the new TrueVue System into the UK and EU with many of our European distribution partners purchasing the new monitors and starting to give clinical demonstrations to their customer base.

The significant growth in our probe unit sales into the International markets shows that our plan to focus more into International markets is working, and we expect to see this continue through H2 and remain confident for the rest of the year."

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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, although sedated patients in intensive care are still an important part of our business. The Group's new, next generation monitor makes the use of the ODM technology more intuitive and provides 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

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, new TrueVue monitor which was released onto the market in November 2023. Monitors are sold or, due to hospitals' often protracted procurement times for capital items, may be 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 new TrueVue monitor, 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

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