

One of Wales's leading medtech firms Intelligent Ultrasound in £5m fundraising boost

Cardiff-based medtech firm Intelligent Ultrasound has raised nearly £5m to support its growth plans and hitting revenues of £25m in three years.

The ultrasound artificial intelligence (AI) software and simulation company, which is listed on the Alternative Investment Marke, has secured irrevocable undertakings from existing and shareholders, which after fundraising expenses, will provide £4.8m in funding. The oversubscribed offer was overseen by Cenkos Securities.

The £4.8m will be used to strengthen the balance sheet of the firm and providing additional working capital, including funding the ongoing development of existing products.

Its chief executive, Stuart Gall, said: "The directors are very pleased with the response to the oversubscribed fundraising and are thankful to the new and existing shareholders for their continued support. The directors consider this to have been an excellent year and the Group remains on target to meet the market expectation of £10m revenue in full year 2022.

"With a strong simulation portfolio for 2023 and three clinical AI related products launched in the market and generating early revenues, the board is confident that this fundraising will drive growth in sales that will take the group to profitability, as well as achieving the aspirational vision of £25m revenues by 2025, in what the directors believe is an exciting and dynamic market."

Broker Cenkos said: "We believe Intelligent Ultrasound is at a key inflection point as revenue momentum from its clinical AI products supports the ongoing sales growth delivered from the simulation products. With a second AI product granted FDA clearance and GE Healthcare offering the group's AI software on its new Voluson Expert ultrasound machine, this AI revenue momentum is expected to move the company into Ebitda profitability and positive cash flow generation in full year 2024, as per our forecasts.

" The company has announced it has conditionally raised £5.2m (gross) subject to shareholder approval, largely to strengthen its balance sheet, which should also be sufficient to see the company become cash sustainable. We believe Intelligent Ultrasound offers significant upside to current levels, and we reiterate our Buy recommendation."

Ultrasound recently moved its HQ to the Hodge House office scheme in the centre of Cardiff.

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