

*Prior to publication, the information contained within this announcement was deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR"). With the publication of this announcement, this information is now considered to be in the public domain.*

# Feedback plc

## Interim Results for the six months ended 30 November 2021

### Investment in product suite driving significant international growth opportunities

**London, 10 February 2022:** Feedback plc (AIM: FDBK, "Feedback" or the "Company"), the specialist clinical communication company, announces its unaudited results for the six months to 30 November 2021 (the "Period").

#### Operational Highlights

- Expansion of routes to market with launches of CareLocker and Bleepa Box
  - Estimated total addressable market for product suite in excess of £10 billion globally
- Increased commercialisation both within the NHS and through non-NHS channels
  - Significant increase in revenues – reflecting initial Bleepa sales and highlighting strength of the Company's refocused business model
- Endorsement of technology through international MOUs and pilot schemes
  - Further enhancing growth opportunities and underpinning increased reach with new partners including Qure.ai, Quest and Sussex Integrated Care System (Sussex ICS)
- Appointment of Anesh Patel as Chief Financial Officer and Company Secretary

#### Financial Highlights

- Revenue increased 9% to £179k (H1 2021: £165k), driven by the initial commercialisation of Bleepa
- Operating loss increased to £1,238k (H1 2021: £918k), reflecting increased investment in product development, commencement of software development amortisation and increased headcount
  - EBITDA loss increased to £1,033k (H1 2021: £916k)
- Oversubscribed placing and open offer raising £11.2m in November 2021 – providing funding to support accelerated revenue growth
- Cash as at 30 November 2021 was £11.4m (30 November 2020: £3.8m)

#### Post period highlights

- Strong progress towards use of Bleepa and CareLocker in tuberculosis screening opportunity in India:
  - Partnership with Amazon Web Services to support cloud-based TB screening programme for rural communities in India
  - Bleepa solution recently deployed at a pilot hospital site in Orissa, India, ahead of schedule, overtaking our plans to undertake a pilot in Rajasthan (which continue in parallel)
  - Aiming for the first TB screening patient to use the service imminently, proving the application in the real world, with a view to establishing further partnership and contractual discussions
- Expanded the rollout of Bleepa at Pennine Acute Hospitals NHS Trust (now part of the Northern Care Alliance or "NCA") to include two hospitals and c.900 clinicians (versus 359 at H1 2020)

- Completed the technical Minimum Viable Product (“MVP”) deployment of Bleepa and CareLocker with Sussex ICS for our patient specific community diagnostic centre (“CDC”) pathway
  - Near-term target for the first patients going through the pathway, proving the infrastructure solution in the real world and enabling the first GP led asynchronous Multi-Disciplinary Team (“MDT”) pathway in the history of the NHS
- Onboarded 400+ CVS users onto Bleepa, across 20 equine veterinary practices with the Company supplying 40 Bleepa Boxes for remote image acquisition – importantly this highlights the value of Bleepa and Bleepa Boxes outside of the hospital setting
- Full year outlook expected to be ahead of market expectations

### **Analyst Briefing, 9:30am Today**

A briefing for Analysts will be held at 9:30am GMT this morning. Analysts interested in attending should contact Walbrook PR by emailing [feedbackplc@walbrookpr.com](mailto:feedbackplc@walbrookpr.com) or by calling 020 7933 8780.

**Dr Tom Oakley, CEO of Feedback, said:** “Our mission is to enable clinicians to make faster, more informed decisions for patients at any location, in a regulated/approved environment. In 2021 we achieved sales of our clinical communication platform Bleepa in both the NHS and veterinary sectors, confirming the value proposition of our technology. Building on this success we have further evolved our product offering to help us deliver this mission while maintaining our sales focus into individual NHS Trusts and expanding our focus to capture benefits of asynchronous communication to regional care delivery.

“Following our oversubscribed equity raise in late November we now have a robust balance sheet that will allow us to take on these key opportunities in the NHS and in India simultaneously. Both opportunities are substantial and are generating a number of partnership opportunities, as proven by the post period partnership with AWS and developments in Orissa and Sussex ICS. We look forward to a busy H2 as we deliver initial pilots for both opportunities and build towards commercial contracts in these large addressable markets. We remain extremely excited about our prospects with trading for the full year expected to be ahead of market expectations.”

Further information on Feedback and its products can be found on the Company’s website: <https://fbkmed.com/feedback-plc/>

-Ends-

### **Enquiries:**

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### **About Feedback**

Feedback plc is a specialist clinical communications business, with a mission to improve the efficiency and quality of communications for frontline clinicians and hospitals with a key focus on building solutions that enhance access to high quality patient data.

Feedback has developed a toolkit of clinical communications apps. Its core, regulatory approved product is Bleepa, a revolutionary medical imaging app enabling remote and secure communications between frontline clinicians and teams. CareLocker is a revolutionary GDPR compliant patient-centric

cloud architecture - its proprietary technology enables an easy route to creation and mobilisation of individual healthcare records. Bleepa Box is a specialist tool to enable image transfer from remote settings to the Bleepa platform over mobile networks.

The Company has a number of growth opportunities domestically and internationally across a range of markets including the NHS, the veterinary market and private healthcare providers and its highly scalable Software as a Service ("SaaS")-based revenue model is expected to provide increasing levels of visibility as the Company grows its customer base.

## **Feedback plc**

### **Chairman and Chief Executive's Statement**

We are delighted to report that despite the difficult trading conditions generated by COVID-19 the Company's strategic shift to focus on the Bleepa product line has resulted in a 9% uplift in revenues for the first half of the year. Taking into account this progress with Bleepa and renewal of a significant legacy product contract in December 2021, trading for the full year is expected to be ahead of market expectations.

Feedback's focus on the regulated provision of medical imaging services, within the wrapper of clinical communication and workflows, maintains our competitive advantage and unique customer value, leveraging our 20-year heritage of medical device development and clinical know how.

The Company has made good progress in developing our product lines to meet a number of large emerging opportunities in the NHS and India, through the creation of our patient centric cloud storage, CareLocker, and the Bleepa Box for remote image upload. Our readiness to pursue these opportunities enabled us to undertake an £11.2m fundraise at the end of the period in order to scale the team to deliver our products to market. The Company will use this capital to expand our sales and business development team alongside key technical appointments in the area of cloud architecture and cyber security and invest further in the technology. This expansion will enable us to pursue these exciting opportunities in parallel, maximising returns for shareholders.

In addition to expanding the team we are identifying key strategic partners who can help to scale the products and realise our market opportunities in a number of settings. We believe that partnering represents our most cost-effective route to market and we have already announced a number of partnerships such as with Qure.ai, Quest Teleradiology, Sussex ICS and most recently AWS. We will continue to develop this partnership vertical in order to deliver maximum shareholder value through the realisation of the fastest and most efficient route to market.

The Company is now well positioned to embrace a growing number of at scale market opportunities.

### ***Business strategy***

Our mission is to enable clinicians to make the best decisions for their patients, faster and from anywhere. We do this by facilitating secure clinical communication around individual patients and present clinical data into that conversation to enhance the decision making process, most notably medical imaging. This core value proposition allows us to connect clinical teams around individual patient workflows, across provider settings, making us an enabling digital infrastructure for regional and national healthcare programmes, alongside our core proposition to individual hospitals.

COVID-19 pressures have led to a growing elective care backlog in the NHS; addressing this problem requires new connected ways of working across regions and provider settings, including the launch of new community diagnostic centres, (CDCs) for which Bleepa provides a unique enabling digital infrastructure. Pursuing these larger centralised regional contracts represents a more efficient route to market than addressing sales to individual hospitals and will allow us to onboard many more clinical users in one go. It also highlights our ability to move into market segments that our competitors are unable to serve, given their lack of patient centric architecture and inability to display medical images within a regulatory compliant viewer. This highly topical opportunity is well funded by central government and a key priority for the NHS which will enable us to raise the Company's profile whilst delivering key services to our customers.

The launch of CareLocker and the Bleepa Box have enabled Feedback to truly address remote clinical working requirements, equipping us to deliver both the CDC opportunity in the NHS, TB screening in rural locations in India and also in veterinary care with CVS Group, which has so far onboarded 400+ users onto Bleepa, across 20 equine veterinary practices. TB is an endemic disease in India and has seen a resurgence during the COVID-19 pandemic, making it a core health priority for the Indian Government. Given the prevalence of the disease in rural areas and the difficulties with providing digital health services in this setting, the Bleepa product suite will be a key enabler of expanding TB screening services to hard-to-reach areas across India. Bleepa Box will securely transmit medical imaging to a patient's secure CareLocker cloud store where it will be available to dedicated clinicians and the latest

AI technology for rapid diagnosis. This opportunity is heavily supported by the UK Department of International Trade who are helping us to engage with local partners and government contract holders.

Both these opportunities are currently in the pilot stages with key strategic partners. We are pleased to report that we have completed the initial technical deployments for both pilots ahead of schedule and expect to have patients come through the pathways for both opportunities in short order. Initial results are expected in H1 2022, preceding subsequent commercial traction. We are running both opportunities in parallel given the financial support from the recent placing and open offer.

With the revenue growth of 9% during the period being driven by Bleepa sales, we hope to soon realise the business transition to Bleepa becoming the revenue-dominant product line. This reporting period has seen the first private pilot-to-contract win for Bleepa with CVS, setting a precedent that we hope to follow for both the CDC and India opportunities.

The value of Bleepa has now been greatly enhanced by the creation of CareLocker as a patient centric cloud architecture that enables the Bleepa platform to scale and be accessed remotely. This product combination has unlocked significant growth potential and enabled the company to deliver pan regional systems and engage with the emerging CDC opportunity in the NHS. Following its appointment to the NHS AI Procurement framework, ISO27001 and UK Medical Device Certification (UKCA), the Company believes that the product is the only CE and UKCA marked clinical imaging and communication platform on the NHSx Clinical Communications Procurement Framework, the NHS CDC initiative and NHS AI procurement framework. The foundations for scalability in private applications have also been reinforced through the addition of Bleepa to the Apple App Store and Google Play.

Our customer focused development has allowed us to problem solve for our existing customers whilst also generating case studies for our applications in other markets, such as with the Bleepa Box which was developed for CVS and is now an essential component of our value proposition to remote TB screening. The Company is developing a track record for leveraging our technological solutions to customer problems and recognising their value to parallel market segments, ensuring that we maximise our revenue potential from multiple streams for any development work that we undertake. As a result, we are seeing increasing numbers of commercialisation opportunities and routes to market to match the scalability of the growing product suite.

For some of our customers there is an expectation of pilots ahead of a commercial purchase and therefore the award of MOUs and pilot opportunities are key precursors to our eventual commercial success. This requires the Company to deploy its products at risk in many settings utilising the funds raised, thus enabling us to move at speed and to realise the CDC and India opportunities, deploying the product in order to stimulate commercial discussions on the basis of real world evidence, evidence that we shall soon have following the first patient journeys facilitated by our technology. Given the boost of this recent fundraise and with further investment in these product lines, the Company is set for greater scalability as commercial viability continues to be demonstrated. We have significantly expanded the rollout of Bleepa across the NCA with the target of converting this pilot to a revenue generating contract in the relatively near term.

The Company continues to see revenues from our legacy product lines (Cadran and Texprad) however these are soon to be overtaken by Bleepa sales as the realisation of the current strategy comes into effect.

### **Board Changes**

The Company was delighted to welcome Anesh Patel as our new CFO during the period. Anesh brings a wealth of experience to the Company with a focus on driving both revenue growth and operational efficiencies that will serve the company well as we strive to meet our incredible potential. The Company wishes to thank Lindsay Melvin who retired from the CFO role in November 2021 after many years of service. During the period the board also bid farewell to Simon Sturge, who stepped down as a non-executive director in order to pursue a number of opportunities in the Pharma space.

### **Financial Review**

Revenue in the six months ended 30 November 2021 increased by 9% to £179k (H1 2021: £165k), driven by the initial commercialisation of Bleepa, with total revenues from legacy products (Cadran and Texrad) being below the same period in the prior year.

Total sales value (a non IFRS measure, representing the value of total invoices raised) in the Period was £246k (H1 2021: £33k), an increase of 654% on H1 2021 as a higher proportion of sales in the prior financial year were made in the second half. Revenue is recognised over the life of a customer contract (typically 12 months for both Bleepa and legacy product support services).

Gross margin fell to 67% (H1 2021: 99%) as the Group increased its operational team ahead of the anticipated growth in revenues, and due to one-off costs in the Period related to the installation and integration of Bleepa and Bleepa Boxes at a new customer, with such costs typically being incurred in the first year of a customer contract only.

Operating expenses increased 25% to £1,357k (H1 2021: £1,082k), primarily due to increased headcount to drive the development and rollout of Bleepa, and an amortisation charge of £202k (H1 2021: nil) primarily related to capitalised software development, following the commencement of Bleepa sales. Excluding depreciation and amortisation, EBITDA loss (non-IFRS) increased 13% to £1,033k (H1 2021: £916k).

The Group invested a further £599k (H1 2021: £684k) in capitalised software development and IP, primarily related to product enhancements and new feature development to increase the attractiveness of its product suite and to meet customer demand. Following the successful fundraise which closed immediately prior to the Period end, the Group's cash position as at 30 November 2021 was strong at £11,423k (30 November 2020: £3,776k, 31 May 2021: £2,221k), providing the Company with the capital required to deliver its growth projects.

## **Outlook**

These results reflect the incredible work that the team has put into the products and customer deployments throughout the period. Our strategy of embedding with customers and rapidly developing the products following customer feedback has allowed us to refine the value proposition of our products and create a product suite that appeals to a wide range of customers and sectors. These developments stand to address priority areas including the NHS and India. We are pleased to report that we have installed our solutions ahead of schedule for initial pilot schemes in both the CDC and TB screening opportunities and hope to soon be in a position to have patients through the live systems with a view to realising significant commercial value in due course. The strong momentum achieved during the first half highlights the strength of our relationships and our ecosystem of partners and is expected to result in revenue for the full year being ahead of market expectations.

With a healthy cash position post the November raise we are ready to move at pace to recognise our numerous commercial growth opportunities and we look forward to reporting on our success.

**Dr Tom Oakley**  
Chief Executive Officer

**Professor Rory Shaw**  
Non-Executive Chairman

10 February 2022

**Consolidated Statement of Comprehensive Income (unaudited)**  
For the six months ending 30 November 2021

	Note	6 months ending 30 November 2021 (Unaudited) £'000	6 months ending 30 November 2020 (Unaudited) £'000	12 months ending 31 May 2021 (Audited) £'000
<b>Revenue</b>		<b>179</b>	<b>165</b>	<b>287</b>
Cost of sales		(60)	(1)	(25)
<b>Gross profit</b>		<b>119</b>	<b>164</b>	<b>262</b>
Other operating expenses		(1,357)	(1,082)	(2,323)
<b>Operating loss</b>		<b>(1,238)</b>	<b>(918)</b>	<b>(2,060)</b>
Net finance income		0	-	0
<b>Loss before taxation</b>		<b>(1,238)</b>	<b>(918)</b>	<b>(2,060)</b>
Tax credit		175	195	440
<b>Loss after tax attributable to the equity shareholders of the Company</b>		<b>(1,063)</b>	<b>(723)</b>	<b>(1,620)</b>
<b>Total comprehensive expense for the year</b>		<b>(1,063)</b>	<b>(723)</b>	<b>(1,620)</b>
Loss per share (pence)				
Basic and diluted	2	(0.10)	(0.07)	(0.16)

## Consolidated Statement of Changes in Equity (unaudited)

As at 30 November 2021

GROUP	Share Capital	Share Premium	Capital Reserve	Retained Earnings	Translation Reserve	Share option Reserve	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
At 31 May 2020	1,350	5,221	300	(5,111)	(210)	219	1,769
Total comprehensive loss for the year	-	-	-	(1,620)	-	-	(1,620)
New shares issued	1,318	3,952	-	-	-	-	5,270
Costs of new shares issued	-	(314)	-	-	-	-	(314)
Share-based payments	-	-	-	-	-	163	163
Total transactions with owners	1,318	3,639	-	-	-	163	5,119
At 31 May 2021	2,667	8,860	300	(6,730)	(210)	382	5,269
Total comprehensive loss for the year	-	-	-	(1,063)	-	-	(1,063)
New shares issued	4,000	7,200	-	-	-	-	11,200
Costs of new shares issued	-	(708)	-	-	-	-	(708)
Share-based payments	-	-	-	-	-	24	24
Total transactions with owners	4,000	6,492	-	-	-	24	10,516
<b>At 30 November 2021</b>	<b>6,667</b>	<b>15,352</b>	<b>300</b>	<b>(7,793)</b>	<b>(210)</b>	<b>406</b>	<b>14,722</b>



**Consolidated Statement of Financial Position (unaudited)**

As at 30 November 2021

	30 November 2021 (Unaudited) £	30 November 2020 (Unaudited) £	31 May 2021 (Audited) £
Note			
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	11	26	14
Intangible assets	3	1,979	2,682
	3,090	2,005	2,695
<b>Current assets</b>			
Trade and other receivables	62	94	138
Corporation tax receivable	614	522	767
Cash and cash equivalents	11,423	3,776	2,221
	12,099	4,392	3,126
<b>Total assets</b>	15,189	6,397	5,821
<b>Equity</b>			
<b>Capital and reserves attributable to the Company's equity shareholders</b>			
Called up share capital	6,667	2,667	2,667
Share premium account	15,352	8,860	8,860
Capital reserve	300	300	300
Translation reserve	(210)	(210)	(210)
Share option expense reserve	406	219	382
Retained earnings	(7,793)	(5,834)	(6,730)
<b>Total equity</b>	14,722	6,002	5,269
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	463	395	549
	463	395	549
<b>Non-current liabilities</b>			
Contract liabilities	4	-	4
	4	-	4
<b>Total liabilities</b>	467	395	553
<b>Total equity and liabilities</b>	15,189	6,397	5,821

**Consolidated Statement of Cash Flow**  
For the six months ending 30 November 2021

	6 months ending 30 November 2021 (Unaudited) £'000	6 months ending 30 November 2020 (Unaudited) £'000	12 months ending 31 May 2021 (Audited) £'000
<b>Cash flows from operating activities</b>			
Loss before tax	(1,238)	(918)	(2,060)
<i>Adjustments for:</i>			
Net finance income	(0)	-	(0)
Depreciation and amortisation	205	2	49
Share based payment expense	24	-	163
Decrease/(increase) in trade receivables	(60)	100	73
Decrease/(increase) in other receivables	136	(64)	(81)
Increase / (decrease) in trade payables	(95)	61	78
Increase / (decrease) in other payables	10	(395)	(254)
Corporation tax received	328	-	-
Total adjustments	547	(297)	27
Net cash used in operating activities	(691)	(1,214)	(2,033)
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets	-	(14)	(16)
Purchase of intangible assets	(599)	(684)	(1,419)
Net finance income received	0	-	0
Net cash used in investing activities	(599)	(698)	(1,435)
<b>Cash flows from financing activities</b>			
Net proceeds of share issue	10,492	4,956	4,956
Net cash generated from financing activities	10,492	4,956	4,956
Net increase/(decrease) in cash and cash equivalents	9,202	3,044	1,488
Cash and cash equivalents at beginning of period	2,221	733	733
<b>Cash and cash equivalents at end of period</b>	<b>11,423</b>	<b>3,776</b>	<b>2,221</b>

## Notes to the Unaudited Interim results for the six months to 30 November 2021

### 1. Basis of preparation

The accounting policies applied are consistent with those applied in the most recent consolidated annual report and accounts for the year ended 31 May 2021.

The information set out in this interim report for the six months ended 30 November 2021 does not constitute full statutory accounts under Section 434 of the Companies Act 2006 and was not subject to a formal review by the auditors. The financial information in respect of the year ended 31 May 2021 has been extracted from the statutory accounts which have been delivered to the Registrar of Companies.

There are no material events to report after the end of the reporting period.

This interim report was approved by the directors on 09 February 2022.

### 2. Loss per share

Basic loss per share is calculated by reference to the loss on ordinary activities after taxation and on the weighted average number of shares in issue.

	<b>6 months ending 30 November 2021 (Unaudited) £'000</b>	<b>6 months ending 30 November 2020 (Unaudited) £'000</b>	<b>12 months ending 31 May 2021 (Audited) £'000</b>
<b>Net loss attributable to ordinary equity holders</b>	(1,063)	(723)	(1,620)
Weighted average number of ordinary shares for basic earnings per share	1,075,674,855	971,380,047	1,023,499,123
Effect of dilution:			
Share Options	-	-	-
Warrants	-	-	-
<b>Weighted average number of ordinary shares adjusted for the effect of dilution</b>	1,075,674,855	971,380,047	1,023,499,123
Loss per share (pence)			
Basic	(0.10)	(0.07)	(0.16)
Diluted	(0.10)	(0.07)	(0.16)

### 3. Intangible assets

	Software development £'000	Customer relationships £'000	Intellectual Property £'000	Goodwill £'000	Total £'000
<b>Cost</b>					
At 31 May 2020	1,881	100	187	271	2,440
Additions	653	-	31	-	684
At 30 November 2020	2,534	100	218	271	3,124
Additions	735	-	0	-	735
At 31 May 2021	3,269	100	218	271	3,858
Additions	594	-	5	-	599
At 30 November 2021	3,863	100	223	271	4,458
<b>Amortisation</b>					
At 31 May 2020	646	100	126	271	1,143
Amortisation charge	-	-	2	-	2
At 31 November 2020	646	100	128	271	1,145
Amortisation charge	-	-	33	-	33
At 31 May 2021	646	100	161	271	1,178
Amortisation charge	191	-	11	-	202
At 30 November 2021	837	100	172	271	1,380
<b>Net Book Value</b>					
<b>At 30 November 2021</b>	<b>3,027</b>	<b>-</b>	<b>52</b>	<b>-</b>	<b>3,079</b>
At 31 May 2021	2,624	-	57	-	2,682
At 30 November 2020	1,889	-	90	-	1,979

### 4. Availability of this report

A copy of this announcement is available from the Company's website, being <https://fbkmed.com/feedback-plc/announcements/>.

To receive a hard copy of the interim report, please contact Walbrook Ltd on 020 7933 8780 or [feedbackplc@walbrookpr.com](mailto:feedbackplc@walbrookpr.com).