

17 April 2020

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Intelligent Ultrasound Group plc
("Intelligent Ultrasound" or the "Company")

**Placing to raise £5.2 million
and
Notice of General Meeting**

Intelligent Ultrasound (AIM: MED), the ultrasound artificial intelligence (AI) software and simulation company, is pleased to announce a Placing to raise £5.2 million (before the deduction of fees and expenses) through the conditional issue of 49,400,000 Ordinary Shares at 10.5 pence per Ordinary Share. The Placing has been arranged by Cenkos Securities and the Placing Shares will rank, *pari passu*, in all other respects with the Company's Existing Ordinary Shares.

Placing Highlights

- Placing to raise £5.2 million through the conditional issue of 49,400,000 Placing Shares to new and existing institutional and other investors at 10.5 pence per Placing Share
- The Placing Price equates to a 8.7 per cent. discount to the closing mid-market price of 11.5 pence on 16 April 2020 and a 1.7 per cent. discount to the 20 day volume weighted average share price of 10.7 pence per Ordinary Share for the 20 trading days prior to the announcement of the proposed Placing
- Placing Shares represent 18.3 per cent. of the Enlarged Share Capital

Use of proceeds

The net proceeds of the Placing of £4.8 million will be used by the Company for the following purposes:

- to complete the initial development work on the next ScanNav products that include liver, prostate and COVID-19 variants;
- to develop a new neonate simulator; and
- to strengthen the balance sheet and for general working capital purposes.

General Meeting

The Placing is conditional, *inter alia*, upon Shareholder approval at the General Meeting of the Company which will be held at the Cardiff Medicentre at 11.00 a.m. on 4 May 2020.

In accordance with current Government regulations in relation to COVID-19, Shareholders are encouraged to submit their Form of Proxy in advance of the General Meeting, as to attend the General Meeting in person would, as at the date of this announcement, be inconsistent with the relevant regulations. Shareholders who attempt to attend the General Meeting in person in breach of the stay at home measures will not be admitted.

Should Shareholders wish to ask any questions in relation to the Placing or the Resolutions, which they may otherwise have asked at the General Meeting had they been in attendance, they are encouraged to contact the Company prior to the General Meeting by email to IntelligentUltrasound@walbrookpr.com.

The Company will shortly be posting a Notice of General Meeting and an accompanying circular to existing shareholders following this announcement. All relevant documents will also be available to download from the Company website at <http://www.intelligentultrasoundgroup.com/reports-and-presentations/>.

Subject to, *inter alia*, the passing of the Resolutions at the General Meeting, the EIS/VCT Placing Shares are expected to be admitted to trading on AIM on or around 8.00 a.m. on 5 May 2020, being one Business Day prior to admission to trading on AIM of the General Placing Shares, which are expected to be admitted to trading on AIM on or around 8.00 a.m. on 6 May 2020.

Stuart Gall, CEO at Intelligent Ultrasound, said:

"We are an ambitious business that is creating and developing world-leading AI image analysis software to support clinicians in their use of ultrasound and I would like to thank our shareholders for enabling us to continue to build upon the success we achieved in 2019. Despite the current difficulties in our markets and workplace environments caused by COVID-19, our staff have been magnificent and we are particularly proud that we have been able to help in the training of frontline clinicians around the world with our BodyWorks COVID-19 ultrasound training simulator. Once we are through this current period of COVID-19 related uncertainty, the funds raised should enable the Group to reach profitability from the anticipated Clinical AI software revenues streams that are expected to generate long-term income for the Group over the coming years."

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This announcement should be read in its entirety. In particular, you should read and understand the information provided in the "Important Notices" section.

1. Introduction

The Company is today announcing a proposed Placing, pursuant to which it proposes to raise, subject to certain conditions, £5.2 million (before expenses) by the conditional Placing of 49,400,000 Placing Shares at the Placing Price to certain institutional and other investors.

The proceeds of the Placing will be used to develop the Company's products and provide additional working capital for the Group, as described in more detail in paragraph 2. The Placing Price equates to a 8.7 per cent. discount to the closing mid-market price of 11.5 pence on 16 April 2020 and a 1.7 per cent. discount to the 20 day volume weighted average share price of 10.7 pence per Ordinary Share for the 20 trading days prior to the announcement of the proposed Placing on 17 April 2020.

The Placing, which has been arranged by Cenkos Securities pursuant to the terms of the Placing Agreement, is also conditional on the Company obtaining approval from its Shareholders to disapply statutory pre-emption rights and

to grant the Board authority to allot the Placing Shares and upon the First Admission and the Second Admission respectively.

The following provides information about the background to and the reasons for the Placing, to explain why the Board considers the Placing to be in the best interests of the Company and its Shareholders, as a whole, and why the Board recommends that shareholders vote in favour of the Resolutions to be proposed at the General Meeting.

2. Background to and reasons for the Placing

Intelligent Ultrasound is making ultrasound easier for clinicians to use both in the clinic, via artificial intelligence-based clinical ultrasound image analysis software for medical ultrasound machines, and in the classroom, via advanced ultrasound training simulators to teach medical practitioners.

On 4 July 2019, Intelligent Ultrasound signed its first long-term licence and co-development agreement for its AI software with one of the world's leading ultrasound equipment manufacturers. The long-term agreement will enable the integration of Intelligent Ultrasound's real-time image analysis software onto a range of specialty specific ultrasound systems marketed in the global healthcare market, with the first royalty per unit revenues expected during 2021, following regulatory approval. Terms of the agreement are confidential and undisclosed for commercial reasons.

The Company has also completed the development for the first five nerve blocks of its ScanNav AnatomyGuide software and the regulatory and commercial partner process has started, with the aim of generating the first revenues from the product during 2021.

The Directors intend to use the net proceeds of the Placing to expand the development team and databases to develop a number of new ScanNav based software products, as well as to provide additional working capital to the Company, should the impact of COVID-19 be longer and more disruptive than currently expected.

Background to the Company

Based in Cardiff in the UK, Atlanta in the US and with representation in Beijing in Asia, the Group operates two divisions: an AI software development based Clinical AI Division and a revenue generating Simulation Division.

Originally focused on developing and selling hi-fidelity simulators to the professional ultrasound training market, in 2017 the Company acquired Intelligent Ultrasound Limited, an early stage spin-out company from The University of Oxford that was developing ultrasound image analysis algorithms. This acquisition enabled the Group to form a Clinical AI Division based on the work of Professor Alison Noble OBE, FREng, FRS, one of the world's leading academics in ultrasound image analysis using AI.

The Clinical AI Division has planned a software development pathway, under the "ScanNav" family brand name, which in the first phase comprises AI software based on the ScanNav Audit, ScanNav AutoCapture and ScanNav AnatomyGuide product lines; and subsequently expects to include additional variants of the first phase of software, as well as the development of a diagnostics product range (ScanNav Assist) and ultimately a consumer product range (ScanNav HealthCheck).

Software products in development include:

ScanNav Audit

The ScanNav Audit software provides real-time support for ultrasound practitioners performing the 20-week fetal anomaly scan. ScanNav Audit aims to ensure that a complete set of scan images, that conform to the required global scanning protocols, are captured during the procedure. The ScanNav software acts as a live 'virtual' peer-review, ensuring that the scan is performed correctly by highlighting issues to the sonographer as he or she saves each image. The software will also provide a record of each sonographer's performance, allowing managers to monitor staff and form

part of the record keeping and audit requirements of the clinic. ScanNav Audit requires regulatory approval prior to launch.

The Group expects to develop multiple obstetrics variants of ScanNav Audit to complement the 20-week protocol software described above.

ScanNav AutoCapture

The ScanNav AutoCapture software automatically captures and analyses all the ultrasound image planes in real-time, as the sonographer moves the ultrasound probe over the patient's abdomen during the 20-week fetal anomaly scan. The software then automatically selects and saves the key images required to meet the global protocols. The Directors believe that the ScanNav AutoCapture software has the potential to:

- *speed up workflow* – as the software automatically captures the correct images, operators do not need to manually freeze and save each image required by the protocol – allowing them to focus on their dynamic assessment of the fetus; and
- *improve accuracy and consistency* – the use of AI software should reduce the operator variability from the procedure, which is expected to result in more accurate and consistent image capture.

ScanNav AutoCapture requires further development and regulatory approval prior to launch.

The Group also expects to develop multiple obstetrics variants of ScanNav AutoCapture to complement the 20-week protocol software described above.

ScanNav AnatomyGuide

ScanNav AnatomyGuide is an AI based ultrasound software product which can automatically and in real-time identify anatomical structures on the live ultrasound scan image, highlighting structures such as arteries that must be avoided during a needling procedure. The software is currently being developed for use during Peripheral Nerve Block (PNB) procedures to support less experienced practitioners. Its development has been partly funded by Innovate UK.

PNB is a form of anaesthesia using needling that can be used for certain surgical procedures as an alternative to general anaesthesia and as a form of pain relief (potentially reducing the need for opioid analgesia). The PNB procedure requires less time and resource and is safer than general anaesthetic. However, PNB requires significant skill to guide the needle safely through the patient's anatomical structures and AnatomyGuide aims to assist the anaesthetist during the procedure.

In May 2019, the Company made the first live demonstration of the ScanNav AnatomyGuide software to clinicians at the Annual Scientific Meeting of Regional Anaesthesia United Kingdom (RA-UK).

The product development for the first five nerve blocks is completed and the regulatory and commercial partner process has started, with the aim of generating the first revenue from the product during 2021.

Future ScanNav products for development include:

ScanNav Assist

ScanNav Assist aims to facilitate the automatic recognition of abnormalities within a general ultrasound scan by confirming that a clinician has correctly scanned the anatomical area of interest and then flagging any areas of potential abnormality, so the patient can be triaged to the appropriate specialist. The Directors believe that ScanNav Assist will have the potential to allow more point-of-care medical practitioners to use ultrasound imaging for frontline diagnosis.

The Directors anticipate that the proceeds from the Placing will allow the Group to progress with the initial development of potential products targeted at liver scanning, prostate scanning and COVID-19 lung scanning.

ScanNav HealthCheck

In the longer term, the Group is investigating the potential development of AI software that could enable consumers to scan themselves at home. ScanNav HealthCheck aims to develop the current ScanNav technology to enable consumers to perform scans on themselves. When combined with the next generation of low-cost ultrasound devices, this software could have the potential to enable health conscious individuals to benefit from the ability to scan themselves at home.

The Group's strategy is to focus on the provision of AI ultrasound image analysis software for medical professionals before moving into the consumer AI market, as and when the relevant hardware becomes affordable for the consumer.

The Simulation Division

The Simulation Division designs, develops and sells hi-fidelity ultrasound training systems for teaching ultrasound scanning to medical professionals in institutions and medical device companies.

The Group's comprehensive range of ultrasound training simulators are, in the main, high value, capital sales made to the global medical institution market and sold through direct sales forces in the US and UK and a network of almost 30 resellers in the rest of the world. In 2019 the Simulation Division grew revenue by 11% to £5.9 million in 2019 (2018: £5.3 million), and the Division is recognised as one of the gold standard providers of ultrasound training simulators in the obstetrics/gynaecology (OBGYN), echocardiography/anaesthesiology (ECHO) and emergency medicine/point-of-care (PoCUS) markets.

In March 2020 the Group launched a COVID-19 version of its BodyWorks Point-of-Care simulator, designed to train healthcare providers to use lung ultrasonography. Ultrasound has major utility for the management of respiratory related COVID-19 due to its safety, repeatability, absence of radiation, low cost, ease of disinfection and point of care use. This new training simulator, as well as the free COVID-19 upgrade training module available for all existing BodyWorks customers, includes a number of examples of lung ultrasound appearances typical of COVID-19 infection to enable frontline clinical staff to practise and train in the use of lung ultrasound. The module was made available to the market on 24 March 2020 and the first systems are already in use in the UK and US, including in the newly created NHS Nightingale Hospital at London's ExCel centre. The Group hope this initiative will help with the training of healthcare professionals working in the frontline of this global emergency.

The development team will continue to develop new versions of this module as the fight against the virus evolves, as well as developing a new-born child version of the BodyWorks simulator for the neonate training market, for launch in 2021.

3. Use of proceeds

The Company intends to raise net proceeds of approximately £4.8 million by way of the conditional Placing. The primary purpose behind the Placing is to fund the expansion of the AI software development team and databases to develop a number of new ScanNav based software products, as well as to provide additional working capital to the Group, should the impact of COVID-19 be longer and more disruptive than currently expected.

The net proceeds of the Placing will be used by the Company for the following purposes:

- a) to strengthen the balance sheet for current OEM partners and on-going negotiations;
- b) to complete the initial development work on the next ScanNav products that include liver, prostate and COVID-19 variants;
- c) to develop a new neonate simulator; and
- d) for general working capital purposes.

4. Current trading and prospects

The Company announced its results for 2019 on 26 March 2020 and reported revenues for the period under review of £5.9 million up 11 per cent. (2018: £5.3 million) and a cash balance of £7.3 million (31 December 2018: £5.6 million). The Clinical AI Division performed particularly well in 2019, meeting all its milestones including signing its first licensing agreement with a major OEM and progressing development and commercial discussions for its second AI software product. The Simulation Division also worked hard to grow revenue, retain margins and keep its overheads in line with expectations.

However, the COVID-19 virus is currently impacting all regions in which the Group operates and the Group has therefore implemented a number of cost-saving measures to seek to off-set the potential impact of any associated reduction of revenue, prior to the Group generating its first AI-based software revenues, expected during 2021.

Following the conditional Placing, the Group will continue to develop additional variants of its COVID-19 lung ultrasound training module, as the frontline fight against the virus continues; as well as progressing its ScanNav and AnatomyGuide AI products to launch and accelerating the initial development of the new AI product variants. This will give the Group the potential to strengthen its AI product pipeline and the Directors believe that this may lead to the Group being in a stronger position when the current COVID-19 restrictions end.

The Directors believe that the Group remains an ambitious business that is successfully expanding into the new AI-based clinical software market and that, once the Group is through this period of COVID-19 related uncertainty, it can continue to build upon this momentum and reach the anticipated profitability inflection point from expected Clinical AI software revenues.

5. Directors' participation in the Placing

As part of the Placing, certain Directors intend to subscribe (either personally or through a nominee) for an aggregate of 409,523 Placing Shares at the Placing Price. Details of the Placing Shares for which the Directors intend to subscribe (either personally or through a nominee) are displayed below:

Name	Title	Number of Existing Ordinary Shares[#]	Number of Placing Shares intended to be subscribed for[#]	Value of Placing Shares intended to be subscribed for[#]	Resulting shareholding following proposed subscription[#]	Percentage of enlarged share capital following proposed subscription[#]
Stuart Gall	Chief Executive Officer	828,236	95,238	£10,000	923,474	0.34%
Helen Jones	Chief Finance Officer	0	95,238	£10,000	95,238	0.04%
Nicholas Sleep	Chief Technology Officer	326,471	95,238	£10,000	421,709	0.16%
Ian Whittaker	Chief Operating Officer	374,982	76,190	£8,000	451,172	0.17%
Nick Avis	Non-Executive Director	225,000	47,619	£5,000	272,619	0.10%

[#]The number of Ordinary Shares presented in this table as being held or subscribed for by Directors refers to the number of Ordinary Shares held or subscribed for by them either personally or through a nominee.

6. Details of the Placing

The Company is proposing to raise £5.2 million (before expenses) pursuant to the Placing. The Placing has conditionally raised a total of approximately £3.7 million through the placing of 35,637,769 EIS/VCT Placing Shares and a total of approximately £1.4 million through the placing of 13,762,231 General Placing Shares.

Admission of the Ordinary Shares to trading on AIM will occur over two Business Days to assist investors in the EIS/VCT Placing Shares to claim certain tax reliefs available to EIS and VCT investors. Subject to, *inter alia*, the passing of the Resolutions at the General Meeting, the EIS/VCT Placing Shares are expected to be admitted to trading on AIM on or around 8.00 a.m. on 5 May 2020, being one Business Day prior to admission to trading on AIM of the General Placing Shares, which are expected to be admitted to trading on AIM on or around 8.00 a.m. on 6 May 2020. The allotment of the EIS/VCT Placing Shares will be conditional on First Admission occurring. The allotment of the General Placing Shares will be conditional on the First Admission and Second Admission occurring. Investors in the EIS/VCT Placing Shares should be aware of the possibility that, following the First Admission, the Second Admission may not occur.

Although the Company currently expects to satisfy the relevant conditions for EIS/VCT Placing Shares, and the Directors are not aware of any subsequent change in the qualifying conditions or the Company's circumstances that would prevent the EIS/VCT Placing Shares from being eligible for EIS and VCT investments on this occasion, the Company has not sought any advance assurance as to the qualifying status of the EIS/VCT Placing Shares. Neither the Directors nor the Company nor Cenkos, nor any of their respective directors, officers, employees, affiliates or advisers give any warranty or undertaking or other assurance that relief will be available in respect of any investment in the EIS/VCT Placing Shares, nor do they warrant or undertake or otherwise give any assurance that the Company will conduct its activities in a way that qualifies for or preserves its status.

As the rules governing EIS and VCT reliefs are complex and interrelated with other legislation, if Shareholders, or other potential investors, are in any doubt as to their tax position, require more detailed information, or are subject to tax in a jurisdiction other than the United Kingdom, they should consult their professional adviser.

The Placing Price equates to a 8.7 per cent. discount to the closing mid-market price of 11.5 pence on 16 April 2020 and a 1.7 per cent. discount to the 20 day volume weighted average share price of 10.7 pence per Ordinary Share for the 20 trading days prior to the announcement of the proposed Placing on 17 April 2020. The Placing Shares will represent approximately 18.3 per cent. of the Enlarged Share Capital. The Placing Shares will, following Admission, rank in full for all dividends and distributions declared, made or paid in respect of the issued Ordinary Share capital of the Company after the date of their issue following each of the First Admission and Second Admission and will otherwise rank equally in all other respects with the Existing Ordinary Shares.

7. The Placing Agreement

Pursuant to the terms of the Placing Agreement, Cenkos has conditionally agreed to use its reasonable endeavours, as agent for the Company, to place the Placing Shares with certain institutional and other investors. The Placing has not been underwritten.

The Placing Agreement is conditional upon, *inter alia*:

- Resolutions 1 and 2 below being passed without amendment;
- compliance by the Company in all material respects with its obligations under the Placing Agreement;
- First Admission taking place by no later than 8.00 a.m. on 5 May 2020 (or such later date as is agreed between the Company and Cenkos, being not later than 8.00 a.m. on the Long Stop Date); and
- Second Admission taking place by no later than 8.00 a.m. on 6 May 2020 (or such later date as is agreed between the Company and Cenkos, being not later than 8.00 a.m. on the Long Stop Date).

The Placing Agreement contains warranties from the Company in favour of Cenkos in relation to, *inter alia*, the accuracy of the information in the Circular and other matters relating to the Group and its business. In addition, the Company has agreed to indemnify Cenkos in relation to certain liabilities it may incur in respect of the Placing. Cenkos has the right to terminate the Placing Agreement in certain circumstances prior to the First Admission and/or Second Admission, in particular, in the event of a breach of the warranties given to Cenkos in the Placing Agreement, the failure of the Company to comply in any material respect with its obligations under the Placing Agreement, the occurrence of a force

majeure event or a material adverse change affecting the condition, or the earnings, management, business affairs, solvency or prospects of the Group as a whole.

8. General Meeting

The Directors do not currently have authority to allot all of the Placing Shares and, accordingly, the Board is seeking the approval of Shareholders to allot the Placing Shares at the General Meeting.

A notice convening the General Meeting, which is to be held at The Cardiff Medicentre, Heath Park, Cardiff, Wales CF14 4UJ at 11.00 a.m. on 4 May 2020, is set out in the Circular. At the General Meeting, the following Resolutions will be proposed:

- Resolution 1, which is an ordinary resolution, to authorise the Directors to allot relevant securities for cash up to an aggregate nominal amount of £494,000.00, being equal to 49,400,000 new Ordinary Shares (i.e. the number of Placing Shares available under the Placing); and
- Resolution 2, which is conditional on the passing of Resolution 1 and is a special resolution, to authorise the Directors to allot 49,400,000 new Ordinary Shares for cash pursuant to the Placing on a non-pre-emptive basis.

The authorities to be granted pursuant to Resolutions 1 and 2 shall expire on whichever is the earlier of (a) the conclusion of the next Annual General Meeting of the Company; and (b) the date falling three months from the date of the passing of the Resolutions (unless renewed varied or revoked by the Company prior to or on that date) and shall be in addition to the Directors' authorities to allot relevant securities and dis-apply statutory pre-emption rights granted at the Company's Annual General Meeting held on 23 May 2019.

Effect of COVID-19 regulations on the General Meeting

In accordance with current Government regulations in relation to COVID-19, Shareholders are encouraged to vote by proxy in advance of the General Meeting, as to attend the General Meeting in person would, as at the date of this announcement, be inconsistent with the relevant regulations. Shareholders who attempt to attend the General Meeting in person in breach of the stay at home measures will not be admitted. Further details of the Government's regulations relating to COVID-19 can be found at www.gov.uk/coronavirus.

Voting on the Resolutions will be by way of a poll rather than a show of hands. A poll ensures that the votes of Shareholders who are unable to attend the General Meeting, but who have appointed proxies, are taken into account in the final voting results.

Given the current restrictions on attendance in person, Shareholders are encouraged to appoint the chairman of the meeting as their proxy rather than a named person who will not be permitted to attend the physical meeting. Shareholders are further asked to appoint the chairman of the meeting as their proxy electronically where possible.

Should Shareholders wish to ask any questions in relation to the Placing or the Resolutions, which they may otherwise have asked at the General Meeting had they been in attendance, they are encouraged to contact the Company prior to the General Meeting by email to IntelligentUltrasound@walbrookpr.com.

Shareholders will be sent a Form of Proxy for use in connection with the General Meeting. The Form of Proxy should be completed and returned in accordance with the instructions thereon so as to be received by Link Asset Services, The Registry, 34 Beckenham Road, Beckenham, Kent, BR3 4TU, as soon as possible and in any event not later than 48 hours (excluding non-Business Days) before the time of the General Meeting.

9. Recommendation

The Directors believe the Placing and the passing of the Resolutions to be in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors unanimously recommend Shareholders to vote in favour of the

Resolutions as they intend so to do in respect of their beneficial shareholdings amounting to 3,324,329 Ordinary Shares, representing approximately 1.5 per cent. of the existing issued ordinary share capital of the Company.

Expected Timetable of Principal Events

Announcement of the Placing, publication and posting of the Circular and Form of Proxy	17 April 2020
Latest time and date for receipt of completed Forms of Proxy	11.00 a.m. on 30 April 2020
General Meeting	11.00 a.m. on 4 May 2020
Announcement of result of General Meeting	4 May 2020
Admission and commencement of dealings in the EIS/VCT Placing Shares on AIM (First Admission)	8.00 a.m. on 5 May 2020
Admission and commencement of dealings in the General Placing Shares on AIM (Second Admission)	8.00 a.m. on 6 May 2020
Despatch of definitive share certificates in certificated form in respect of EIS/VCT Placing Shares	Within 10 days of First Admission
Despatch of definitive share certificates in certificated form in respect of General Placing Shares	Within 10 days of Second Admission

Notes:

- i. References to times are to London time (unless otherwise stated).
- ii. If any of the details contained in the timetable above should change, the revised times and dates will be notified by means of an announcement through a Regulatory Information Service.

Placing Price (per share)	10.5 pence
Number of Existing Ordinary Shares	219,996,792
Number of General Placing Shares	13,762,231
Number of EIS/VCT Placing Shares	35,637,769
Total number of Placing Shares	49,400,000
Enlarged Share Capital	269,396,792
Placing Shares as a percentage of the Enlarged Share Capital	18.3%
Gross proceeds of the Placing	£5.2 million

Definitions

The following definitions apply throughout this announcement unless the context otherwise requires:

Admission	the First Admission and the Second Admission, as context requires
AI	artificial intelligence
AIM	the market of that name operated by the London Stock Exchange
AIM Rules	the AIM Rules for Companies published by the London Stock Exchange from time to time
Business Day	a day (other than a Saturday or Sunday) on which commercial banks are open for general business in London, England
Cenkos or Cenkos Securities	Cenkos Securities plc
certificated form or in certificated form	an Ordinary Share recorded on a company's share register as being held in certificated form (namely, not in CREST)
Circular	the document to be sent to Shareholders which, for the avoidance of doubt, does not comprise a prospectus (under the Prospectus Rules) or an admission document (under the AIM Rules)
Clinical Products	ScanNav Audit, ScanNav AutoCapture, ScanNav AnatomyGuide, ScanNav Assist and ScanNav HealthCheck
Company or Intelligent Ultrasound	Intelligent Ultrasound Group plc, a company incorporated and registered in England and Wales under the Companies Act 2006 with registered number 09028611
CREST	the relevant system (as defined in the CREST Regulations) in respect of which Euroclear is the operator (as defined in those regulations)
CREST Regulations	the Uncertificated Securities Regulations 2001 (SI 2001/3755) (as amended)
Directors or Board	the directors of the Company, or any duly authorised committee thereof
EIS	enterprise investment scheme
EIS/VCT Placing	Placing Shares to be issued under the Placing and either (i) in respect of which EIS relief is to be claimed; or (ii) constituting a qualifying holding for VCT purposes
EIS/VCT Placing Shares	the 35,637,796 new Ordinary Shares to be issued and allotted to the Placees pursuant to the EIS/VCT Placing
Enlarged Share Capital	the entire issued share capital of the Company following completion of the Placing following First Admission and Second Admission
EU	the European Union
Euroclear	Euroclear UK & Ireland Limited, the operator of CREST

Existing Ordinary Shares	the 219,996,792 Ordinary Shares in issue at the date of this announcement, all of which are admitted to trading on AIM
FCA	the UK Financial Conduct Authority
FDA	the US Food and Drug Administration
First Admission	the admission to trading on AIM of the EIS/VCT Placing Shares
Form of Proxy	the form of proxy for use in connection with the General Meeting which accompanies the Circular
FSMA	the Financial Services and Markets Act 2000 (as amended)
General Meeting	the general meeting of the Company to be held at The Cardiff Medicentre, Heath Park, Cardiff, Wales CF14 4UJ at 11.00 a.m. on 4 May 2020, notice of which is set out in the Circular
General Placing	the Placing Shares to be issued which do not constitute EIS/VCT Shares
General Placing Shares	the 13,762,231 new Ordinary Shares to be issued and allotted to the Placees pursuant to the General Placing
Group	the Company and its subsidiaries
IUL	Intelligent Ultrasound Limited, a wholly owned subsidiary of the Company
Link Asset Services or Link	a trading name of Link Market Services Limited
London Stock Exchange	London Stock Exchange plc
Long Stop Date	29 May 2020
Notice of General Meeting	the notice convening the General Meeting which is set out in the Circular
OEM	Original Equipment Manufacturer
Ordinary Shares	ordinary shares of £0.01 each in the capital of the Company
Placee	the subscribers for the Placing Shares pursuant to the Placing
Placing	the EIS/VCT Placing and General Placing
Placing Agreement	the agreement entered into between the Company and Cenkos Securities in respect of the Placing dated 17 April 2020, as described in the Circular
Placing Price	10.5 pence per Placing Share
Placing Shares	the 49,400,000 new Ordinary Shares to be issued pursuant to the Placing
Prospectus Rules	the Prospectus Rules made in accordance with the EU Prospectus Directive 2003/71/EC in relation to offers of securities to the public and the admission of securities to trading on a regulated market

Regulatory Information Service	has the meaning given in the AIM Rules for Companies
Resolutions	the resolutions set out in the Notice of General Meeting
Second Admission	the admission to trading on AIM of the General Placing Shares
Shareholders	holders of Ordinary Shares
Simulation Products	ScanTrainer, HeartWorks and BodyWorks ultrasound training simulators
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland
Uncertificated or Uncertificated form	recorded on the relevant register or other record of the Shares or other security concerned as being held in uncertificated form in CREST, and title to which, by virtue of the CREST Regulations, may be transferred by means of CREST
US Person	has the meaning given in the United States Securities Act 1933 (as amended)
VCT	Venture Capital Trust
voting rights	all voting rights attributable to the share capital of the Company which are currently exercisable at a general meeting
£ and p	United Kingdom pounds sterling and pence respectively, the lawful currency of the United Kingdom

Important Notices

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Forward-looking statements

Some of the statements in this announcement include forward looking statements which reflect the Directors' current views with respect to financial performance, business strategy, plans and objectives of management for future operations (including development plans relating to the Company's products and services). These statements include forward looking statements both with respect to the Company and with respect to the sectors and industries in which the Company operates. Statements which include the words "expects", "intends", "plans", "believes", "projects", "anticipates", "will", "targets", "aims", "may", "would", "could", "continue" and similar statements or negatives thereof are of a forward looking nature.

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development of the industry in which the Company operates are consistent with the forward looking statements contained in this announcement, those results or developments may not be indicative of results or developments in subsequent periods. Accordingly, prospective investors should not rely on these forward-looking statements.

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