

PMD Device Solutions signs Letter of Intent for the Coala-Life technology for 2 MSEK per year with royalties

On May 13th, PMD Device Solutions (PMDS) signed a Letter of Intent with Red Line Microconsult AB's CEO, Magnus Sorlander, for a 2 MSEK annual license fee and a royalty on all sales.

PMDS and Magnus Sorlander, the founder of Coala-Life and CEO of Red Line Microconsult AB, have signed a Letter of Intent to develop and sell the monitoring technology, Coala-Life Monitor, within Europe. The transaction was confirmed by completing a 2 MSEK upfront license fee.

The transaction will see PMDS retain and service the intellectual property, regulatory approvals, supply chain, and rights to sell in the US. The US company, Qorum Partners Inc., is not part of the transaction.

Mr Sorlander will have the right to develop the intellectual property and support sales of the device across Sweden and Europe. Both PMDS and Mr Sorlander will continue collaborating to maximise the technology's opportunity. Mr Sorlander was the original inventor of the technology and brings significant expertise in electrocardiography, acoustic sensing, and machine learning technologies.

The agreement will see a 2 MSEK annual license fee with a 5% royalty on all device sales. A royalty fee of 2.5% will be realised on any new developments requiring the device's background IP.

A buy-out clause will offer the sale of all IP and regulatory ownership for a fee of 1.6 MSEK in addition to 5x the last 12 months' royalty fee's.

"The acquisition of the Coala-Life revenue-generating assets has allowed PMDS to accelerate its entry into the US market. This partnership allows PMDS to work with a fellow founder on innovations in the field of cardiac health. Together, we can combine our expertise and resources to maximise the potential of the Coala-Life monitor, allowing each of us to continue focusing on growing our core businesses. I am excited to work alongside a fellow founder and to build value together for the patients we serve," Says Myles Murray, CEO of PMDS.

"I am excited about the opportunity to continue serving the existing users of the Coala Device. Coala is a one-of-a-kind product on the market, and working together with PMDS, existing users, and other partners, we can develop, improve, and offer the expanded functionality that has always been a part of the original vision," says Magnus Sorlander, CEO.

Today, the Coala monitor is making a difference in the lives of approximately 900 patients and 100 patients in Sweden and the US, respectively. The potential impact of this innovative technology on European Cardiovascular Disease (CVD) patients, who account for 40% of the EU /US healthcare spending, is immense. By combining PMDS' healthcare expertise and market access with Mr Sorlander's advanced technology, we are poised to drive significant advancements in the healthcare industry.



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The Company's Certified Adviser is Redeye.

Information about PMDS

PMD Device Solutions AB develops and sells medical products for respiratory monitoring in both the hospital and homecare setting. Its primary product is RespiraSense, a solution used for monitoring respiratory rate to support the detection of patient deterioration early and to avoid preventable respiratory failure and adverse patient outcomes. RespiraSense is, to the Company's knowledge, the world's only continuous, motion-tolerant respiratory rate monitor delivering class-leading reliability in measuring respiratory rate. RespiraSense is a novel technology that is commercialised in Europe, the UK, and FDA cleared in the US. The company's shares are listed on Nasdaq First North Growth Market (STO: PMDS).

Attachments

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