

Q2 Report

APRIL-JUNE 2024

2024

Q1
JAN-MAR

Q2
APR-JUN

Q3
JUL-SEPT

Q4
OCT-DEC



12:30PM WED 09/15 **PulseOx**

PLEASE
Take another reading.

Oximetry	Pulse
84%	107bpm

10:03 AM WED 09/14

Jackie,
Your test results.

Systemic	Diastolic
126	89



3:39 PM Jun 19
Abnormal result detected **60** >

3:45 PM Jun 19
Your results appear normal **62** >

**Safeguarding Health,
Simplifying Care.**



Contents

Financial Summary	3
Message from the CEO	5
Company Developments	8
Company Details	9
Financial Calendar.....	10
About PMDS.....	12
Serviceable Market	14
Financial Targets.....	15
Board of Directors.....	16
Board of Directors' certification.....	17
Financial Performance	18
Notes.....	29

Financial summary in brief



Quarterly Financial information April-June 2024
comparative figures for the previous quarter are shown in brackets ()

Net sales kSEK 12,354 (Q1 2024: 11,059) a 11.7% increase

Recurring sales kSEK 9,588 (9,288) an increase
due to FX movement and higher sales

Gross margin 77% (79%)

EBITDA kSEK -8,002 (1,589)

Profit (loss) after financial items kSEK -11,703 (-6,357)

Earnings per-share SEK -0.56 (-0.31)

Cash and cash equivalents as of June 30, 2024 kSEK 1,248
vs. beginning of the quarter kSEK 2,856

- Coala Life Inc was acquired on April 12, 2024

Financial summary in brief

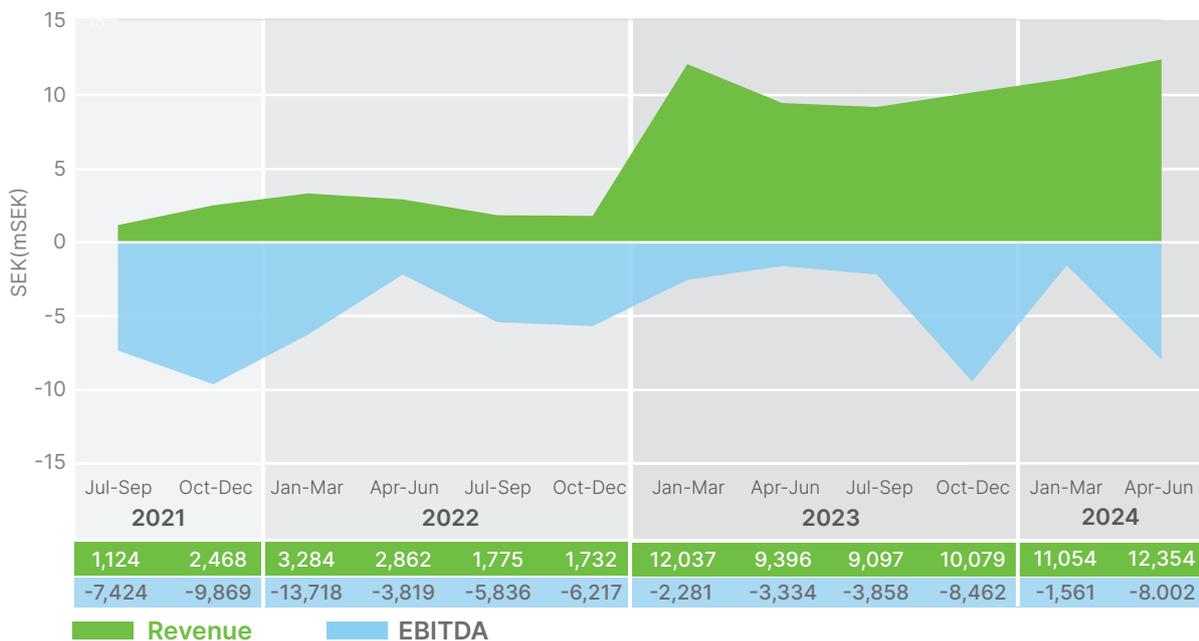


Revenue Trailing LTM* and Gross Margin



Quarterly Revenue and EBITDA

EBITDA trending towards breakeven



Message from the CEO

Continued success **beyond Ireland**

in the US, England, and Germany



PMDS continues to evolve and adapt to become a key player within Digital Healthcare, underpinned by propitiatory medical device innovations. Our unwavering commitment to #MakingEveryBreathCount continues to drive our growth and innovation, ensuring we remain at the forefront of respiratory care.

We continued our drive in the second quarter, which was an exciting and eventful period, with the major achievement of establishing a US presence for PMDS. With the acquisition of a remote patient monitoring (RPM) company, we have now created a new platform for the company in the important US market and truly

transformed our market leadership position and revenue potential. And at the same time, our business in the UK has progressed nicely. The new range of our products, services, and geographical reach has accelerated the company as a market leader in preventive healthcare solutions. The listing on Nasdaq First North in Stockholm earlier in the year has also given us a chance to broaden and deepen our shareholder base and thereby gain access to capital to visualise our long-term strategy.

On 25 June, we gave an update of our financial targets with an increased annual recurring revenue (ARR) target from 100m SEK to 260m

SEK by year-end 2026. We also reaffirmed that we expect that our operations will be cash-flow positive by year-end 2024. The main reason for the improved financial outlook is our new, healthy and restructured business in the US after the acquisition of the Remote Patient Monitoring (RPM) company, but we also see our European business growing in line with expectations.

In the US, we have managed to make a swift integration of the acquired company, reshaping its operational model and commercial strategy. The company is being rebranded as Remote Care Connect; a full services remote monitoring and chronic care management company monitoring patient's every beat, breath, and level.

Operational costs have been reduced by over 80%, and key customer accounts have been reduced to focus the business on those that will result in the company reaching profitability in 2024. The current business has a cashflow breakeven point of 2,300 monthly patients and a significant pipeline. We also plan to evaluate the targeting of respiratory clinics for the service, which has the potential to double patient numbers.

With a committed team, a lean operational model, and a core clinical focus, we are the only company in the US offering the breadth of services, which positions us as a clear choice to any hospital to maximise the reimbursement potential and ensure that services are available across the continuum of patient care. Relatively early market entrants characterise the US RPM market, and we see a great opportunity for Remote Care Connect to become the market leader through organic growth and acquisitions with the prospect of becoming the US #1 RPM provider by 2030.

The US market opportunity for Cardiac and Respiratory RPM is estimated to be worth 37bn SEK annually and growing >14% YoY. In addition to an improved monitoring and care setting for the patients, the core value proposition for healthcare providers is the possibility of transforming patient outcomes while increasing their revenues from billable activity without increasing their overheads.

The business emulates the bespoke Hospital at Home business model that PMDS has developed, with the advantage of being reimbursed by the US's largest insurer, Medicare.

In the UK, PMDS has built a pipeline of opportunities to provide a complete integrated care solution, combining RespiraSense in the acute hospital supporting early discharges and our Hospital at Home service in the community to reduce readmissions.

The UK market is worth >800m SEK annually across 42 healthcare regions, of which the PMDS pipeline currently covers five.

The value proposition is to release an entire hospital ward of bed capacity by reducing the average length of stay, hospital readmission rate, and the cost of service by saving on agency staff and increasing performance payments due to achieving operational targets. The National Institute for Health and Care Excellence (NICE) has selected the RespiraSense Hub Hospital at Home model of care, endorsing our approach and validating the significant impact of our solutions in patient care and system efficiency.

PMDS is working on the UK healthcare system at a regional level. Each deal involves clinical, IT, executive, and procurement governance committees. Unlike the US, European healthcare systems are socially funded and, as such, have a longer sales cycle. Equally, they are more likely to continue using products and services for longer.

We have learned a great deal by expanding into the UK and we see a clear potential for expanding our sales in the Acute setting also in Germany, where we are currently gaining positive feedback from first pilots. The German healthcare system is in many ways organised in a similar regional fashion as the UK system.

Our core market in Ireland remains robust, consistently demonstrating strong performance and market leadership and RespiraSense continues to support tens of thousands of respiratory admissions per year across the country.

In May, PMDS and Magnus Sorlander, the

founder of Coala-Life and CEO of Red Line Microconsult AB, 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 million SEK upfront license fee and a royalty on future revenues. Through the transaction, PMDS will retain and service the intellectual property, regulatory approvals, supply chain, and rights to sell in the US, while Mr Sorlander will have the right to develop the intellectual property and support sales of the device across Sweden and Europe. Both parties will continue collaborating to maximise the technology's opportunity.

With the evolution of PMDS' business model to include Hospital at Home, and our recent acquisition of the US RPM business, the board of directors has decided to take this opportunity to both accelerate its UK and US businesses and support balance sheet

improvements with a Rights Issue of up to 27.5 MSEK, increasing the access to growth capital that will support an extended growth period for PMDS. To support UK sales and the restructuring of the US company until the Rights Issue has been completed, PMDS has raised bridge loans of SEK 12.0 million in total. As we continue to grow, our focus remains on expanding our market presence in the US, the UK, and Germany.

We continue to work towards our target of achieving significant ARR to have a positive cash flow by year end. Thank you for your unwavering support and confidence in PMDS. Together, we are transforming respiratory care and making a profound difference in the lives of patients and their families.

Ireland, 22nd August, 2024

Myles Murray, Founder and CEO

“ Our unwavering commitment to **#MakingEveryBreathCount** continues to drive our growth and innovation, ensuring we remain at the forefront of respiratory care. ”



Company Developments

During Q2

APRIL-JUNE 2024



Full Company Description available from www.pmd-solutions.com

Revenue

Consolidated net sales for the three months are in line with expectations at kSEK 12,354 and are 27% higher than in Q2 2023. Q2 2024 revenues are higher than Q1 2024 by 11% due to the acquisition of Coala Life Inc. Revenue predominantly came from acute hospital recurring sensor sales (76%) while revenue from our new Hospital at Home managed service offering amounted to 5%. The remaining 14% came from delivery of capital equipment, licence sales and sales from the new subsidiary Coala Life Inc.

Gross Profit

The gross margin decreased slightly from 78.8% to 76.5% from Q2 2023 to Q2 2024 and improved from 77.9% to 78.8% from Q1 2024 to Q2 2024.

Cost of sales represents the direct cost of acquiring and producing sold products and the direct cost of delivering of managed services.

Operating Expenses

Operating expenses for the quarter increased from kSEK 16,931 (Q1 2024) to kSEK 17,582 (Q2 2024) and a 62% increase from the same time in 2023 (Q2 2023 kSEK 10,916) reflecting the acquisition of Coala Life Inc.

Loss for the Period

Loss for the quarter was kSEK 11,703 (Q1 2024: 6,357). The increase is due to higher costs associated with acquiring Coala Life

Inc. EBITDA loss for the quarter increased from kSEK 3,336 in Q2 2023 to kSEK 8,002 in Q2 2024 due to acquiring Coala Life.

Cash Flow & Liquidity

Cash flows from operating activities including interest charges and changes in working capital for the quarter amounted to kSEK +43 (Q1 2024: +991). It also shows an improvement over Q2 2023 of kSEK 2,221.

The group recorded net cash inflow from financing activities due to kSEK 3,076 raised from financiers in Q2 2024.

Financial Position

At the end of June 2024, the Group's equity was kSEK 115,152 (June 2023: 104,799). Total assets increasing to kSEK 114,196 (June 2023: 40,867), mainly due to the recognition of SEK 45m goodwill and other assets arising from the acquisition of Coala Life Inc and other assets acquired from the former Promore Pharma group.

Highlighted Events in Q2

PMDS completed acquisition of Coala Life Inc (USA) in April 2024, alongside acquisition of the Coala Life AB patents and licences and other assets.

In May 2024, PMDS licenced the sale of Coala Life devices to Red Line Microconsult AB for SEK 2m plus royalty fees on future European sales.



We are #MakingEveryBreathCount

Company Details

PMD Device Solutions AB (“the Company”), is a limited company incorporated in Sweden. The company’s registration number is 556639-6809 and its ISIN is SE0021513645. The registered office is c/o Eversheds Sutherland Advokatbyrå AB, Box 14055, Sveavägen 20, SE-104 40 Stockholm, with operational headquarters in Bishopstown House, Model Farm Road, Cork, Ireland.

Business

PMDS is an innovative digital healthcare company that improves patient outcomes in the hospital and homecare setting by #MakingEveryBreathCount. Proprietary industry-leading medical technology underpins our patient-centric solutions for monitoring

patients’ health and for supporting clinical workflow. With over 30% of the world’s medical activity focused on treating respiratory and cardiac conditions, our focus is on the patient population that represents the largest portion of this activity, specifically patients with chronic obstructive pulmonary disease, pneumonia, Influenza, heart failure, chronic heart disease, and hypertension.

Our offering comprises products and services co-designed with healthcare providers to ensure usability and measurement outcomes.

- **RespiraSense™** is the world’s leading wearable continuous and motion-tolerant respiratory rate monitor. It supports the timely identification of patient decline to trigger the right treatment.

- **Qora™** Portal is a web-based clinical dashboard that visualises vital signs and cardiac rhythms from wearables and supports alert management.
- **Coala Life Monitor™** is a class-leading wearable cardiac electronic rhythm and acoustic recorder for detecting abnormal cardiac activity or heart murmurs.

With an ageing population and increasingly more complex models of care required for increased comorbidities, global healthcare systems are transitioning to value-based models of care. PMDS primarily focuses on directly selling to healthcare providers in markets with integrated digital transformation frameworks, dedicated funding for digital innovations, and where pilots can lead to scaled success. The following priority markets include:

- **England:** NHS England has dedicated innovation pathways, including NHS Transformation, the National Institute for Clinical Excellence, Integrated Care systems, and national procurement frameworks.
- **Germany:** The adoption and funding of digital innovations have been legislated into the DiGA framework. This is supported by a national procurement framework of both Sickness funds for pilots and coding add-ons for national procurement for specific diseases, including cardiac and respiratory-related coding.
- **USA:** As the single largest healthcare market in the world, Medicare health insurance incentivises providers to reduce 30-day readmission rates for respiratory and cardiac-related activity, in addition to finding virtual monitoring programmes for the number of emergency hospitalisations per year.

PMDS, therefore, focuses on two key segments of the healthcare market:

- **Acute hospitals:** To deploy RespiraSense™ to prevent deterioration and improve patient outcomes, reducing hospital length of stay, cost of care, and readmission rates.
- **Hospital at Home:** This umbrella term covers the step-down care of patients being discharged from the hospital for < 30 days

and managing chronic disease patients in the community to prevent emergency admissions. In Europe, the term Virtual Wards is often used.

With a clear value proposition and business care for adopting our products and services, PMDS continues to innovate. It uses AI for smarter alerts and develops enhanced features to improve usability, scalability, and clinical outcomes. While also working with global healthcare authorities to create guidance to improve the standard of care.

The Share and Shareholders

As of 30 June 2024, the number of shares and votes in PMD Device Solutions AB was 20,848,530.

Financial Calendar

- **Interim Report Jan-Sept 2024:** 22nd November 2024
- **The Financial Calendar can be found on PMDS's website:** <https://investors.pmd-solutions.com/en/investors/financial-calendar/>

Significant Risks and Uncertainties

The Group's activities are associated with a number of risks and uncertainties. These are described in the Company Description documentation. No changes are considered to have occurred since the publication of the RTO documentation.

Auditors Review

This interim report has not been subject to review by the company's auditors.

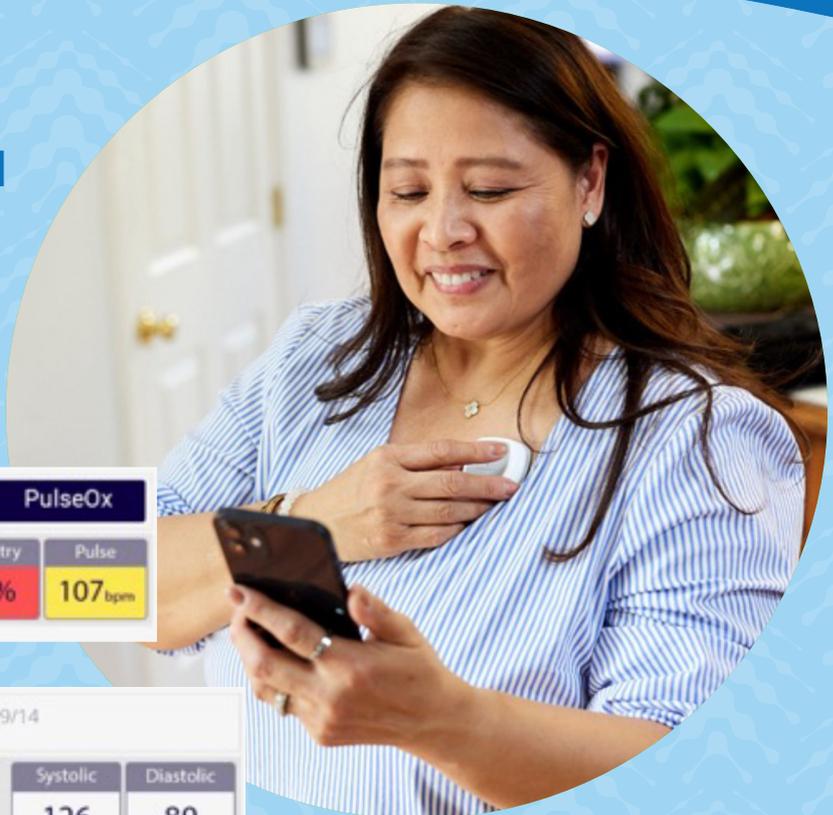




“ Our vision is to partner with healthcare professionals to avoid preventable respiratory failure events by transforming the standard of care in patient monitoring ”



Transforming patient outcomes in both the hospital and the home with novel medical technology



12:30PM WED 09/15 **PulseOx**

PLEASE
Take another reading.

Oximetry	Pulse
84%	107 bpm

10:03 AM WED 09/14

Jackie,
Your test results.

Systolic	Diastolic
126	89

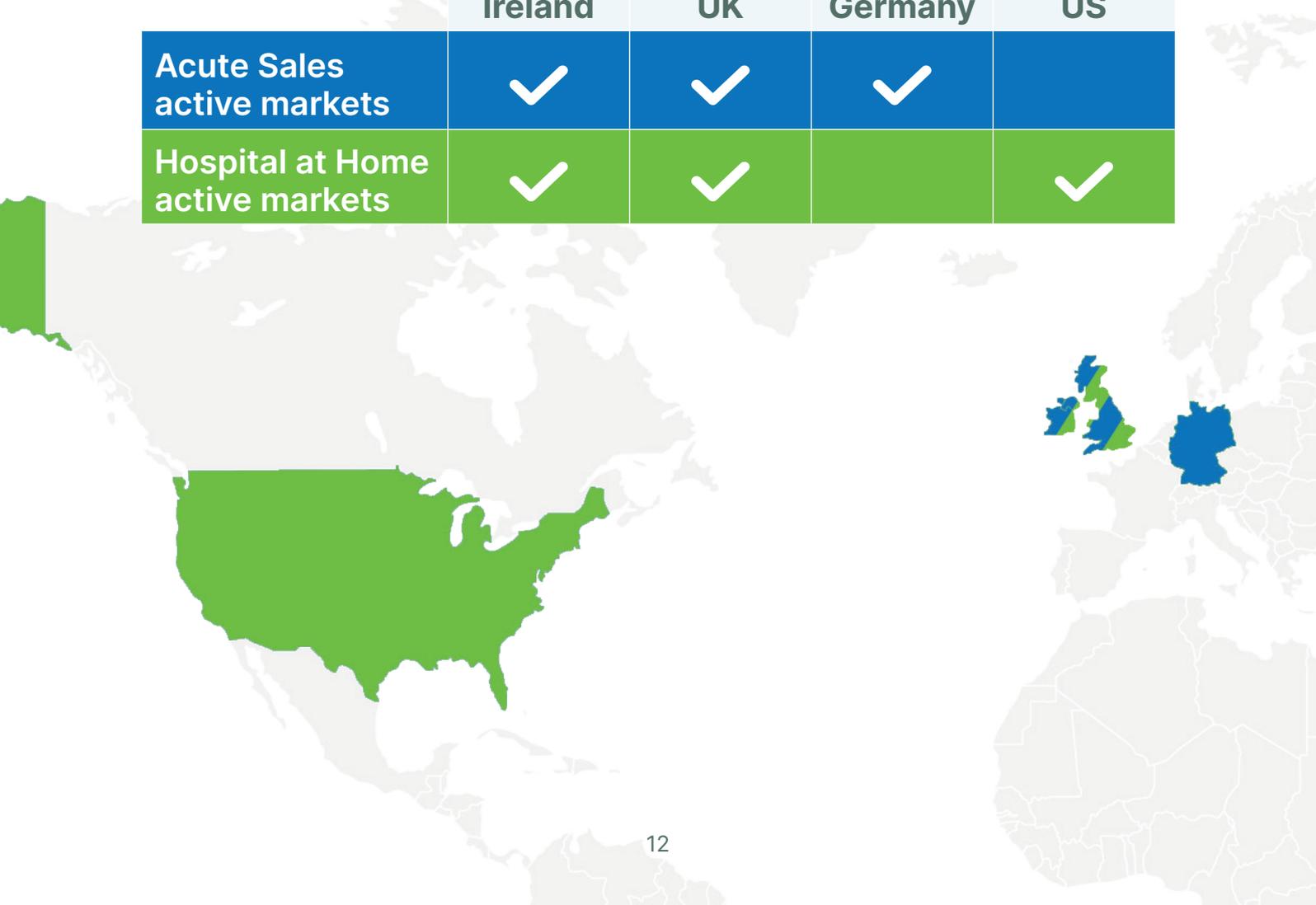
About PMDS

PMD Device Solutions AB (STO: PMDS) was founded in 2011 by founder Myles Murray to revolutionise respiratory monitoring. Between 2011 and 2016, the novel device RespiraSense™ was developed and clinically validated as an accurate and motion-tolerant respiratory rate monitor. With an ambition to be the industry leader in respiratory monitoring solutions, PMDS continued to develop evidence of the clinical impact on patient outcomes and to engage with clinical governing bodies to create guidance for its use. Between 2016 and 2019, developing the 2nd and 3rd generation RespiraSense devices led to significantly improved usability and interoperability with

hospital IT systems and enabled centralised respiratory rate monitoring. These were extensively supported by the European Commission and UK funding programmes.

During 2019, PMDs had a market presence in the UK and Middle Eastern markets, with several pilots ongoing. As a result, with the establishment of COVID and the restrictions that followed, PMDS pulled back all pilots and focused on the Irish market with significant success, leading the device to become the standard of care for all respiratory conditions in acute care across the country between 2020 and the present day.

	 Ireland	 UK	 Germany	 US
Acute Sales active markets	✓	✓	✓	
Hospital at Home active markets	✓	✓		✓



During 2023, PMDS began to identify an increasing trend in Hospital-at-Home pathways in the UK, which were initiated due to the pandemic. PMDS began co-designing a virtual ward pathway in Ireland, with its innovation RespiraSense at the core. This resulted in significant reductions in readmissions and improved patient quality of life. From 2024, a fully managed virtual ward service became part of the company's offering.

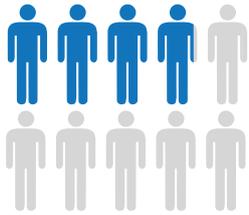
To support an accelerated market entry into the

US and an expansion in our hospital-at-home market, PMDS acquired a US company with a diverse market share for virtual monitoring of patients with chronic conditions, namely hypertension.

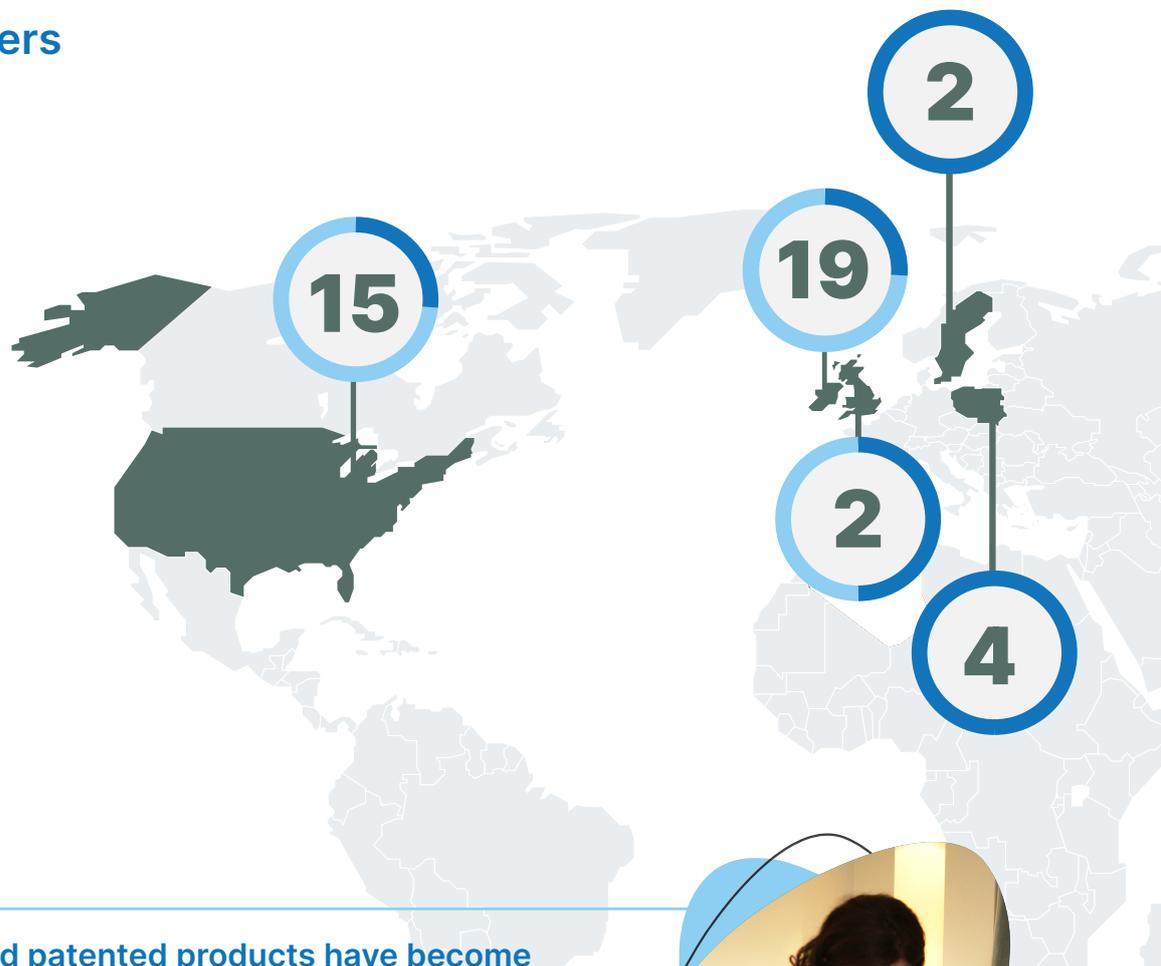
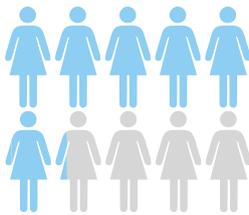
PMDS is now in its growth phase, focusing on European and US markets, increasing its market leadership position while continuing to innovate to support healthcare providers and improve patient outcomes across the continuum of care.

Team members

37.5%



62.5%



PMDS's novel and patented products have become the standard of care across most Irish hospitals since 2021, and PMDS is diversifying its customer base through its expansion in the UK and early-market access work in the German and US markets.

This is supported by a strong base of clinical evidence including reviews and guidance published by NICE in the UK for both monitoring of hospitalised patients and those within hospital-at-home pathways.



Serviceable Market

PMDS's primary product, RespiraSense™, has applications in the hospital and homecare settings. Respiratory rate is how many times a person breathes per minute. Changes in respiratory rate are the earliest indicator of a declining health status, much earlier than blood oxygen or heart rate changes. By enabling the continuous monitoring of respiratory rate, healthcare professionals have a powerful tool to support timely clinical decision making – this results in the right treatment for the right patient at the right time.

However, the global standard of care is to manually count breaths per minute because existing technologies suffer from inaccurate measurements due to movement, coughing, talking, poor circulation, irregular heartbeats due to medication or underlined heart abnormalities, skin colour, or environmental conditions such as noise. RespiraSense™ delivers continuous and motion-tolerant respiratory rate monitoring as an emerging industry-leading solution. It is used by healthcare professionals and multinational pharmaceutical and medical device companies who require reliability for clinical trials.

PMDS has a serviceable market of SEK 116bn. As our evidence and market penetration is strongest in respiratory-compromised patients, we are focusing on this cohort, **especially within the US and EU markets.**

PMDS has two business models:

ACUTE HOSPITAL SALES

– Sales of RespiraSense™ Product

The market opportunity for acute hospital sales across US and the EU is focused on patients requiring ventilation support on the general ward, which accounts for:

15–35%
of all respiratory admissions

Resulting in a market opportunity of average **SEK 41bn**

HOSPITAL-AT-HOME SALES

– Sale of managed services

The hospital-at-home market for the acute monitoring of patients at home is estimated to be valued at SEK 38bn for the US, UK, and Irish markets. The segment is evolving across the US and EU (where they are more commonly known as Virtual Wards). Key statistics and spends are shown below:

Hospital-at-home services:

- **25%** are related to respiratory management
- **25%** related to cardiology management

Between 2022-2023, taking 25% of the assigned or reported budgets, the estimated spend on respiratory services for hospital-at-home per annum is:


United States
SEK **74bn**

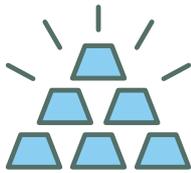

United Kingdom
SEK **1.7bn**


Ireland
SEK **0.24bn**

Financial Targets



PMDS has a strong foundation to build its share of market and become the global market leader in respiratory monitoring solutions. To this end, PMDS is focused on delivering the following financial targets that will strengthen the company for the next period of growth:



Profitability

PMDS's ambition is to achieve sufficient annual recurring revenue to realise quarter-on-quarter profitability by the end of 2024.



Expansion to new markets

PMDS forecasts at least 10 pilots (i.e. trials that are paid for) launched between Germany and the US up to the end of 2025.



Growth

PMDS forecasts year-on-year compound Annual Growth Rates of greater than 30% from 2023 to 2026.



Revenue Target

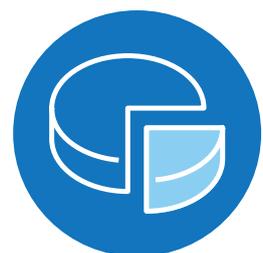
PMDS forecasts an annual recurring revenue target of mSEK 260 by the end of 2026.

Shares Listing

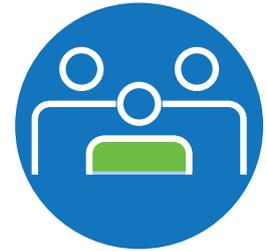
PMDS's shares are listed on Nasdaq First North Growth Market (STO: PMDS) ISIN: SE0021513645.

PMDS's Certified Adviser is Redeye.

PMDS's Auditor is HLB.



Board of **Directors**



Peter Donnelly

Chairman of the board

> 20 years of private company board experience

Selected experience



Christer Ahlberg

Board member

Extensive experience from managerial roles

Selected experience



Magnus Christensen

Board member

> 5 years of company board experience

Selected experience



Myles Murray

Founding CEO and board member

Inventor of RespiraSense™

Selected experience



Anne Dorney

CCO and board member

> 30 years of experience in commercial banking

Selected experience



Board of Directors' certification

The Board of Directors and CEO certify that this interim report provides a true and fair view overview of the operations, financial position and earnings of the Group and Parent Company and describes significant risks and uncertainties faced by the Parent Company and companies included in the Group.

Stockholm 21 August 2024
PMD Device Solutions AB

Peter Donnelly
Chairman

Myles Murray
CEO & Director

Christer Ahlberg
Director

Anne Dorney
Director

Magnus Christensen
Director



FINANCIAL SUMMARY

(kSEK)	April-June		Jan-June		9-months
	2024	2023	2024	2023	Apr 23-Dec23
Net sales	12,354	9,440	23,413	21,675	28,623
Gross profit	9,510	7,509	18,220	16,994	22,503
Gross margin %	77.0%	79.5%	79%	77%	79%
EBITDA	-8,002	-3,336	-9,591	-5,616	23,892
EBITDA margin %	-65%	-35%	-41%	-26%	83%
Operating income (EBIT)	-9,229	-4,611	-12,025	-8,087	-20,052
Operating margin %	-75%	-49%	-51%	-37%	-70%
Income after net financial items	-11,703	-6,751	-18,060	-13,073	-29,094
Net income	-11,703	-6,751	-18,060	-13,073	-27,490
Net income margin %	-95%	-72%	-77%	-60%	-96%
Total assets	114,196	40,867	114,196	40,867	39,479
Equity	-115,152	-104,799	115,152	-104,799	-98,670
Equity ratio %	-389%	-897%	-389%	-897%	-846%
Quick ratio %	11%	1%	11%	1%	5%
Debt to equity ratio %	-199%	-139%	-199%	-139%	-140%
Average number of full-time employees for the period	35	22	31	22	24
Number of employees at balance date	37	22	37	22	26
Number of employees and consultants at balance date	57	22	57	22	26
Average number of shares before dilution 1)	20,761,458	18,346,500	20,761,458	18,346,500	2,128,454k
Average number of shares after dilution 1)	20,761,458	20,489,132	20,761,458	20,489,132	2,266,889k
Earnings per share before dilution, SEK	-0.56	-0.37	-0.87	-0.71	-0.013
Earnings per share after dilution, SEK	-0.56	-0.37	-0.87	-0.71	-0.013

NET SALES

(kSEK)	April-June			Jan-June			9-months	
	2024	2023	%	2024	2023	%	Apr 23-Dec23	%
Ireland	9 877	9 638	80%	20 908	21 647	89%	28 358	99%
United Kingdom	29	28	0%	57	28	0%	34	-
USA	2 448	-	20%	2 448	-	10%	-	-
Other countries	-	-	-%	-	-	-%	231	1%
Total net sales	12 354	9 666	100%	23 413	21 675	100%	28 623	100%

The table below gives the ownership of the company as at 26 June 2024:

LARGEST SHAREHOLDERS AT THE END OF THE PERIOD

AS AT 26 JUNE 2024

Shareholder	No of shares 26 June 2024	Ownership %
Myles Murray	8,081,909	38.76%
Anne Dorney	1,937,703	9.29%
Tom O'Brien	1,019,461	4.89%
Gentian Health LTD	851,347	4.08%
Mohammed Al Amoudi & bolag	766,068	3.67%
Chirp AB	605,368	2.90%
Christopher Martin	507,795	2.44%
Hurley Conor	370,640	1.78%
Sullivan Donal	333,877	1.60%
Thrasherstown Farm LTD	281,687	1.35%
Others	6,092,675	29.2%
Total	20,848,530	100.0%

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(kSEK)	April-June		Jan-Jun		9-months
	2024	2023	2024	2023	Apr 23-Dec23
Net sales	12 354	9 440	23 413	21 675	28 623
Cost of sales	-2 844	-1 931	-5 193	-4 681	-6 120
Gross profit	9 510	7 509	18 220	16 994	22 503
Operating expenses	-17 582	-10 916	-28 248	-22 749	-38 932
Depreciation and amortisation	-1 227	-1 275	-2 434	-2 471	-3 840
Other income	70	71	437	139	217
Operating loss	-9 229	-4 611	-12 025	-8 087	-20 052
Financial costs	-2 474	-2 140	-6 035	-4 986	-9 042
Loss on ordinary activities before taxation	-11 703	-6 751	-18 060	-13 073	-29 094
Taxation	-	-	-	-	-
Loss for the financial period	-11 703	-6 751	-18 060	-13 073	-29 094
Other comprehensive income:-	-	-	-	-	-
Exchange difference on translation of foreign operations	2 675	-3,145	-367	-4,103	1 604
Total comprehensive loss for the period	-9 028	-9,896	-18 427	-17,176	-27 490

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(kSEK)	30-Jun 2024	30-Jun 2023	31-Dec 2023
ASSETS			
Non-current assets			
Intangible assets	84 596	29 185	27 810
Tangible assets	2 249	3 129	2 550
Right of use assets	2 479	3 830	3 022
Total non-current assets	89 324	36 144	33 382
Current assets			
Inventory	1 432	3 255	1 216
Trade and other receivables	22 192	1 182	3 597
Cash and cash equivalents	1 248	286	1 284
Total current assets	24 872	4 723	6 097
TOTAL ASSETS	114 196	40 867	39 479
EQUITY AND LIABILITIES			
Current liabilities			
Trade payables	24 516	15 893	20 065
Deferred revenue	40 912	41 613	38 801
Other short term loans	31 385	37 988	3 000
Liabilities to credit institutions	258	547	355
Leased creditor	1 293	1 463	1 371
Other liabilities and accruals	110 671	25 261	33 082
Total current liabilities	209 035	122 765	96 674
Non-current liabilities			
Leased creditor	1 060	2 539	1 707
Warehoused tax liabilities	18 005	18 712	17 655
Other long term liabilities	1 248	1 583	22 113
Liabilities to credit institutions	0	67	-
Total non-current liabilities	20 313	22 901	41 475
TOTAL LIABILITIES	229 348	145 666	138 149
TOTAL EQUITY	-115 152	-104 799	-98 670
TOTAL LIABILITIES AND EQUITY	114 196	40 867	39 479

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(kSEK)	Share Capital	Other contributed capital	Reserves	Retained Earnings	Total Equity
Q1 & Q2 Jan-June 2024					
At 1 January 2024	105 407	51 169	-3 904	-251 342	-98 670
Result for the period	-	-	-	-18 061	-18 061
New share issue	1 337	609	-	-	1 946
Other comprehensive income items	-	-	-367	-	-367
At 30 JUNE 2024	106 744	51 778	-4 271	-269 403	-115 152
Q1 & Q2 Jan-June 2023					
At 1 January 2023	550	23 561	-4 550	-107 184	-87 623
Other comprehensive income items	-	-	-4,103	-	-4,103
Result for the period	-	-	-	-13 073	-13 073
At 30 JUNE 2023	550	23 561	-5 508	-120 257	-104 799
FY April-Dec 2023					
At 1 April 2023	550	23 561	-5 508	-113 506	-94 903
Result for the year	-	-	-	-29 094	-29 094
New share issue	125	27 608	-	-	27 733
Other comprehensive income items	-	-	1 604	-	1 604
Reverse takeover	104 732	-	-	-108 742	-4 010
At 31 DECEMBER 2023	105 407	51 169	-3 904	-251 342	-98 670

CONSOLIDATED CASH FLOW STATEMENT, SUMMARY

(kSEK)	April-June		Jan-June		9-months
	2024	2023	2024	2023	Apr 23-Dec23
Cash-flows from operating activities					
Operating Loss for the financial period	-9 229	-4 610	-12 025	-8 086	-20 052
Adjusted for:					
Depreciation and amortisation	1 227	1 275	2 434	2 471	3 840
Interest paid	-1 147	-315	-1 485	-550	-9 042
Decrease (+)/ increase (-) of operating receivables	-1 221	1 772	606	6 063	1 738
Decrease (+)/ increase (-) of operating liabilities	10 413	-300	11 315	-3 707	9 642
Net cash inflow/(outflow) from operating activities	43	-2 178	845	-3 809	-13 874
Cash flows from investing activities					
Payment to acquire tangible fixed assets	-193	-493	-193	-493	-119
Payments to acquire intangible & ROU fixed assets	-513	-1 431	-513	-1 431	-2 493
Net cash received from acquisition of Promore Group	-	-	-	-	1 071
Net cash received/(used) in investing activities	- 706	-1 924	- 706	-1 924	-1 541
Cash flows from investing activities					
Payment to acquire tangible fixed assets	-179	-219	-372	-378	-119
Payments to acquire intangible & ROU fixed assets	-781	-633	-1 294	-2 399	-2 493
Net cash received from acquisition of Promore Group	-	-	-	-	1 071
Acquisition of Coala Life Group	-3 600	-	-3 600	-	-
Net cash received/(used) in investing activities	-4 560	- 852	-5 266	-2 777	-1 541
Cash flow from financing activities					
Repayments of liabilities to credit institutions	-12	-147	- 104	-222	-401
Movement on loans	3 076	-1 046	3 076	-2 046	-5 000
Movement in leases	-365	-342	- 785	428	-1 054
Proceeds from shareholders	0	-	1 946	-	19 070
Net cash inflow/(outflow) from financing activities	2 699	-1 535	4 133	-1 840	12 615
Net increase/(decrease) in cash and cash equivalents during the period	-1 818	-4 565	- 288	-8 426	-2 800
Cash and cash equivalents at the beginning of the period	2 856	4 310	1 284	8 253	4 310
Cash acquired from Coala Group	227	-	227	-	-
FX differences	-17	541	25	459	-226
Cash and cash equivalents at the end of the period	1 248	286	1 248	286	1 284

PARENT COMPANY INCOME STATEMENT

(kSEK)	April – June		Jan – June		12-months
	2024	2023	2024	2023	2023
Net sales	38	123	38	126	126
Cost of sales	-	-	-	-	-
Gross profit	38	123	38	126	126
Operating expenses	-1 278	-3 828	-1 357	-10 893	-21 755
Depreciation and amortisation	-	-	-	-	-
Other operating income	279	13	279	42	49
Operating loss	- 961	-3 692	-1 040	-10 725	-21 580
Financial expenses	-435	-	-435	-	-11
Writedown of investment in group companies	-	-	-	-	-268
Loss on ordinary activities before taxation	-1 396	-3 692	-1 475	-10 725	-21 859
Taxation	-	-	-	-	-
Loss for the financial period	-1 396	-3 692	-1 475	-10 725	-21 859
Other comprehensive income:-	-	-	-	-	-
Total comprehensive loss for the period	-1 396	-3 692	-1 475	-10 725	-21 859

PARENT COMPANY STATEMENT OF FINANCIAL POSITION

(kSEK)	30-Jun		31-Dec
	2024	2023	2023
ASSETS			
Non-current assets			
Financial fixed assets	157 214	218	153 463
Total non-current assets	157 214	218	153 463
Current assets			
Trade and other receivables	8 354	1 802	895
Cash and cash equivalents	43	3 659	528
Total current assets	8 397	5 461	1 423
TOTAL ASSETS	165 611	5 679	154 886
EQUITY AND LIABILITIES			
Current liabilities			
Trade payables	4 483	1 121	3 117
Current tax liabilities	-	218	-
Loans	6 076	-	-
Other liabilities and accruals	6 549	1 091	3 692
Total current liabilities	17 108	2 430	6 809
Non-current liabilities			
Liabilities to credit institutions	-	-	-
Total non-current liabilities	-	-	-
TOTAL LIABILITIES	17 108	2 430	6 809
TOTAL EQUITY	148 503	3 249	148 077
TOTAL LIABILITIES AND EQUITY	165 611	5 679	154 886

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

(kSEK)	Share Capital	Statutory reserve	Share premium reserve	Retained earnings	Net result	Total Equity
Q1 & Q2 Jan-June 2024						
At 1 Jan 2024	105 407	380	270 946	-228 657	-	148 077
Loss for the period	-	-	-	-	-1 475	-1 475
New share issue	1 337	-	564	-	-	1 901
Additional contribution from shareholder	-	-	-	-	-	0
At 30 JUNE 2024	106 744	380	271 510	-228 657	-1 475	148 503
Q1 & Q2 Jan-June 2023						
At 1 Jan 2023	2 429	380	220 462	-209 297	-	13 974
Loss for the period	-	-	-	-	-10 725	-10 725
At 30 June 2023	2 429	380	220 462	-209 297	-10 725	3 249
FY Jan-Dec 2023						
At 1 Jan 2023	2 429	380	220 462	-172 868	-36 430	13 974
Allocation according to AGM decision	-	-	-	-36 430	36 430	-
Result for the year	-	-	-	-	-21 859	-21 859
New share issue	102 978	-	50 484	-	-	153 462
Additional contribution from shareholder	-	-	-	2 500	-	2 500
At 31 Dec 2023	105 407	380	270 946	-206 798	-21 859	148 077

PARENT COMPANY CASH FLOW STATEMENT

(kSEK)	April-June		Jan-June		12-months
	2024	2023	2024	2023	2023
Cash flows from operating activities					
Operating loss	-962	-3 692	-1 040	10 725	-21 580
Other non cash movements	-	-	-	-	257
<i>Changes in working capital</i>					
Decrease (+)/ increase (-) of operating receivables	-3 382	4 578	-7 459	6 667	5 649
Decrease (-)/ increase (+) of operating payables	8 575	- 518	10 299	4 011	2 023
Net cash inflow/(outflow) from operating activities	4 231	368	1 800	8 069	-13 651
Cash flows from investing activities					
Investment in subsidiaries	-3 751	-	-3 751	-	-50
Net cash used in investing activities	-3 751	-	-3 751	-	-50
Cash flow from financing activities					
Financial costs paid	-435	-	-435	-	-
Drawdown/Repayment of loans	-	-	-	-	-
Additional contribution from shareholder	- 5	-	1 901	-	2 500
Net cash inflow/(outflow) from financing activities	-480	-	1 466	-	2 500
Net increase/(decrease) in cash and cash equivalents during the period	-	369	-485	-8 069	-11 201
Cash and cash equivalents at the beginning of the period	43	3 291	528	11 729	11 729
Cash and cash equivalents at the end of the period	43	3 660	43	3 660	528

Notes

Note 1:

Accounting Policies

The consolidated financial statements and the parent company numbers have been prepared in accordance with the Annual Accounts Act, RFR 1 Supplementary Accounting Rules for Groups, International Financial Reporting Standards (IFRS) and interpretations from the IFRS Interpretations Committee (IFRS IC) as adopted by the EU, which means that the reverse acquisition does not lead to a change in accounting principles.

This interim report has been prepared in accordance with the Annual Accounts Act, IAS 34 Interim reporting and RFR 2 Accounting for Legal Entities. Accordingly, the parent company applies the same accounting principles as the Group, except in cases where the Annual Accounts Act or current tax rules limit the possibility of applying IFRS. New and amended standards and improvements that came into force in 2023 have not had any significant impact on the Group's financial reports for the financial year.

For more information about the accounting policies please refer to the December 2023 Annual Report.

Note 2:

Accounting for Reversed Acquisition

On 29 December 2023, PMD Device Solutions AB (formerly Promore Pharma AB) entered into an agreement with the shareholders of PMD Device Solutions Sweden AB for the acquisition of all shares in PMD Device Solutions Sweden AB. The transaction constitutes a so-called reverse acquisition, where PMD Device Solutions AB (formerly Promore Pharma AB) acquires PMD Device Solutions Sweden AB's operations in its entirety, but PMD Device Solutions Sweden AB's shareholders become the majority owners of the new group.

The transaction has been reported in such a way that PMD Device Solutions Sweden AB is the acquiring company in the preparation of the consolidated financial statements, even though PMD Device Solutions AB is the legal parent company. The consolidated financial statements of PMD Device Solutions Sweden AB have previously applied International Financial Reporting Standards (IFRS) and interpretations from the IFRS Interpretations Committee (IFRS IC) as adopted by the EU, which

means that the reverse takeover does not lead to a change of accounting system. The comparative figures in the consolidated financial statements thus refer to the former PMD Device Solutions AB Group.

PMD Device Solutions AB (formerly Promore Pharma AB) has previously applied BFAR 2012:1 Annual Report and Consolidated Financial Statements (K3), which means that the reverse takeover leads to a change of accounting standards from K3 to RFR 2 Accounting for Legal Entities.

Fiscal year

PMD Device Solutions Sweden AB, i.e. the accounting acquiring company, has previously applied the financial year April – March. Since the legal parent company, PMD Device Solutions AB (formerly Promore Pharma AB) has a calendar year as its financial year, the Group reports a shortened financial year, from April 1, 2023 – December 31, 2023. The legal parent company continues to apply the calendar year.

Note 3:

Effects of the Parent Company's transition to RFR 2 Accounting for Legal Entities

This is PMD Device Solutions AB's (legal parent company's) second financial report prepared in accordance with RFR 2 Accounting for Legal Entities and the Annual Accounts Act. The interim report for the first quarter 2024 is PMD Device Solutions AB's second financial report prepared in accordance with RFR 2 Accounting for Legal Entities. The accounting principles have been applied when the accounts for PMD Device Solutions AB have been prepared as of 31 March 2024 and for the comparative information presented as of 31 March 2023, as well as in the preparation of the report on the opening financial position of the period (the opening balance sheet) as of 1 January 2022 (the Parent Company's date of transition to RFR 2). When the opening balance sheet as of 1 January 2022, as well as the balance sheet as of 31 December 2022, were prepared in accordance with RFR 2, amounts reported in previous annual reports and interim reports in accordance with BFAR 2012:1 Annual Report and Consolidated Financial Statements (K3) were adjusted. The transition to RFR 2 is accounted for in accordance with IFRS 1. The main rule is that all applicable IFRS and IAS standards, which

Notes

entered into force and have been approved by the EU as of 31 December 2020, with the exceptions described in RFR 2 Accounting for Legal Entities, shall be applied with retroactive effect. However, IFRS 1 contains transitional provisions that give companies a certain amount of choice. PMD Device Solutions AB has not applied any exemptions when transitioning to RFR 2. Reconciliation between previously applied accounting principles (K3) and RFR 2 shall, in the case of a first-time application of RFR 2, present a reconciliation between equity and total comprehensive income reported in accordance with the previously applied accounting principles, and equity and total comprehensive income in accordance with RFR 2. The Parent Company's transition to accounting in accordance with RFR 2 has not had any impact on the total cash flows from operating activities, investing activities or financing activities. The Parent Company's transition to accounting in accordance with RFR 2 has also not had any impact on the income statement, total comprehensive income for any period, which is why no reconciliation between previously applied accounting principles and RFR 2 is shown. The transition has also not had any impact on the balance sheet or equity for any of the periods.

Note 4:

Related Party Transactions

There were no related party transactions during Q2 2024.

Note 5:

Warrants

The CEO, Myles Murray and the CCO, Anne Dorney have 433,784 and 495,318 outstanding warrants in PMD Device Solutions Sweden AB, the original holding company of the Group. Following the reverse acquisition, these warrants are still valid in that company.

Note 6:

Group Companies

The following companies are consolidated as part of the PMDS Group:

Company	Country	Ownership
PMD Device Solutions AB (Parent)	Sweden	100%
PMD Device Solutions Sweden AB	Sweden	100%
PMD Device Solutions Limited	Ireland	100%
PMD Device Solutions Sp z.o.o.	Poland	100%
Pergasus AB	Sweden	100%
Pergamum AB	Sweden	100%
PMD Device Solutions UK Limited	UK	100%
Coala Life Inc.	USA	100%

Note 7:

Acquisition of Coala Life Inc

On 12 April 2024, PMDS acquired 100% shares of Coala Life Inc, the Coala Life heart monitor IP and other assets for SEK 3.6m. As a result of the acquisition, the group recorded additional revenues of SEK 2.4m and net loss of SEK 5.2m for the quarter. Total assets of SEK 19.3m and liabilities of SEK 72m were acquired at that date which are included in the consolidated statement of financial position. The group also recorded goodwill of SEK 45m being the excess of the purchase price over the net assets acquired.



PMD Device Solutions AB

Revolutionising Respiratory Outcomes by **#MakingEveryBreathCount**

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