

## **PMD Device Solutions increases financial target with 160% to 260m SEK by YE 2026**

**PMD Device Solutions (PMDS) today announced it has revised its annual recurring revenue (ARR) target from 100m SEK to 260m SEK by yearend 2026. The increase is driven by the current strong business activity in the UK and the acquisition and subsequent restructuring of the US remote patient monitoring company.**

- New 2026 ARR target of 260m SEK
- Reaffirming cash flow positive by YE 2024
- Healthy and growing US Operations after acquisition of RPM company
- Growing European business in line with expectations

*“The breadth of our products, services, and geographical reach has accelerated the company as the market leader in preventive healthcare solutions. This diversity gives us confidence to increase our financial targets by 160%, while continuing to move the company towards profitability. This decision shows that PMDS continues to evolve and adapt to become a key player within Digital Healthcare, underpinned by propitiatory medical device innovations,” said PMDS CEO Myles Murray.*

PMDS initially forecasted 100m SEK of annual recurring revenue as part of its listing in January 2024. As a result of the ongoing strong business activity in the UK and the acquisition of the remote patient monitoring company (RPM) from Coala Life in April 2024, the forecast has now been revised upward to 260m SEK in ARR by yearend 2026. As the newly acquired business is being merged into the main operation, the revenue is expected to be evenly split between its product and service lines, as well as the US and EU markets.

### **Update on the US Business**

In April 2024, PMDS acquired RPM and has since renamed this business Remote Care Connect; a full services remote monitoring and chronic care management company monitoring patient's every beat, breath, and level. The US company will be led by PMDS CEO Myles Murray.

The business emulates the Hospital at Home business model that PMDS has developed, with the advantage of being reimbursed by the US's largest insurer, Medicare. The market opportunity for Cardiac and Respiratory RPM is estimated to be worth 37bn SEK, annually, and growing >14% YoY. The core value proposition for providers is to increase their revenues from billable activity without increasing their overheads in addition to an improved monitoring and care setting for the patients. PMDS has reshaped the US company's operational model and commercial strategy with a relaunch planned for July 1.

Since the acquisition, the operational costs have been reduced by 75%, and key customer accounts have been reduced to focus the business on those that will result in the company reaching profitability in 2024. As of May 2024, the business has increased patient numbers by 20%, from 1,400 to 1,750 active monthly patients with over 70% compliance. These are patients

who have billable potential. Today, there is a 90/10% split in patients being monitored for cardiac or nephrology diseases, respectively. The current business has a cashflow breakeven point of 2,300 monthly patients and a significant pipeline. In addition, PMDS is evaluating the inclusion of respiratory patients in the service, which has the potential to double patient numbers.

*“The RPM business in the US is a blue ocean opportunity with relatively early market entrants. The opportunity for Remote Care Connect to become the market leader through organic growth and acquisitions means the prospect of becoming the US #1 RPM provider by 2030. With a committed team, a lean operational model, and a core clinical focus, we are the only US company offering the breadth of services, which positions us as a clear choice to any hospital to maximise reimbursement potential and ensure that services are available across the continuum of patient care,” said Myles Murray.*

### **Update on the UK Business**

The strong progress in business in the UK also supports the increase in financial targets. 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. Due to the complexity of these enterprise-level deals, PMDS is working on the healthcare system at a regional level. Each deal involves clinical, IT, executive, and procurement governance committees. Furthermore, each deal's structure is designed to account for seasonal increases in demand around winter flu and to allow the service to be expanded without additional procurement processes.

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

*“RespiraSense has been shown to make a significant impact on patient outcomes, both in the hospital and home setting. The NHS is an exciting opportunity as they accelerate investment into winter flu preparations and expansion of Hospital at Home virtual wards. 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,” said Myles Murray.*

*This information is information that PMD Device Solutions is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2024-06-25 17:35 CEST.*

### **For additional information, please contact**

---

Myles Murray, CEO

Phone: +353 86 887 4994

E-mail: [myles@pmd-solutions.com](mailto:myles@pmd-solutions.com) & for general enquiries [investor.relations@pmd-solutions.com](mailto:investor.relations@pmd-solutions.com)

The Company's Certified Adviser is Redeye.



**PRESS RELEASE**  
25 June 2024 17:35:00 CEST

## Information about PMDS

---

PMD Device Solutions AB develops and sells medical products for respiratory monitoring in both the hospital acute monitoring sector and the remote monitoring homecare sector. 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

---

**PMD Device Solutions increases financial target with 160% to 260m SEK by YE 2026**