



ProstaLund signs Letter of Intent with Chinese company for distribution in China

ProstaLund and Chenglai Pharmaceutical (Beijing) Co. Ltd have signed a Letter of Intent (LoI) for distribution of ProstaLund's products in China. The first product to be launched is the Schelin Catheter™.

- We have been evaluating the Chinese market for more than a year and to increase our activities in China we have now decided to start cooperating with Chenglai Pharmaceutical (Beijing) Co. Ltd. Chenglai is a well-established company in medical devices with its own sales force. The fact that we wrote a *Letter of Intent* and not a distribution agreement directly means that we have not been able to fully evaluate the distributor due to Covid-19 travel restrictions in China. Chenglai already has urology products from other Scandinavian companies in its portfolio and those manufacturers have provided good marks. Chenglai Pharmaceutical has already received demo products for its own evaluation before the LoI was signed. Our intention is to make the final evaluation of Chenglai on site in China, get the necessary registration of the Schelin Catheter™ by the authorities and to sign a distribution agreement within a six-month period, says CEO Johan Wennerholm.

In China, there are over 190,000,000 (190 million) men over the age of 60. The number of patients with benign prostatic enlargement in China is estimated at about 100 million and is growing continuously. It is estimated that more than 1 million procedures for benign prostatic enlargement are performed annually.

"The company has previously been in China with the CoreTherm® platform. However, they never registered the Schelin Catheter at that time. This meant that the entire CoreTherm Concept was not in place. Therefore, we have restarted the entire process and we are now doing the right things in the right order. In the autumn of 2020, we terminated the agreement with the former distributor. Last summer we filed the utility patent application for the Schelin Catheter and this was approved in February this year. The LoI says that Chenglai Pharmaceutical will be responsible for and fund the otherwise costly registration of the Schelin Catheter with the National Medical Products Administration (NMPA). Now we feel that we are on the right track also in China ", comments CEO Johan Wennerholm.

For further information, please contact:

Johan Wennerholm, CEO
Tel. +46 (0) 730 429997
Email: johan.wennerholm@prostalund.com



PRESS RELEASE
19 July 2022 10:45:00 CEST

About ProstaLund

ProstaLund AB is a Swedish medical technology company and a leading developer and manufacturer of innovative urological devices and treatments. The company's lead product, CoreTherm, is a patented Thermotherapy treatment method for Benign Prostatic Hyperplasia (BPH) which can be tailored to suit the needs of each individual patient. CoreTherm is used today in hospitals and clinics in Sweden and worldwide. ProstaLund is listed on the Nasdaq First North Growth Market.

Certified Adviser:

Västra Hamnen Corporate Finance AB

Phone: +46 40 200 250

E-mail: ca@vhcorp.se

This information is information that ProstaLund AB (publ) 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 2022-07-19 10:45 CEST.

Attachments

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