

## **PMD Device Solutions intends to acquire key assets in Coala-Life Group AB to accelerate its US market entry**

**PMD Device Solutions (“PMDS”) today announced it intends to enter a transfer agreement with the Trustee of Coala-Life Group AB (“Coala Life”) to purchase its US subsidiary Coala Life Inc. and intellectual property and technology portfolio. The transaction will be closed no later than April 10th, 2024.**

Through the intention to acquire, PMDS’s focus on growing sales of its RespiraSense™ Acute Hospital and Hospital-at-Home products in Europe will be complemented by Coala Life’s Managed Remote Patient Monitoring (RPM) operations in the US, which represented 96% of Coala Life’s revenue. Coala Life reported 39.8 MSEK in revenue for the first 9 months of 2023, with a gross margin of 81%. The customer base included 44 US clinics and a monthly billable patient activity level of 4,400 patients.

“The synergy between the two companies will reduce PMDS’s time of entry into the US for its RespiraSense product, accelerate our path to group profitability and bring forward our target to reach 100 MSEK in annual recurring revenue. In addition, combining the companies’ innovations will complement each other as heart failure and respiratory disease are the two largest drivers of hospital-related activity,” said Myles Murray, Founder and Chief Executive Officer of PMDS.

Coala Life has suffered from severe liquidity problems. Despite the launch of a cost-reduction plan, its efforts to find a solution to the liquidity problem had yet to be successful. The collection of accounts receivable has failed, and long-term discussions about paying collaborations and capital injections have yet to yield the intended results. This resulted in an inability to pay salaries and current payables, and on March 22, 2024, the Board of Directors of Coala Life filed for bankruptcy.

“PMDS sees a feasible opportunity to cut costs and apply our lean operating model in the US operation. The aim will be to initially keep around 1,400 billable patients per month and increase this to the maximum potential over the next 6-9 months. We will prioritise resources to reliable customer accounts and accelerate RespiraSense’s US market access plan to maximise the volume of patient activity. This strategy can enable us to materially increase the total number of patients while ensuring the business maintains a lean operating model, becomes a profitable business unit of PMDS, and has a well-qualified pipeline of new customers,” said Myles Murray.

Full details of the acquisition will be published upon signing of the Transfer Agreement.

*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 2024-04-09 09:31 CEST.*

**For additional information, please contact**

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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.

**Information about PMDS**

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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).

**Coala Life**

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**About Coala Life**

*Coala-Life Group AB is a medical device company founded in Sweden focusing on cloud-based cardiac and pulmonary diagnostics. The company has developed and launched the Coala Heart Monitor – a multi-award winning, FDA-cleared and CE-approved product platform enabling long-term remote monitoring, analysis and algorithm-based diagnostics of heart and auscultation of lungs, remote in real-time. The Coala Heart Monitor is mainly marketed to healthcare providers as an Rx solution for patients' everyday lives and home environments. The company's solutions are based on over 10 years of R&D and are protected by over 30 patents. Coala Life Group AB filed for bankruptcy on March 22nd and has been delisted from Nasdaq First North as of April 8th 2024. For more information, see [www.coalalife.com](http://www.coalalife.com).*

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**Attachments**

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