

Observe Medical ASA – Final agreement to acquire Sylak AB signed

Observe Medical ASA, October 29, 2020: Reference is made to Observe Medical's announcement October 16, 2020 regarding the signing of a letter of intent to acquire Sylak AB, a distributor of ICU/anaesthesia products in the Swedish market, for an enterprise value of SEK 6 million (on a cash and debt free basis).

Today, Observe Medical and the seller, ABIGO Medical AB, signed the final sale and purchase agreement with main terms as announced October 16. The transaction is expected to close tomorrow, 30 October 2020.

"The transaction will strengthen Observe Medical and fuel both our near-term execution and long-term success. Sylak's competent and experienced team and the product portfolio are highly complementary and synergistic to Observe Medical's main product Sippi®. We look forward to welcoming the Sylak team, as they will be instrumental in speeding up our Sippi® go-to-market strategy for the Nordics, as well as further develop the Sylak portfolio success," CEO of Observe Medical Björn Larsson says.

Sylak had total revenues of SEK 13.4 million in 2019. Customers include several of the largest hospitals in Sweden. Following completion of the contemplated transaction, the Company plans to enter Norway and the rest of the Nordics with the combined Sylak and Observe Medical portfolio.

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About Observe Medical

Observe Medical develops and markets innovative hospital products that contribute to increased patient safety and a more efficient care system. The company's headquarter is in Oslo and its operations are based out of Sweden. Observe Medical's initial product Sippi®, is the only automated digital urine meter with wireless data transfer to hospital patient data management systems, and hinders bacterial migration that can lead to urinary infections (Sippcoat®). Sippi® is CE marked and is currently being launched at selected hospitals in Europe.