

Admedus inks \$A36.2M deal for CardioCel And VascuCel Patch biz

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Admedus has sold the distribution rights to its CardioCel® and VascuCel® product range for \$A36.2 million (including all earnouts) to LeMaitre Vascular Inc.



Australia based Admedus Limited announces the sale of its CardioCe[®] and VascuCel[®] patch business to U.S based LeMaitre Vascular Inc., for up to \$A36.2M (\$A22.8M upfront) in cash payments to Admedus.

These products originated from the Company's proprietary, regenerative bio-scaffold platform technology, being used to address multiple cardiovascular procedures and repairs. LeMaitre is a global provider of implants and devices for the treatment of peripheral vascular diseases.

The CardioCe[®] product range is the only one to have achieved ten years without calcification or degradation in man - a significant benefit to patients otherwise forced to undergo recurrent operations. Surgeons use CardioCe[®] products to treat congenital heart defects, vessel and cardiovascular repairs, and peripheral vascular reconstruction. VascuCe[®] is used as a patch in great vessel repair, peripheral vascular reconstruction and suture line buttressing.

Under the agreement terms, Admedus receives \$A22.8M upfront followed by deferred payments of \$A1M each at 12 months and at 36 months. Additionally, the Company may receive up to \$A11.4M in earn-out payments as follows:

- \$A3.0M on obtaining certain regulatory approvals under European Medical Devices Directorate Regulation
- \$A0.7M on Admedus completing all testing and documentation to extend the shelf life of the CardioCe[®] and VascuCel[®] products from 36 months to at least 60 months in the United States
- Up to \$A3.73M if gross revenue from LeMaitre CardioCe[®] and VascuCel[®] product sales exceed \$A29.8M in the first 12 months or \$A1.8M if gross revenue from product sales exceed \$A22.4M in the first 12 months
- Up to \$A3.73M if gross revenue from LeMaitre CardioCe[®] and VascuCel[®] product sales exceed \$A44.7M in the second 12 months or \$A1.8M if gross revenue from product sales exceed \$A33.5M in the second 12 months.
- \$A0.2M for completion of reporting procedures by 31 October 2019

Admedus retains manufacturing rights for up to three years and will continue manufacturing CardioCe[®] and VascuCel[®] at its Malaga facility in Western Australia for LeMaitre. The manufacturing agreement ensures Admedus a 20% margin over cost.

Admedus retains sole-control on all intellectual property for the underlying ADAPT[®] technology platform/process, including its breakthrough TAVR device and single-piece 3D aortic valve.