



## PRINCIPAL TECHNOLOGIES ANNOUNCES ACQUISITION OF SYNDERMIX

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Vancouver, British Columbia – December 11, 2024 – **Principal Technologies Inc.** (the “**Company**” or “**Principal**”) (**TSXV: PTEC**) (**FSE: J07**), is pleased to announce that, on December 11, 2024, it signed an arm’s length non-binding letter of intent (“**LOI**”) to acquire a controlling interest in the equity of Syndermix AG (“**Syndermix**”). Syndermix is a Swiss based medical research and applications developer with 100% interests in three significant medical technologies (the “**Medical Assets**”). A summary of Syndermix and the LOI is as follows:

- The Company will purchase a total 70.7% equity interest in and all loans to Syndermix from two arms-length sellers in a transaction valued at \$44 million.
- The purchase price for the 70.7% equity interest will be satisfied by the issuance of loans to the sellers totaling \$15.3 million and the issuance of 36,000,000 common shares of Principal valued at \$0.50 per share.
- The Company will also purchase at face value a loan receivable for \$10.7 million from a seller for inter-company amounts due from Syndermix. At closing, Syndermix will have no other debt and a working capital of nil.
- The total \$26 million of loans will bear interest at 5% per annum and mature four years after issuance. The payment of accrued interest is deferred until loan maturity. Payment of any loan interest or principal will be limited to the net cash flow from operations generated by Syndermix from the Medical Assets.
- As a result of the acquisition, ESGTI AG will become a major shareholder of the Company. ESGTI AG is a diversified investment conglomerate. For the past four years, ESGTI AG and its affiliates have funded Syndermix and with an enviable team of researchers and medical advisors developed the Medical Assets.
- The three proprietary medical assets of Syndermix, BioEleSonic, Noxogen Therapeutics and TheraLect are at various stages of development and commercialization and a brief overview is as follows:
  - BioEleSonic has developed a globally patented and design-protected device which is the first drug-free, non-invasive and connected treatment that provides targeted, rapid relief from nasal congestion and related pain. [www.bioelesonic.com](http://www.bioelesonic.com).
  - Noxogen Therapeutics focuses on innovating ways to harness the therapeutic properties of nitric oxide (NO) for the non-invasive, topical treatment of systemic and dermatological conditions and their symptoms. <https://noxogen.com>.
  - TheraLect leverages the antimicrobial properties and healing activities of Lectins (protein) found in plants to manage symptoms and treat human disease. The organization’s proprietary technology platform, rooted in cutting-edge DNA technology, is a novel recombinant plant lectin with positive Phase IIa, resulting in epithelial healing. [www.esgti.com/portfolio/theralect](http://www.esgti.com/portfolio/theralect).

The acquisition is subject to the Company’s final due diligence, the negotiation and execution of definitive agreements and the requisite Board of Directors and TSX Venture Exchange (“**TSXV**”) approvals. Subject to shareholder approval and TSXV approval, with the closing of the acquisition, ESGTI AG is expected to become a new Control Person of the Company as it will hold approximately 44% of the issued and outstanding common shares after closing.

Jerry Trent, CEO of Principal, said “*The purchase of Syndermix is a transformational opportunity for Principal.*”

*Syndermix has developed three proprietary medical assets with a current estimated risked present value in excess of \$58 million. Our due diligence team has been analyzing each asset, its current state of development and the projected timeline and funds required to commercialization. We believe one of these assets may be ready for commercialization within a few years and has significant near-term upside for Principal. We also continue to evaluate attractive opportunities in the medical technology and pharmaceutical areas and will keep shareholders apprised of our progress in purchasing suitable opportunities on terms beneficial to our shareholders.”*

## **Vivostat Update**

The Company reports that it is actively pursuing the closing of the Vivostat A/S (“**Vivostat**”) acquisition as further outlined in its press releases of February 6 and September 10, 2024. This acquisition has received the conditional approval of the TSXV. Closing has been delayed pending receipt of nine million euros to close the acquisition.

## **About Principal Technologies**

Principal Technologies Inc. is a Canadian-based healthcare acquisition company. The Company is engaged in building a portfolio of profitable healthcare technology companies with a focus on those with global distribution potential which have intellectual property capable of enhancing medical treatment quality, cost efficiency, optimization of the patient pathway, and implementation of point of care technologies.

**ON BEHALF OF THE BOARD**  
Jerry Trent, Chief Executive Officer  
Principal Technologies Inc.

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*This news release contains “forward-looking information” and “forward-looking statements” (collectively, “forward-looking statements”) within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, including in relation to the completion of the acquisitions of Syndermix and Vivostat, completion of due diligence, negotiation and execution of definitive agreements, receipt of all requisite Board of Director and TSXV approvals are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as “expects”, or “does not expect”, “is expected”, “anticipates” or “does not anticipate”, “plans”, “budget”, “scheduled”, “forecasts”, “estimates”, “believes” or “intends” or variations of such words and phrases or stating that certain actions, events or results “may” or “could”, “would”, “might” or “will” be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements.*

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