

2020-07-09

Boule Diagnostics AB writes-off the asset shares in Associate

Following an impairment test of the associated company biosurfit, Boule Diagnostics have decided to write-off the entire shareholding in the associated company, which will have a negative non-cash effect on profit of SEK 36.6 million in the second quarter.

biosurfit S.A. ("biosurfit"), an associated company of Boule Diagnostics AB ("Boule"), is in an early commercialization phase and still generates negative results. biosurfit's development and the increased uncertainty following the spread of COVID-19, has increased biosurfit's future capital injection needs. To secure the Boule Group's liquidity and continued stable financial position, the Board decided, as previously communicated, to divest the company's position in biosurfit. Discussions have been held with the associate's other owners and new investors to find a new owner structure. As these discussions have not yet yielded a closed deal and the Board of Boule assesses that there is a risk to the going concern of biosurfit, Boule has decided to write-off the shareholding.

Boule's holding, corresponding to 24.99 percent of biosurfit's shares and votes, had a book-value of SEK 36.6 million on June 30, 2020 in the Group's balance sheet prior to the write-off. Boule will write-off the entire amount as per June 30 which will have a negative non-cash effect on the second quarter's profit by the same amount.

Boule will also stop with new sales of biosurfit's products but the Group's organization and operations in general are not affected.

Boule's CEO Jesper Söderqvist comments: "Boule are focusing on and prioritizing our own developed products in the coming years. We are now working on finding the right balance of growth and profitability, where I see a short-term need to focus on our current business. It is disappointing that the investment made in biosurfit did not yield the results we had hoped for, but it does not affect Boule's business in the immediate future. Together with Group management and the Board, I will in 2020 look over our strategy and evaluate the different options going forward, a process which will also include what technologies we choose for our future products."

For further information, please contact:

Jesper Söderqvist, CEO and Group President, Boule Diagnostics AB, phone. +46 (0)70-689 05 90
Christina Rubenhag, CFO, Boule Diagnostics AB, phone. +46 (0)70-546 72 22

About Boule Diagnostics AB (publ)

Boule Diagnostics AB is a global diagnostics company that develops, manufactures and markets instruments and consumable products for blood diagnostics. The company serves hospitals, clinics, laboratories and companies within blood diagnostics, in both human and veterinary hematology. The company operates via subsidiaries in Sweden, the USA, Mexico and Russia. The company products are sold globally primarily through distributors, supported by Boule's own local sales and support personnel. The Boule shares are listed on Nasdaq Stockholm since 2011. www.boule.com

This information is information that Boule Diagnostics AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above at 22:15 CET on July 09, 2020.