

VIGMED AB

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Press Release

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## **Vigmed to invest in the commercialization of a third unique product group, with the investment fully financed via a directed placement towards Bure Equity AB.**

Vigmed have decided to force the development and commercialization of a third product category having received explicit requests from the market. For competitive reasons the company does not wish to specify what the product category is at present, but it is within Vigmed's core area. Expectations for the new product are high and Vigmed expect to be first to market with a safe and effective solution in the specific application segment in 2015.

To fund this effort, the Board intends to utilize a previously granted authorization from the Annual General Meeting and conduct a directed placement which will be made towards Bure Equity AB who will acquire shares in Vigmed Holding AB, corresponding to 9.5% of the total number of shares after the issue. In the agreement reached between the parties Bure buy newly issued shares at a price of 7 SEK per share with a "lock-up" period of 12 months. The transaction price has been determined by using the average market price for Vigmed's share during the 30 days prior to August 19, 2013, the day on which the price per share was determined. Vigmed will receive almost 25 million SEK in new capital through this transaction.

Vigmed has developed a number of unique and innovative products that have been met with great interest in the global healthcare market where there is an enormous need for safe products. In late autumn 2012 Vigmed obtained new capital of 53 million SEK through a private placement before listing on First North. This was deemed sufficient to build the business and to develop and introduce the first product families to the European market. The enterprise has largely followed the established plan and European market launches of safety solutions will be made for both I.V. catheter in 2013, and hypodermic needles in 2014.

During meetings that have been held with future users of Vigmed's products, it has transpired that a further product group, not available today and where the company can offer a unique solution, is strongly desired. For competitive reasons the company does not wish to make public the product group concerned. A prototype of the product has been developed and tested positively, but a significant capital injection is needed for large-scale production and market introduction. Due to the fact that there is significant potential in the market and that Vigmed can achieve first mover advantage if the company acts now, the Board has decided to exercise its authority and implement a rights issue to Bure Equity AB.

The authorization of the Board of Vigmed Holding AB was resolved by the Annual General Meeting held on 1st February 2013, as set forth in the company presentation that was published in connection with the listing on First North earlier this year (see [www.vigmed.com](http://www.vigmed.com) for details).

Bure is a respected investment company with extensive knowledge of the medical technology industry. Vigmed's point of view is that Bure can contribute positively and substantially to the company's future development on several levels. It therefore seemed appropriate and beneficial for both parties to enter into this agreement as presented.

Vigmed Holding's chairman Lennart Holm commented that "it is hugely motivating for us to be able to further accelerate Vigmed's expansion with the aid of this additional capital, and show that even a small company can sustain the drive towards a safer and more efficient healthcare environment. It is also a great opportunity for us that Bure has chosen to step in as a heavyweight shareholder. They have a vast knowledge not only in the financial sector, but also in medical technology, so we expect them to be a competent and active owner who helps build Vigmed to a rapidly growing and profitable company."

*Vigmed is a Swedish medical device company with the business goal of offering the market unique needlestick protected devices. Vigmed is headquartered in Helsingborg, Sweden, and has more than 10 employees. Vigmed's share is traded on NASDAQ OMX First North in Stockholm (ticker VIG) and has approximately 5 400 shareholders. Remium Nordic AB is the Company's Certified Advisor. Additional information such as company description, a video presentation and risk factors can be found on Vigmed's home page: [www.vigmed.com](http://www.vigmed.com)*

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Visit the company website at [www.vigmed.com](http://www.vigmed.com).