

Refocusing Vigmed results in updated goals and cost reductions

Vigmed Holding AB clarifies updated goals before the Extraordinary General Meeting convened for November 12, 2015 for approval of the Board's previously announced proposal for a rights issue.

As previously announced, Vigmeds Board of Directors decided on October 12, 2015 with immediate effect to appoint Henrik Olsen as interim CEO. Henrik Olsen has during the past weeks carried out some organizational changes that, amongst other things, involve establishing a smaller and more focused management team. This team has, in consultation with the Board, reviewed the Company's goals and operational plans for the coming years.

Vigmed's main focus is to accelerate sales in the main markets in Europe. The Board believes that the forthcoming rights issue is necessary for the Company's ability to translate market potential and delivery capacity into volume sales and profitable growth in the European market.

With the above in mind, the Company has now updated its financial and operational goals, which were established on the basis of the decision to focus on increasing sales of existing products on priority markets. An assessment of the attainable market share per product category and market have resulted in an ambition of total sales for 2018 of SEK 150 million. At this level of sales, the company expects to show a positive cash flow 2018 for the full year as well as deliver a positive EBIT.

To create the right conditions in order to achieve these objectives, the CEO and management team are now carrying out certain reorganizational and cost reduction measures. These are expected to reach full effect from early 2016.

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