

## Bactiguard focuses operations in MEA

**Bactiguard focuses operations in the Middle East and transfers its distribution to Iraq to a European distributor that, at the same time, takes over accounts receivable at a book value of SEK 17.1 million. The proceeds amount to SEK 12.8 million and, therefore, a write-down of accounts receivable corresponding to the balance of SEK 4.3 million is made in the accounts for 2018. The positive cash flow will be generated when the proceeds are paid in the first quarter of 2019.**

Bactiguard has been active in the Middle East for a number of years. In most markets, we have established strong distributor relationships that generate regular sales. In other markets (including Iraq), business is more irregular and dependent on public procurement, which requires local presence to maintain a sustainable business. Therefore, Bactiguard intends, over time, to transfer the distribution responsibility for some of these markets to a European distributor, with long experience and established relationships in the region, as well as a strong financial position and ability to pay.

Under a previously signed framework agreement, Bactiguard now transfers the distribution in Iraq and accounts receivable at a book value of SEK 17.1 million. The proceeds amount to SEK 12.8 million and, therefore, a write-down of accounts receivable corresponding to the balance of SEK 4.3 million is made in the accounts for 2018. The positive cash flow of SEK 12.8 million will be recorded in connection with the completion of the transaction, when the proceeds are paid in the first quarter of 2019.

The transfer is expected to be positive for Bactiguard's long-term profitability in the Middle East, but it is not possible today to assess the financial effects beyond what is stated above regarding the transfer of accounts receivable.

*This information is information that Bactiguard Holding AB (publ) 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 below 2019-02-05, at 07:45*

**For further information, please contact:**

Cecilia Edström, CFO, cell phone: +46 72 226 23 28

**About Bactiguard**

Bactiguard is a Swedish medical device company with a mission to save lives. To achieve this mission we develop and supply infection prevention solutions which reduce the risk of healthcare associated



infections and the use of antibiotics. This way, we save significant costs for healthcare and the society at large.

The Bactiguard technology prevents bacterial adhesion and biofilm formation on medical devices. Bactiguard offers the technology through licence agreements and our BIP (Bactiguard Infection Protection) portfolio of products. Through our licence partner BD, urinary catheters with Bactiguard's coating are market leading in the USA and Japan. Bactiguard's own product portfolio of urinary catheters, endotracheal tubes and central venous catheters prevent some of the most common infections, which appear in the urinary tract, the blood stream and the respiratory tract.

Bactiguard is in a strong expansion phase in the European markets, China, India and the Middle East as well by establishing license agreements in new therapeutic areas. The company has about 70 employees around the world. Its headquarters and one of two production facilities are located in Stockholm, the other one in Malaysia. Bactiguard is listed on Nasdaq Stockholm.

Read more about how Bactiguard saves lives at [www.bactiguard.com](http://www.bactiguard.com)