



S2Medical AB (publ) signs a manufacturing agreement with a distributor in Saudi Arabia

S2Medical AB (publ) (the "Company") has today concluded a manufacturing agreement for Epiprotect with the Company's distribution partner in Saudi Arabia, Arabian Trade House (ATH). The agreement provides an upfront sum of approximately SEK 2.2 million which can then be called from in the form of finished products or raw material for final packaging. Manufacturing will take place through ATH's manufacturing arm Arabian House for Industries (AHI). The agreement gives AHI an exclusive right to manufacture products for the Saudi market, which may be extended to more countries in the MENA region. Furthermore, the agreement contains obligations for orders amounting to a total of SEK 14 million over the next 3 years and an increase of at least 20% per year for subsequent years in order to retain the manufacturing right. Provided that the terms of the agreement are followed, the agreement runs for over 15 years.

The manufacturing only includes final packaging of individual products from raw materials and thus does not affect knowledge about the manufacturing of the material for Epiprotect, which will continue to be protected as a company secret and manufactured at the Company's factory in Linköping. As previously mentioned, AHI's production will only be supplied to the Saudi market with a potential option for the countries in the MENA region, which, where appropriate, will be regulated in a separate agreement. Costs for setting up the local production facility will be borne by AHI.

"Local production steps have become an important part of being able to take larger market shares in Saudi Arabia. Since the signing of the distribution agreement, ATH and AHI have proven to be a stable and reliable partner in the region and we are very much looking forward to deepening our cooperation." says the company's CEO Petter Sivlér

This disclosure contains information that S2Medical AB is obliged to make public pursuant to the EU Market Abuse Regulation (EU nr 596/2014). The information was submitted for publication, through the agency of the contact person, on 08-06-2023 17:15 CET.

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About S2Medical

S2Medical AB (publ) is a medical technology company that develops and sells innovative wound healing products for the entire wound healing process, with a focus on burns and chronic wounds. The company has developed eiratex®, a new cellulose-based material for healing severe burns and chronic wounds. The material heals wounds effectively and thereby reduces both suffering for patients and costs for health care.

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