



MAGNASENSE ENTERS INTO LETTER OF INTENT WITH SUBGEN AI LIMITED REGARDING A REVERSE TAKEOVER

Magnasense AB ("Magnasense" or the "Company") announces today that the Company has entered into a non-binding letter of intent ("Letter of Intent") with SUBGEN AI LIMITED, registration number 15374966, ("Subgen") regarding a potential reverse takeover (the "Transaction") of Subgen, a UK-based company. According to the Letter of Intent, Magnasense will acquire all shares in Subgen by making payment in the form of newly issued shares in Magnasense to the shareholders of Subgen (the "Sellers"). After the Transaction, the Sellers will hold 98 percent of the issued and outstanding shares in Magnasense (excluding warrants and convertible bonds). The shares issued to Subgen AI Foundation and JMSAN SL. shall be non-listed Class A shares, each carrying ten (10) votes per share, in total approx. 49.0 percent of the issued and outstanding shares in Magnasense and approx. 90.6 percent of the votes in Magnasense. As part of the Transaction, Aegirbio UK Ltd, along with any other subsidiaries currently held by the Magnasense group, is intended to be spun off from Magnasense AB. The intended Transaction would constitute a reverse takeover and would be conditional upon, inter alia, the signing of a share purchase agreement no later than on 30 June 2025, Nasdaq Stockholm's approval of the combined company for continued listing, shareholders' meeting resolutions in Magnasense, and Magnasense's completion of due diligence on Subgen with satisfactory results.

Background and rationale

Magnasense recently completed a rights issue of units to strengthen working capital to ensure continued operations and advance the initial phase of the oral health project. As previously communicated, the level of subscription in the rights issue would influence the extent to which the Company could progress the oral health project without external support. The partially subscribed rights issue, the outcome of which was announced by the Company on May 12 2025, provided the Company with capital that has primarily enabled the settlement of obligations to creditors and the funding of near-term activities. However, the proceeds do not fully meet the Company's capital needs to pursue its operational strategy as initially intended. Following the rights issue, Magnasense was approached by Subgen regarding a potential reverse takeover. This dialogue, and the resulting alignment of interests between the parties, has led to the signing of the Letter of Intent announced today. The Board of Directors assesses that the planned Transaction would be to the benefit of all shareholders in Magnasense.



Information about Subgen

Subgen is an enterprise artificial intelligence company that develops both infrastructure and proprietary agent-centric AI-as-a-Service software, branded as Serenity Star. Its solutions are designed to scale and accelerate the adoption of AI across organizations. Subgen is experiencing rapid growth, building data centers and delivering services to clients in sectors such as healthcare, energy, legal, and human resources.

Subgen operates across Europe, Latin America, and the United States. Through its wholly and partially owned subsidiaries, the company reports consolidated total operating revenues of approximately EUR 25.5 million in 2024 and an EBITDA of around EUR 6 million, driven by strong underlying growth. Headquartered in London, United Kingdom, Subgen also maintains commercial offices in the United States, France, Uruguay, and Brazil.

Lorenzo Serratosa, CEO of Subgen comments:

"This marks a defining moment for Subgen as we continue to scale our AI platform across international markets. With strong operational momentum and increasing demand for our agent-centric AI solutions, we believe the structure of this transaction provides an efficient and strategic path to the public markets. It positions us well to accelerate our long-term growth plans and broaden our reach to a global investor base. We're excited to take this next step, and we look forward to engaging with the existing shareholder base to explore the significant opportunities ahead together. We now look forward to taking the next steps together with Magnasense to fulfill the intended transaction".

Transaction

The planned Transaction suggests that Magnasense acquires Subgen and issues new shares to Subgen's shareholders with payment through set-off, entailing that Subgen's shareholders will own approximately 98 percent of the outstanding shares in the Company after the Transaction. Subgen's valuation would be approximately EUR 200 million on a fully diluted basis, and the remaining 2 percent of the shares would value Magnasense at approximately EUR 4.1 million based on current shares outstanding. The shares issued to Subgen AI Foundation and JMSAN SL shall be non-listed Class A shares, each carrying ten (10) votes per share. Subgen AI Foundation will after the Transaction hold approx. 38.9 percent of the issued and outstanding shares in Magnasense and approx. 72.0 percent of the votes in Magnasense. JMSAN SL will after the Transaction hold approx. 10.1 percent of the issued and outstanding shares in Magnasense and approx. 18.6 percent of the votes in Magnasense.

The completion of the Transaction, including the final terms, is conditional upon a share purchase agreement being entered into no later than on 30 June 2025 and will be subject to a number of conditions, including necessary resolutions by an extraordinary general meeting in Magnasense and approval from Nasdaq Stockholm. Provided that a share purchase agreement is entered into, the ambition is to complete the Transaction during the third quarter of 2025. The final decision to enter into a share purchase agreement will be made after customary due diligence has been completed. Subject to all conditions being met, the Board of Directors of Magnasense intends to



convene an extraordinary general meeting to adopt all necessary resolutions, including a resolution to issue the shares to the shareholders of Subgen. If a share purchase agreement is entered into regarding the acquisition of Subgen, Magnasense will include a timeline for the Transaction and the potential listing process in the press release regarding the share purchase agreement.

As part of the Transaction, Aegirbio UK Ltd, along with any other subsidiaries currently held by the Magnasense group, is intended to be spun off from Magnasense AB.

The Transactions will entail a significant change in Magnasense's operations, "change of identity", and, due to this, a new listing process will be required for Magnasense on Nasdaq First North Growth Market. Due to the listing process and provided that Nasdaq Stockholm approves the listing, a company description will be published. As part of the Transaction, Magnasense also intends to implement a name change. Subgen has agreed to bear any re-listing costs (such as fees to lawyers, auditor Certified Adviser etc.) and to cover other shared expenses incurred by the Parties in relation to this transaction.

If a share purchase agreement has not been entered into by 30 June 2025, the Letter of Intent will expire.

Exemption from mandatory takeover offer

One of the sellers of Subgen, Subgen AI Foundation, will through the Transaction and through closely related parties acquire an ownership stake in Magnasense corresponding to approx. 90.6 percent of the votes and approx. 49.0 percent of the shares in Magnasense after the Transaction. According to the Stock Market Self-Regulation Committee's takeover rules for certain trading platforms, Subgen AI Foundation and closely related parties, will thus be required to make a mandatory takeover offer for all shares in Magnasense (so-called mandatory takeover offer). Subgen AI Foundation and closely related parties intend to apply to the Swedish Securities Council for an exemption from such a mandatory takeover offer.

For further information, please contact:

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About Magnasense

Magnasense is a Swedish diagnostics company founded in 2019 to offer tests to monitor and optimize the dosage of biological drugs via its unique patented technology platform. In June 2020, Magnasense was listed on the Nasdaq First North Growth Market. The company's ambition is, in addition to bringing innovative diagnostic technology to the market, to make diagnostics more accessible, easier to use and to provide accurate and easily transferable results. For more information, see Magnasense's website www.magnasense.com.



This information is information that Magnasense is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2025-06-10 08:00 CEST.