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THE BOARD OF DIRECTORS OF PROLIGHT DIAGNOSTICS AB (PUBL) RESOLVES ON A RIGHTS ISSUE OF UNITS OF APPROXIMATELY SEK 98.8 MILLION AND PROPOSES A DIRECTED ISSUE OF SHARES OF APPROXIMATELY SEK 20.9 MILLION

The Board of Directors of Prolight Diagnostics AB (publ) ("Prolight" or the "Company") have today, subject to approval from the subsequent extra general meeting, resolved to carry out a new issue of units consisting of shares, warrants of series TO6 and warrants of series TO7 with preferential rights for existing shareholders of approximately SEK 98.8 million (the "Rights Issue"). The subscription period runs during the period from and including December 4, 2023, to and including December 18, 2023. If fully subscribed, the Rights Issue will provide the Company with approximately SEK 98.8 million before issue costs. Upon full exercise of all warrants of series TO6, the Company may receive an additional maximum of approximately SEK 123.5 million, before issue costs. Upon full exercise of all warrants of series TO7, the Company may receive an additional maximum of approximately SEK 98.8 million, before issue costs. The Rights Issue is covered to approximately 76.1 percent by subscription commitments, bottom underwriting commitments and top-down underwriting commitments. Bottom underwriting commitments may be invoked to the extent that the Rights Issue is not subscribed to 55 percent. Top-down underwriting commitments may be invoked to the extent that the Rights Issue is not subscribed to 100 percent. The Board of Directors also proposes that an extraordinary general meeting resolve on a directed issue of a maximum of 59,693,876 shares of approximately SEK 20.9 million in the form of payment to the former owners of Psyros Diagnostics (the "Directed Issue"). Notice to the extra general meeting will be announced through a separate press release. The Rights Issue presupposes an amendment to the articles of association, which is also proposed to be decided at the extra general meeting.

Executive summary

- Anyone who, on the record date November 30, 2023, is entered in the share register as a shareholder in Prolight receives one (1) unit right for each share in the Company. Two (2) unit rights entitle the holder to subscribe for one (1) unit. One (1) unit consists of two (2) shares, two (2) warrants of series TO6 and one (1) warrant of series TO7.

- The subscription price in the Rights Issue amounts to SEK 0.70 per unit, corresponding to SEK 0.35 per share. The warrants of series TO6 and TO7 are issued free of charge.
- Upon full subscription in the Rights Issue, Prolight will receive approximately 98.8 MSEK before issue costs, which are estimated to amount to approximately 11.4 MSEK, of which SEK 6.3 million refers to underwriting compensation. Upon full exercise of all warrants of series TO6, within the framework of the issued units, the Company may receive an additional maximum of approximately 123.5 MSEK before issuance costs. Upon full exercise of all warrants of series TO7, within the framework of the issued units, the Company may receive an additional maximum of approximately 98.8 MSEK before issuance costs.
- The subscription period for the Rights Issue will run from and including December 4, 2023, to and including December 18, 2023.
- The Rights Issue is covered to approximately 12.4 percent by subscription commitments, approximately 42.6 percent by bottom underwriting commitments, and approximately 21.1 percent by top-down underwriting commitments. Consequently, the Rights Issue is covered to approximately 76.1 percent by subscription commitments and underwriting commitments.
- Subscription commitments of approximately 11.7 percent, approximately 11.6 MSEK, and top-down underwriting commitments of approximately 21.1 percent, approximately 20.9 MSEK, of the Rights Issue constitute offset as part of the purchase price for the acquisition of Psyros Diagnostics Ltd ("Psyros Diagnostics"). More information about the acquisition can be found later in this press release under the section "Terms of the Acquisition of Psyros Diagnostics and the Directed Issue".
- The Rights Issue is subject to approval by the extra general meeting. The Rights Issue is further conditional upon the extra general meeting approving amendments to the articles of association.
- The Directed Issue comprises a maximum of 59,693,876 shares and is directed to the former owners of Psyros Diagnostics, i. e. Steven Ross (Board Member), Aileen McGettrick (Board Member), Paul Monaghan and Julie Richards in equal parts. The reason for the Directed Issue is that the Company shall be able to fulfil its obligations to pay the additional purchase price according to the share purchase agreement entered into with the sellers in connection with the Company's acquisition of all shares in Psyros Diagnostics. The subscription price in the Directed Issue corresponds to the subscription price in the Rights Issue, i. e. SEK 0.35 per share. The sellers will only subscribe for shares within the Directed Issue to the extent that they do not receive an allocation of shares in the Rights Issue corresponding to the additional purchase price for shares in Psyros Diagnostics.

Comment from the CEO

"Prolight reached the Company's most important milestone to date, when our ground-breaking, proprietary point-of-care (POC) system, Psyros™, demonstrated the proof-of-performance for a high sensitivity troponin assay. These results pave the way for the system being used for early detection and rule-out of heart attack. We are now focused on executing the development program to launch Psyros™ on the international market, maintaining our lean, cost-effective approach. Through this Rights Issue, with the support of our shareholders, we can secure the funds needed for the development program that lies ahead, rapidly creating value."

- Ulf Bladin, CEO of Prolight Diagnostics AB (publ).

Background and rationale in summary

The market demands user-friendly POC systems that can rapidly and accurately measure biomarkers at low concentrations, with the same precision as large central laboratory instruments. In particular, there is a demand for a high sensitivity troponin POC test, to reliably rule-in and rule-out heart attack. Prolight Diagnostics is developing an innovative digital, single-molecule-counting detection system, Psyros™, to fulfil the markets unmet need. In the last year, Prolight has been able to demonstrate proof-of-performance for its proprietary Psyros™ POC system to reproducibly measure extremely low levels of both troponin and thyroid-stimulating hormone (TSH). These concentrations are indicative of those required for rule out of myocardial infarction, as defined by the European Cardiology Society's Guidelines on Fourth Universal Definition of Myocardial Infarction. Additionally, the Psyros™ POC system is designed to test multiple biomarkers simultaneously (multiplexing), using only a small drop of blood. After developing six functional prototypes in-house, Integrated Technologies Ltd were selected for full scale product development, ensuring that we deliver a state-of-the art commercial instrument, fully compliant with all IVD regulatory standards. The future focus is on the continued development of the Psyros™ system, accelerating business development and ensuring that all regulatory processes are met ahead of commercial launch.

The proceeds from the Rights Issue and warrants are intended to be used for the following activities:

- Development of a commercially ready POC system for analytical and clinical validation, approximately 40 percent, including, for example:
 - Implementing validated pilot manufacturing lines for instrument and cartridge
 - Usability and stability studies
- Clinical validation studies, approximately 30 percent
- Implementing processes for regulatory approval, approximately 15 percent
- Accelerating business development activities with the aim of entering partnerships and preparing for market access, approximately 15 percent

The allocation above may vary dependent upon the utilization rate of the warrants.

Terms for the Rights Issue

- Anyone who, on the record date November 30, 2023, is entered in the share register as a shareholder in Prolight receives one (1) unit right for each share in the Company. Two (2) unit rights entitle the holder to subscribe for one (1) unit. One (1) unit consists of two (2) shares, two (2) warrants of series TO6 and one (1) warrant of series TO7.
- The subscription price in the Rights Issue amounts to SEK 0.70 per unit, corresponding to SEK 0.35 per share. The warrants of series TO6 and TO7 are issued free of charge.
- Upon full subscription in the Rights Issue, Prolight will receive approximately 98.8 MSEK before issue costs, which are estimated to amount to approximately 11.4 MSEK, of which SEK 6.3 million refers to underwriting compensation.
- The subscription period for the Rights Issue will run from and including December 4, 2023, to and including December 18, 2023.
- The Rights Issue entails an issue of a maximum of 141,134,727 units, corresponding to 282,269,454 shares, 282,269,454 warrants of series TO6 and 141,134,727 warrants of series TO7.

Terms for the warrants of series TO6

- Each warrant of series TO6 entitles the holder to subscribe for one (1) new share in the Company.
- The subscription price for the warrants amounts to seventy (70) percent of the volume-weighted average price of the Company's share during the period from and including May 2, 2024, to and including May 16, 2024, however, not less than the quota value of the share (currently SEK 0.10) and not more than SEK 0.4375.
- The warrants can be exercised for subscription of new shares during the period from and including May 20, 2024, up to and including May 31, 2024.
- Upon full subscription in the Rights Issue and full exercise of all warrants within the framework of the offered units, the Company may receive an additional maximum of approximately SEK 123.5 million.
- The warrants are intended to be admitted to trading on NGM Nordic SME as soon as possible after final registration with the Swedish Companies Registration Office.

Terms for the warrants of series TO7

- Each warrant of series TO7 entitles the holder to subscribe for one (1) new share in the Company.

- The subscription price for the warrants amounts to seventy (70) percent of the volume-weighted average price of the Company's share during the period from and including September 20, 2024, to and including October 3, 2024, however, not less than the quota value of the share (currently SEK 0.10) and not more than SEK 0.70.
- The warrants can be exercised for subscription of new shares during the period from and including October 7, 2024, up to and including October 18, 2024.
- Upon full subscription in the Rights Issue and full exercise of all warrants within the framework of the offered units, the Company may receive an additional maximum of approximately SEK 98.8 million.
- The warrants are intended to be admitted to trading on NGM Nordic SME as soon as possible after final registration with the Swedish Companies Registration Office.

Change in number of shares and share capital and dilution

Upon full subscription in the Rights Issue, the number of shares in the Company will increase by a maximum of 282,269,454, from 282,269,454 to a maximum of 564,538,908 and the share capital by a maximum of SEK 28,226,945.40 from SEK 28,226,945.40 to a maximum of SEK 56,453,890.80, corresponding to a maximum dilution effect of 50 percent of the total number of shares and votes in the Company.

Upon full exercise of warrants of series TO6, assuming that the Rights Issue is fully subscribed, the number of shares in the Company will increase by a maximum of 282,269,454 from 564,538,908 to a maximum of 846,808,362 and the share capital by a maximum of SEK 28,226,945.40 from 56,453,890.80 to a maximum of SEK 84,680,836.20, corresponding to a maximum dilution effect of 33.3 percent of the number of shares and votes in the Company.

Upon full exercise of warrants of series TO7, assuming that the Rights Issue is fully subscribed, the number of shares in the Company will increase by a maximum of 141,134,727 from 846,808,362 to a maximum of 987,943,089 and the share capital by a maximum of SEK 14,113,472.70 from 84,680,836.20 to a maximum of SEK 98,794,308.90, corresponding to a maximum dilution effect of 14.3 percent of the number of shares and votes in the Company.

EU Growth Prospectus

Complete terms and conditions for the Rights Issue as well as other information about the Company will be set out in the EU Growth Prospectus which is expected to be published by the Company on or about November 28, 2023, (the "**Prospectus**").

Subscription commitments and underwriting commitments

The Company has received subscription commitments of approximately 12.3 million SEK, equivalent to approximately 12.4 percent of the Rights Issue, from the board, management, and existing shareholders, bottom underwriting commitments of a total of approximately 42.1 million SEK, equivalent to approximately 42.6 percent of the Rights Issue, and top-down underwriting commitments of approximately 20.9 million SEK, equivalent to approximately 21.1 percent of the Rights Issue. Consequently, the Rights Issue is covered to approximately

76.1 percent by subscription commitments and underwriting commitments. Bottom underwriting commitments can be invoked if the Rights Issue is not subscribed to 55 percent. Top-down underwriting commitments can be invoked if the Rights Issue is not subscribed to 100 percent. Subscription commitments of approximately 11.7 percent, approximately 11.6 MSEK, and top-down underwriting commitments of approximately 21.1 percent, approximately 20.9 MSEK, of the Rights Issue constitute offset as part of the purchase price for the acquisition of Psyros Diagnostics. Further information regarding the acquisition can be found later in this press release under the section "Terms of the Acquisition of Psyros Diagnostics and the Directed Issue".

Compensation for underwriting is fifteen (15) percent of the guaranteed amount if the underwriters choose cash compensation, which amounts to a maximum of approximately 6.3 million SEK, or twenty (20) percent of the guaranteed amount if the underwriters choose compensation in the form of newly issued units, which corresponds to a maximum of 24,031,206 shares, 24,031,206 warrants of series TO6, and 12,015,603 warrants of series TO7. No compensation is provided for the top-down underwriting commitments. If the underwriters choose to receive underwriting compensation in newly issued units, the board of directors will decide on a new issue of such units based on the authorization granted by the extra general meeting on November 27, 2023. The subscription price for any units issued to the underwriters will correspond to the subscription price in the Rights Issue, which is 0.70 SEK per unit, equivalent to 0.35 SEK per share. The warrants are issued free of charge. No compensation is paid for the subscription commitments. Neither the subscription or underwriting commitments are secured by bank guarantees, blocked funds, pledges or similar arrangements.

Preliminary timetable for the Rights Issue

Extra general meeting	November 27, 2023
Last day of trading in the Company's shares including the right to receive unit rights	November 28, 2023
First day of trading in the Company's shares excluding the right to receive unit rights	November 29, 2023
Estimated date for publication of the EU growth prospectus	November 28, 2023
Record date for participation in the Rights Issue	November 30, 2023
Subscription period in the Rights Issue	December 4, 2023 - December 18, 2023
Trading with unit rights (UR)	December 4, 2023 - December 13, 2023
Trading in paid subscribed units (BTU)	December 4, 2023 – Week. 1, 2024
Preliminary date for publication of the outcome of the Rights Issue	December 20, 2023

Terms of the Acquisition of Psyros Diagnostics and the Directed Issue

On March 1, 2022, Prolight acquired the company Psyros Diagnostics for a purchase price of SEK 65 million. Out of the total purchase price, an initial payment of SEK 19.5 million was made upon access through a non-cash issue of new shares in Prolight.

As part of the Rights Issue, as previously agreed, a payment of SEK 32.5 million will be made through subscription with payment via offset in the Rights Issue. The remaining purchase price of SEK 13 million is to be paid in 2024, subject to the achievement of certain predetermined targets.

As stated above, the sellers of Psyros Diagnostics have provided subscription commitments of approximately SEK 11.6 million and top-down guarantee commitments of approximately SEK 20.9 million in the Rights Issue for set-off as part of the purchase price for the acquisition of Psyros Diagnostics. In the event that the sellers do not receive an allocation in the Rights Issue corresponding to the additional purchase price for the shares in Psyros Diagnostics, the Board of Directors proposes that an extraordinary general meeting resolve on the Directed Issue of a maximum of 59,693,876 shares. The sellers will thus only subscribe for shares within the Directed Issue to the extent that they do not receive an allocation of shares in the Rights Issue corresponding to the additional purchase price for shares in Psyros Diagnostics. The right to subscribe for shares in the Directed Issue shall belong to the former owners of Psyros Diagnostics, i.e. Steven Ross (Board Member), Aileen McGettrick (Board Member), Paul Monaghan and Julie Richards in equal part. Steven Ross and Aileen McGettrick have not participated in the Board of Directors' resolution to propose the Directed Issue.

The reason for the Directed Issue is that the Company shall be able to fulfil its obligations to pay the additional purchase price according to the share purchase agreement entered into with the sellers in connection with the Company's acquisition of all shares in Psyros Diagnostics. The subscription price in the Directed Issue corresponds to the subscription

price in the Rights Issue, i.e. SEK 0.35 per share, and has been determined in consultation with financial advisors and through analysis of several market factors. The Board of Directors' assessment is therefore that the subscription price is market-based, taking into account prevailing market conditions. Through the Directed Issue, the Company will receive a maximum of approximately SEK 20.9 million before issue costs (through set-off). Subscription of shares in the Directed Issue shall take place after the Rights Issue has been completed and no later than on 31 December 2023.

All shares issued as part of the acquisition are subject to a lock-up period. This means that the sellers of Psyros Diagnostics are restricted from selling shares in the Company obtained as part of the acquisition until December 31, 2025. During the period after December 31, 2025, until December 31, 2026, the sellers have the right to divest up to one-fourth of the shares received as part of the acquisition. After December 31, 2026, there are no restrictions on the sellers' right to dispose of the remaining shares received as part of the acquisition.

Update to the Financial Calendar

Prolight has also decided to adjust the date for the release of the Company's financial report for the third quarter of 2023 to November 27, 2023.

Advisors

Mangold Fondkommission AB is financial advisor and Advokatfirman Lindahl KB is legal advisor to the Company in connection with the Rights Issue.

For more information, please contact:

Ulf Bladin, CEO

E-mail: ub@prolightdx.com

Company website: www.prolightdx.com

This information constitutes information that Prolight is obligated to disclose under the EU Market Abuse Regulation. The information was provided, through the agency of the above-mentioned contact person, for public release on October 26, 2023, at 08:30 CEST.

About Prolight

Prolight Diagnostics AB develops innovative Point-of-Care (POC) systems. These are small, portable instruments and disposable cartridges for performing in-vitro diagnostic (IVD) tests from a drop of blood. We want to offer the foremost POC systems on the market for quick, reliable diagnosis of acute events. Our launch product will be for the measurement of troponin, to aid in the rule-in and rule-out of myocardial infarction.

The Company's share is traded on the NGM Nordic SME marketplace, under the ticker PRLD.

Important information

Publication, release, or distribution of this press release may in certain jurisdictions be subject to legal restrictions and persons in the jurisdictions where this press release has been made public or distributed should inform themselves of and follow such legal restrictions. The recipient of this press release is responsible for using this press release and the information herein in accordance with applicable rules in each jurisdiction.

The information in this press release neither contains nor constitutes an offer to acquire, subscribe for or otherwise trade shares, warrants or other securities in Prolight. No action has been taken and no action will be taken to allow an offer to the public in any jurisdiction other than Sweden. The invitation for relevant individuals to subscribe to units in the Company will only take place through the Prospectus, which will be disclosed by the Company around November 28, 2023, on the Company's website, www.prolightdx.com. The Swedish Financial Supervisory Authority's approval of the Prospectus shall not be construed as an approval of the Company's shares, warrants or other securities. However, this press release is not a prospectus within the meaning of the Prospectus Regulation (EU) 2017/1129 ("Prospectus Regulation"), and this press release neither identifies nor purports to identify risks (direct or indirect) that may be associated with an investment in shares, warrants or other securities in Prolight. The information in this press release is only intended to describe the background to the Rights Issue and does not claim to be complete or exhaustive. No assurance shall be given with respect to the accuracy or completeness of the information in this press release. Any investment decision should, in order for an investor to fully understand the potential risks and benefits associated with the decision to participate in the Rights Issue, be based solely on the information in the Prospectus. Therefore, an investor is recommended to read the entire Prospectus. This press release constitutes marketing in accordance with Article 2(k) of the Prospectus Regulation.

The information in this press release may not be published, released or distributed, directly or indirectly, in or to the United States, Australia, Belarus, Hong Kong, Japan, Canada, New Zealand, Russia, Switzerland, Singapore, South Africa, South Korea or any other jurisdiction where such action would be unlawful, subject to legal restrictions or require other actions than those following from Swedish law. Actions in violation of this instruction may constitute violations of applicable securities laws. No shares, warrants or other securities in Prolight have been registered, and no shares, warrants or other securities will be registered, under the then-applicable United States Securities Act of 1933 (the "Securities Act") or securities legislation in any state or other jurisdiction in the United States, and may not be offered, sold or otherwise transferred, directly or indirectly, in or to the United States except in accordance with an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with securities legislation in the relevant state or other jurisdiction in the United States.

In the United Kingdom, this document and any other materials in relation to the securities described herein is only being distributed to, and is only directed at, and any investment or investment activity to which this document relates is available only to, and will be engaged in only with, "qualified investors" who are (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order"); or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). In the United Kingdom, any investment or investment activity to which this communication relates is available only to, and will be engaged in only with, relevant persons. Persons who are not relevant persons should not take any action on the basis of this press release and should not act or rely on it.

Forward-looking statements

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. Neither the Company nor anyone else undertake to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release, unless it is required by law or the regulations of the Spotlight Stock Market for issuers.

This information is information that Prolight Diagnostics 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 2023-10-26 08:30 CEST.

Attachments

The Board of Directors of Prolight Diagnostics AB (publ) resolves on a rights issue of units of approximately SEK 98.8 million and proposes a directed issue of shares of approximately SEK 20.9 million