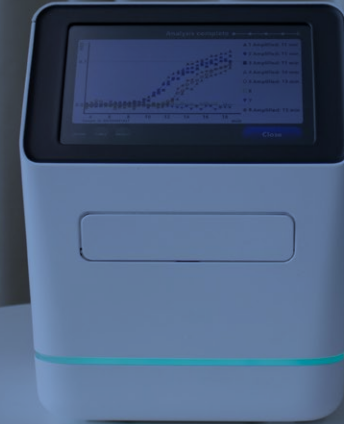


# Interim report

Diagonal Bio AB



# Q1

January - March 2025

# Contents

3	Significant events
4	Comment from Karin Wehlin, CEO
5	Diagonal Bio AB
8	Financial overview
10	Income statement
11	Balance sheet
13	Change in equity
14	Cash flow statement
15	Board declaration

## Summary of first quarter 2025

### January – March

- Net sales amounted to 186 KSEK (0 KSEK), capitalised development contributed with 297 KSEK (250 KSEK).
- Operating loss amounted to -2 529 KSEK (-2 727 KSEK).
- Operating profit per net weighted average share amounted to -0.003 SEK (-0.07 SEK).
- Cash flow during the first quarter amounted to 3 686 KSEK (-1 116 KSEK).
- Cash and cash equivalents at the end of the period amounted to 4 504 KSEK (1 856 KSEK).

#### Diagonal Bio AB

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## Significant events

During Q1

2025

During Q2

2025

**January 14,** Diagonal Bio announced that it had expanded its diagnostic test panel for horses to include the detection of equine herpesvirus type 5 (EHV-5), following a recommendation by Daniel Redén.

**January 17,** an extraordinary general meeting was held by the Company. At the meeting, it was decided, among other things, to approve the Board of Directors' resolutions on a directed issue and a rights issue.

**January 17,** the Company also announced changes to the nomination committee ahead of the 2025 Annual General Meeting. It was announced that Ylber Rexhepi no longer qualified for the nomination committee and that Lars Moberg had joined the committee.

**January 29,** Diagonal Bio announced an order worth approximately SEK 150 000 from Daniel Redén. The order resulted from the successful completion of a pilot test that began in October 2024 and includes the purchase of LAMPlify® along with associated consumables.

**February 5,** Diagonal Bio announced that the Company had signed an agreement with Stall Goop regarding the implementation of a pilot test of LAMPlify®.

**April 25,** Diagonal Bio announced that the Company would transition its news distribution service from Cision News to Modular Finance (MFN), starting April 28.

**February 7,** the Company announced the outcome of the previously communicated rights issue of units. The rights issue was subscribed to a total of approximately 122 percent, including subscription commitments, meaning that no guarantee commitments were utilized.

**February 12,** Diagonal Bio announced that CEO Karin Wehlin, directly and through a wholly owned company, had purchased 8 500 000 shares in the Company at a total price of approximately SEK 170 000.

**February 18,** the Board of Directors of Diagonal Bio decided, based on the authorisation from the extraordinary general meeting, to carry out a directed issue to guarantors in the recently oversubscribed rights issue of units.

**March 3,** the Company announced that the Board of Directors had decided to apply for listing on NGM Nordic SME. The decision was based on the assessment that the move from Nasdaq First North Growth Market to NGM Nordic SME would result in lower costs, thereby allowing Diagonal Bio to allocate more of its available capital to marketing and sales.

**March 4,** Diagonal Bio announced that the Company had received conditional approval for listing on NGM Nordic SME.

**May 5,** Diagonal Bio announced the appointment of Anders Wallseth as Senior Commercial Advisor starting on May 5, 2025.

**March 4,** the Company also announced that Nasdaq had approved Diagonal Bio's application for delisting from Nasdaq First North Growth Market.

**March 13,** the Company announced that Diagonal Bio and Stall Courant, owned by Unibet founder Anders Ström, had signed an agreement for a three-month pilot test of the LAMPlify® platform.

**March 19,** trading of Diagonal Bio's securities began on NGM Nordic SME.

**March 19,** the Company also announced that the nomination committee for the 2025 Annual General Meeting had been changed to consist of Anna Frick, representing Svea Bank AB, Juha Kauppinen, representing Daniel Redén Trotting AB, John Moll, representing WW Advise AB, and Kerstin Jakobsson, observer.

**March 21,** Diagonal Bio announced that the Japanese Patent Office had confirmed that the Company had been granted a patent (application number: EP3987059B1) for the Company's key technology ("A DNA/RNA detection platform").

**March 28,** the Company announced that Diagonal Bio had signed an agreement to conduct pilot tests of the LAMPlify® platform at Stall Törnqvist as well as an undisclosed additional facility.



# Comment from Karin Wehlin, CEO

## Dear Shareholders, Partners and Colleagues,

The first quarter of 2025 marked a period of strategic progress and operational execution for Diagonal Bio. We began the year by strengthening our diagnostic offering for the equine segment, following the addition of equine herpesvirus type 5 (EHV-5) to our test panel. This expansion reinforces our commitment to providing relevant, field-validated solutions in veterinary diagnostics.

During the quarter, we successfully launched pilot projects with key stakeholders, including Stall Goop and Stall Courant. These pilots have proven crucial in validating our LAMPlify® platform in real-world settings and some have already resulted into orders. Additionally, we entered into a new pilot agreement with Stall Törnqvist, further strengthening our presence within the equine community.

In parallel, we strengthened our financial foundation through an oversubscribed rights issue as well as a directed issue to strategic investors. This allowed us to raise capital without activating guarantee commitments, a clear sign of strong shareholder confidence in our vision and growth progress. We followed this with a targeted directed share issue to guarantors.

We also took the decision to transition from Nasdaq First North to NGM Nordic SME. We believe this transition will allow more efficient capital allocation by reducing listing-related costs and enabling us to invest more in sales and marketing initiatives. The listing on NGM Nordic SME was completed on March 19, 2025.

In March, we received confirmation of a granted patent in Japan for our core DNA/RNA detection technology, marking an important step forward in our global IP strategy and enhancing the value of our platform.

With strong partnerships, a validated product, and a clear path to market expansion, Diagonal Bio is positioned to accelerate growth in the coming quarters. I want to thank our shareholders, partners, and dedicated team for their continued trust and commitment to our mission.

Sincerely,



**Karin Wehlin**  
CEO, Diagonal Bio AB (publ)

Lund 2025

”

“we strengthened our financial foundation through an oversubscribed rights issue as well as a directed issue to strategic investors, underscoring strong shareholder confidence in our vision and growth progress.”

**Karin Wehlin**  
CEO, Diagonal Bio AB (publ)



## About Diagonal Bio AB (publ)

**Diagonal Bio AB is a Swedish Biotech company founded in 2020 with the vision of limiting the spread of infectious diseases by creating an ultra-rapid, user-friendly, cost-effective diagnostic platform with high accuracy.**

Based on its patented platform technology, Diagonal Bio develops analytical systems that have the potential to fulfil the vision and thereby facilitate the challenge of rapidly and accurately identifying genetic markers for infectious diseases.

### Platform technology

Diagonal Bio's technology offers the same accuracy as the leading analytical methods of today – PCR – but without the dependency on complex logistics or large central laboratories. This results in a significantly faster and more cost-effective solution. The Company's technology enables the analysis of current and future infectious diseases within 10–15 minutes from sampling, as needed at primary care. The applications of Diagonal Bio's technology also extend beyond the in-vitro diagnostics market segment, for instance, identifying bacteria in food, animal feed, and water, or detecting pests, pathogens, and diseases in animals and crops, all with the same high accuracy as current PCR-based techniques but more rapidly, simply, and cost-effectively.



**LAMPLify®** provides results with the same precision as traditional PCR methods but is significantly faster; the time from sample to result is approximately **10–15 minutes** compared to hours or days for PCR.



## Product families

Diagonal Bio is developing two product families based on its patented platform technology: LAMPLify and Panviral. LAMPLify is designed for less regulated market segments as a customised system for general laboratory and veterinary use. Panviral is tailored for the in-vitro diagnostic market segments, with the potential to revolutionise healthcare and significantly improve the fight against the spread of infectious diseases.

### LAMPLify®

**LAMPLify** can be used to identify the presence of specific genetic markers, such as those for viruses, bacteria and fungi. As a uniquely user-friendly, portable, quick and accurate molecular diagnostic system that can run up to eight different tests simultaneously, it is suitable for use both in the field and in laboratory environments.

#### Market Potential for LAMPLify

LAMPLify can address markets including general laboratory and veterinary diagnostics, where PCR-based methods have traditionally been used to identify genetic markers. The global market for PCR-based methods is valued at approximately \$7.1 billion and is expected to grow to \$13.75 billion by 2028. The goal is to position LAMPLify in this market as a fast, reliable, and cost-effective method for identifying genetic markers.

### Panviral®

**Panviral®** can be adapted to detect various types of infectious diseases, enabling ultra-rapid, accurate, cost-effective and parallel diagnosis. With the potential of reducing the assay time to up to 10-15 minutes, the product finds applications in both diagnostic laboratories as well as point-of-care. Panviral® can also run up to eight different tests simultaneously.

#### Market Potential for Panviral

The Company aims to revolutionise infectious disease diagnostics through large-scale, cost-effective, and accurate testing products. Achieving this requires sufficient financial resources to complete the regulatory documentation for the approvals of Panviral within in vitro diagnostics, i.e., CE marking according to EU-IVDR and/or US-FDA, before market introduction can occur. Targeting a rapidly growing in-vitro diagnostics market, expected to reach \$106 billion by 2030, where over 70% of healthcare decisions are influenced by diagnostic tests, Panviral® is designed for rapid and accurate detection of pathogenic diseases.

“We began the year by strengthening our diagnostic offering for the equine segment, following the addition of equine herpesvirus type 5 (EHV-5) to our test panel.”

Karin Wehlin  
CEO, Diagonal Bio AB (publ)

Revolutionary platform technology

Diagonal Bio’s groundbreaking universal platform technology could end the current difficult trade-offs between speed, user-friendliness, accuracy, and cost for the detection of markers in genetic material (DNA or RNA) from, for example, viruses, bacteria and fungi. This is achieved by eliminating the need for centralised laboratory tests that require expensive and complicated logistics and transportations from point of sample collection to the laboratory. The Company’s products can uniquely run up to eight tests simultaneously, with the same accuracy as today’s costly and complex PCR techniques.

Business and revenue model

Diagonal Bio aims to build a commercial organisation. and/or establish partnerships with existing distributors or major players in the market for the launch of LAMPlify® and, later, Panviral®. Initially, the focus for LAMPlify® may be on establishing partnerships and licensing agreements outside Diagonal Bio’s main market segment, i.e., in-vitro diagnostics. The Company plans to target the initial commercialisation of LAMPlify® towards selected market segments in general laboratory tests and in the agricultural and veterinary fields.

Diagonal Bio is currently focusing its initial efforts on partnerships or license agreements with distributors, KOL’s and collaborators in the market for the launch of LAMPlify®, and at a later stage Panviral®.

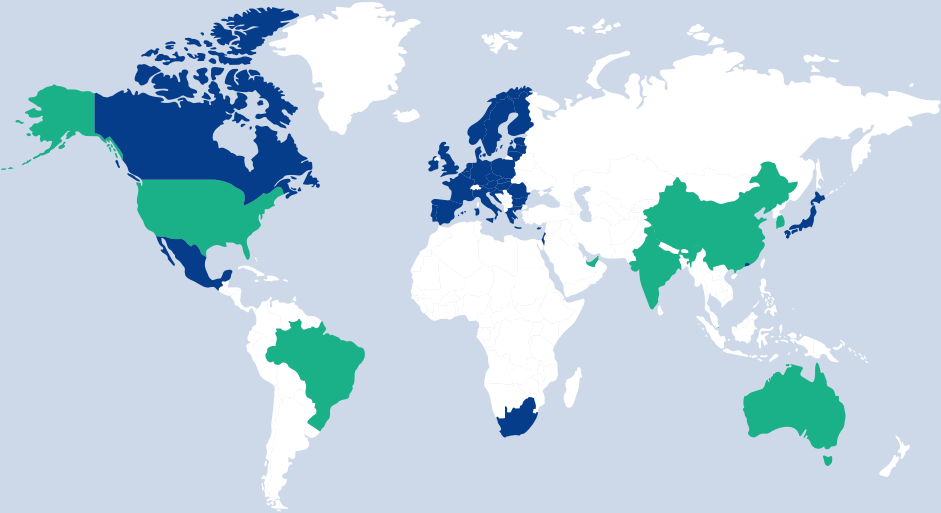
Diagonal Bio plans to sell LAMPlify® and Panviral® according to the “Razor-Blade model”. The model is based on selling or leasing the instruments at a relatively low cost and aims for recurring revenues from the consumables – Diagonal Bio’s cartridges, lysis buffer and reaction mixes.

Commercial scale production

Diagonal Bio has partnered with OIM Sweden AB, a Swedish product development company focusing on early stage innovative companies, for the manufacturing of LAMPlify® and future production of Panviral® on a commercial scale.

Strong patent protection

Diagonal Bio’s platform technology has been granted patent approval in Europe, providing exclusive protection until 2041, and has already been granted at the national level. In addition, Diagonal Bio registered a design protection for sampling containers in 2022, offering further protection related to the consumables used in the system’s analysis unit.



- **Granted Patent:**  
Europe, Hong Kong, Israel, Canada, Mexico, South Africa, United Kingdom, Japan
- **Pending Patents:**  
Australia, Brazil, United Arab Emirates, India, China, Singapore, South Korea, USA

Patent number: EP3987059B1	Priority date*: April 6, 2021	Valid thru**: 2041
Titel: A method for detection of genetic material from e.g. virus and bacteria Titel: "A DNA/RNA detection platform".		

\*The company’s patent applications constitute priority applications from a PCT application.  
\*\*The expiration date applies provided that the patent is approved, and annual fees are paid.

# Financial overview

## Results and Financial Position January–March 2025

Net sales amounted to 186 KSEK (0 KSEK), capitalised development contributed with 297 KSEK (250 KSEK), and other operating income amounted to 0 KSEK (5 KSEK).

The net loss after financial items amounted to -2 529 (-2 727) KSEK, while net income per share amounted to -0.003 (-0.07) SEK.

Cash flow during the first quarter amounted to 3 686 (-1 116) KSEK. At the end of Mars 2025, Diagonal Bio had a cash position of 4 504 (1 856) KSEK.

## Investments

During the first quarter of 2025, investments in intangible assets (patents and trademarks) amounted to 65 (291) KSEK and balanced expenses for development 297 (250). During the first quarter, investments in tangible assets amounted to 0 (0) KSEK.

## Staff and Organisation

At the end of March 2025, Diagonal Bio had 4 employees.

## The share

There is one class of shares in Diagonal Bio AB. The share was listed on July 16, 2021 at Nasdaq First North Growth Market and changed marketplace to NGM Nordic SME on March 19, 2025.

	2025-01-01 2025-03-31	2024-01-01 2024-03-31	2024-01-01 2024-12-31
Number of shares end of the period	1 214 965 327	39 975 779	400 714 213
Weighted number of share during the period	761 568 489	39 975 779	275 508 490
Earnings per share before and after dilution	-0.003*	-0.07*	-0.04*

\*Earnings per share before and after dilution.

## Shareholders

The table below represents major shareholders in Diagonal Bio AB as per March 31, 2025.

Shareholder	Number of shares	Votes and capital (%)
Ålandsbanken ABP	116 694 334	9.60%
Stig Aune	113 979 988	9.38%
Avanza Pension	80 915 564	6.66%
Nordnet Pensionsförsäkring AB	69 649 174	5.73%
Reden Trotting AB	49 999 986	4.12%
Svante Olofsson	34 437 840	2.83%
Christofer Bergstrand	23 024 375	1.90%
Jonny Ekman	17 160 000	1.41%
Jimmie Landerman	15 229 224	1.25%
Jens Erik Martin Olsson	15 000 000	1.23%
Other shareholders (approx. 3 000)	678 874 842	55.88%
<b>Total</b>	<b>1 214 965 327</b>	<b>100.00%</b>

Number of shares held by top 10	536 090 485
Others	678 874 842
<b>Total number of shares</b>	<b>1 214 965 327</b>

## Capitalisation 2025

The subscription period for the rights issue ended on February 6, 2025. The final outcome showed that a total of 40 783 294 units had been subscribed, including pre-subscription commitments, corresponding to a total subscription ratio of approximately 122 percent. Each unit in the rights issue consisted of eighteen (18) shares and eight (8) warrants of series TO 2. In addition to this, Diagonal Bio conducted a directed issue to Svea Bank AB and Redén Trotting AB, to the same terms as in the rights issue. The underwriters in the rights issue also decided to receive their compensation in the form of units, to the same terms as in the rights issue. This resulted in a total of 814 251 114 new shares and 361 889 384 warrants of series TO 2 being issued through the rights issue and the two directed issues to the strategic investors and the underwriters, respectively.



Through the capitalisation, the Company was provided with SEK 7.7 million before issuing costs totaling SEK 1.25 million.

The warrants of series TO2 may be exercised for the subscription of new shares during the period from June 4, 2025, to June 18, 2025. Each warrant of series TO2 entitles the holder to subscribe for one new share in the Company. The subscription price for shares through the exercise of the warrants of series TO2 has been set to SEK 0.01 per share.

## Key ratios

	2025-01-01 2025-03-31	2024-01-01 2024-03-31	2024-01-01 2024-12-31
Working capital <sup>1</sup> , KSEK	3 794	-6 054	65
Quick ratio <sup>2</sup> , %	220	25	81
Solvency <sup>3</sup> , %	92	64	91
Debt ratio <sup>4</sup> , %	4	45	6
Employees <sup>5</sup>	4	4	5

1. Total current assets less total current liabilities at the end of the period

2. Total current assets excluding inventory in percentage of current liabilities at the end of the period

3. Equity in percentage of total balance sheet at the end of the period

4. Interest bearing debts in percentage of equity at the end of the period

5. Average number of employees during the period

## Related party transactions during January–March 2025

Related party transactions (KSEK)	2025-01-01 2025-03-31	2024-01-01 2024-03-31	2024-01-01 2024-12-31
Tillförordnat CEO – WW Advice AB	0	320	460
CFO – Treeridge AB/View Group AB	244	163	606
Scientific Advisor – Nested Bio AB	0	0	290
<b>Total</b>	<b>244</b>	<b>483</b>	<b>1 356</b>

## Principles for preparation of the report

Diagonal Bio AB applies the Swedish Annual Accounts Act and the Accounting Standards Board's general guidelines BFNAR 2012:1 (K3) in the preparation of its financial reports such as the annual reports, cash flow analyses, and interim reports.

## Number of shareholders 2025-03-31

1 214 965 327 shareholders.

## Information about risks and uncertainties

Diagonal Bio's business is exposed to several risks, including both operational and financial risks. The operational risks mainly comprise uncertainty concerning product development, supplier agreements, product liability and distribution. For a more detailed description of the risks and uncertainties to which Diagonal Bio is exposed, see the risk analysis in the memorandum 2024, available on Diagonal Bio's website: [Diagonal-Bio-AB-memorandum-final.pdf](#)

## Auditor's review

This report has not been subject to review by the Company's auditor.

## Financial calendar

Diagonal Bio AB publishes financial reports every quarter. The following dates have been decided for 2024-2025:

**Interim report Q2 2025:** 2025-08-22

**Interim report Q3 2025:** 2025-10-31

## Contact person for further information:

Karin Wehlin, CEO

**Phone:** +46 (0) 70 305 24 88

**E-mail:** kw@diagonalbio.com

## Income Statement

(KSEK)	2025-01-01 2025-03-31	2024-01-01 2024-03-31	2024-01-01 2024-12-31
<b>Income</b>			
Net sales	186	0	62
Capitalised development	297	250	1 063
Other operating income	0	5	6
<b>Total</b>	<b>483</b>	<b>255</b>	<b>1 131</b>
<b>Operating expenses</b>			
Raw materials and consumables	-146	0	-183
Other external expenses	-1 216	-1 788	-5 457
Personnel costs	-1 353	-1 191	-3 898
Depreciation and amortisation	-296	-1	-1 011
Other operating expenses	-1	-2	-3
<b>Total operating expenses</b>	<b>-3 012</b>	<b>-2 982</b>	<b>-10 552</b>
<b>Operating loss</b>	<b>-2 529</b>	<b>-2 727</b>	<b>-9 421</b>
<b>Result from financial items</b>			
Interest income	0	0	75
Interest expenses and similar items	0	-262	-584
<b>Result after financial items</b>	<b>-2 529</b>	<b>-2 989</b>	<b>-9 930</b>
Taxes	0	0	0
<b>Result for the period</b>	<b>-2 529</b>	<b>-2 989</b>	<b>-9 930</b>

## Balance sheet – Assets

(KSEK)	2025-03-31	2024-03-31	2024-12-31
<b>Fixed Assets</b>			
<i><b>Intangible Fixed Assets</b></i>			
Capitalised development expenditures	21 142	21 121	21 117
Patents and intellectual rights	3 443	3 173	3 400
<b>Total</b>	<b>24 585</b>	<b>24 294</b>	<b>24 517</b>
<i><b>Tangible Fixed Assets</b></i>			
Equipment	11	19	13
<b>Total</b>	<b>11</b>	<b>19</b>	<b>13</b>
<b>Total Fixed Assets</b>	<b>24 596</b>	<b>24 312</b>	<b>24 530</b>
<b>Current assets</b>			
<i><b>Inventories</b></i>			
Raw materials and consumables	155	0	322
Commercial goods	416	1 664	226
Work in progress	75	0	0
<b>Total inventory</b>	<b>646</b>	<b>1 664</b>	<b>548</b>
<i><b>Receivables</b></i>			
Accounts receivables	5	23	0
Pilot equipment on customer test	633	0	832
Other receivables	268	363	204
Prepaid expenses and accrued income	355	298	201
<b>Total receivables</b>	<b>1 261</b>	<b>684</b>	<b>1 237</b>
Cash and bank	4 504	1 856	818
<b>Total current assets</b>	<b>6 411</b>	<b>4 204</b>	<b>2 603</b>
<b>TOTAL ASSETS</b>	<b>31 007</b>	<b>28 516</b>	<b>27 133</b>



## Balance sheet – Equity and liabilities

(KSEK)	2025-03-31	2024-03-31	2024-12-31
<b>Equity</b>			
<b><i>Restricted equity</i></b>			
Share capital	3 998	3 998	3 998
Development expenditure fund	21 141	24 294	21 117
<b>Total restricted equity</b>	<b>25 139</b>	<b>28 291</b>	<b>25 115</b>
<b><i>Non restricted equity</i></b>			
Share premium fund	51 157	57 338	52 493
Accumulated result	-35 448	-52 704	-43 084
Loss for the period	-12 459	-14 667	-9 930
<b>Total non-restricted equity</b>	<b>3 250</b>	<b>-10 033</b>	<b>-521</b>
<b>Total equity</b>	<b>28 390</b>	<b>18 258</b>	<b>24 595</b>
<b>Liabilities</b>			
<b><i>Short-term liabilities</i></b>			
Accounts payable	650	720	440
Other liabilities	1 476	8 345	1 698
Deffered	492	1 192	400
<b>Total current liabilities</b>	<b>2 617</b>	<b>10 258</b>	<b>2 538</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>31 007</b>	<b>28 516</b>	<b>27 133</b>

## Change in equity

2025-01-01 – 2025-03-31 (KSEK)	Restricted equity		Unrestricted equity		
	Share capital	Fund for development costs	Share premium fund	Other unrestricted capital	Total
<b>Equity 2025-01-01</b>	<b>3 998</b>	<b>21 117</b>	<b>52 493</b>	<b>-53 014</b>	<b>24 594</b>
Capitalisation of development costs		24		-24	0
Share issue	7 660				7 660
Reduced share capital	-7 660			7 660	0
Costs related to share issue			-1 336		-1 336
The result of the period				-2 530	-2 530
<b>Equity 2025-03-31</b>	<b>3 998</b>	<b>21 141</b>	<b>51 157</b>	<b>-47 908</b>	<b>28 390</b>

2024-01-01 – 2024-03-31 (KSEK)	Restricted equity		Unrestricted equity		
	Share capital	Fund for development costs	Share premium fund	Other unrestricted capital	Total
<b>Equity 2024-01-01</b>	<b>3 998</b>	<b>23 753</b>	<b>57 250</b>	<b>-63 754</b>	<b>21 247</b>
Capitalisation of development costs		541		-541	0
Share issue					0
Reduced share capital					0
Costs related to share issue					0
The result of the period				-2 989	-2 989
<b>Equity 2024-03-31</b>	<b>3 998</b>	<b>24 294</b>	<b>57 250</b>	<b>-67 284</b>	<b>18 259</b>

## Cash flow statement

(KSEK)	2025-01-01 2025-03-31	2024-01-01 2024-03-31	2024-01-01 2024-12-31
Cash flow from operations	-2 277	6 569	-13 765
Cash flow from investing activities	-362	-541	-1 666
Cash flow from financing activities	6 324	-7 144	13 277
<b>Cash flow for the period</b>	<b>3 686</b>	<b>-1 116</b>	<b>-2 154</b>
Cash flow at the beginning of the period	818	2 972	2 972
<b>Cash at the end of the period</b>	<b>4 504</b>	<b>1 856</b>	<b>818</b>



# Board declaration

The Board of Directors and the CEO certify that these consolidated financial statements and the January–March report of 2025 have been prepared in accordance with Swedish Accounts Legislation and BFNAR 2012:1 (K3) and give a fair view of the Company's financial position and results of operations.

Lund, May 14, 2025

**Board of Directors**

**Diagonal Bio AB**  
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Scheelevägen 1,  
223 81 Lund, Sweden

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