



DISTRIBUTION OR PUBLICATION, DIRECTLY OR INDIRECTLY, IN WHOLE OR IN PART, IN OR INTO THE UNITED STATES, AUSTRALIA, BELARUS, HONG KONG, JAPAN, CANADA, NEW ZEALAND, RUSSIA, SWITZERLAND, SINGAPORE, SOUTH AFRICA, SOUTH KOREA OR ANY OTHER JURISDICTION IN WHICH SUCH RELEASE, DISTRIBUTION OR PUBLICATION OF THIS PRESS RELEASE WOULD BE UNLAWFUL OR WOULD REQUIRE ADDITIONAL REGISTRATION OR OTHER MEASURES. PLEASE SEE "IMPORTANT INFORMATION" AT THE END OF THIS PRESS RELEASE.

## **MAGNASENSE INTENDS TO CARRY OUT A DIRECTED ISSUE TO ATLAS SPECIAL OPPORTUNITIES DUE TO CALLED ON CONVERSIONS TOTALLING SEK 3.00 MILLION**

Magnasense AB ("Magnasense" or the "Company") announced on 9 April 2024 that it had entered into a SEK 45 million loan facility agreement (the "Loan Facility") under which the Company can call loans in seven (7) tranches (hereinafter the "Tranches" or each individually the "Tranche") and an agreement to amend the terms and conditions (the "Amendment Agreement") of the outstanding convertible bonds of series 2023/2025 (the "Convertible Bonds"), the amendment of the terms and conditions of which was approved by the general meeting of shareholders on 26 April 2024. Atlas Special Opportunities, LLC ("Atlas") has the right to call for conversion of outstanding debt in private placements of all or part of the principal amount of the called Tranches, the principal amount of the outstanding Notes and the transaction fee up to and including the respective maturity date. To facilitate the administration of the conversions, the parties have previously agreed that a new share issue under the Loan Facility and the Amendment Agreement (the "Agreements") shall occur when Atlas has called for conversion in an aggregate amount of at least SEK 2.50 million (the "Threshold") or if the market value of the transaction fee shares is less than SEK 1.00 million, after which the Company will notify the market. The Company today announces that Atlas has requested conversions totalling SEK 3.00 million, of which SEK 1.50 million relates to transaction fees and SEK 1.50 million relates to conversion of debt. The issue is intended to be carried out with the support of the authorisation from the annual general meeting on 28 June 2024 through a directed issue of a total of 13,090,908 shares to Atlas. The issue proceeds are intended to be paid in full by Atlas by way of set-off against SEK 1.50 million in transaction fee and against SEK 1.50 million in Convertible Bonds, whereby Convertible Bonds corresponding to SEK 1.50 million will be terminated. In accordance with the Agreements, the subscription price per share in the directed issue in respect of the accumulated conversions and the part of the outstanding transaction fee has been set at a weighted price of



**SEK 0.229, corresponding to 100.00 per cent of the lowest daily volume weighted average price according to Nasdaq First North Growth Market's price list for the share in the Company during the fifteen (15) trading days preceding the respective receipt of the conversion request in relation to the size of the respective conversion request. After the completion of the directed issue and the termination of the Convertible Bonds, SEK 33.50 million of the Convertible Bonds remain and SEK 2.50 million of the transaction fee remains, and SEK 17.50 million of the Loan Facility remains.**

#### **The Loan Facility and the Amendment Agreement**

For information on the Agreements, readers are referred to the press release dated 9 April 2024 ("Magnasense enters into a conditional agreement on a SEK 45 million loan facility with Atlas Special Opportunities and an agreement to amend the terms of outstanding convertible bonds, to be approved by an extraordinary general meeting"). Magnasense will, as previously communicated, only inform the market of conversions once the Threshold requiring a new share issue has been reached.

As a result of the directed share issue, the share capital in Magnasense will increase by SEK 183,272.712 to a total of SEK 872,752.202 and the number of shares will increase by 13,090,908 to a total of 62,339,443, which entails a dilution of approximately 21.00 per cent of the total number of shares and votes in the Company after registration of the new shares with the Swedish Companies Registration Office.

#### **Considerations of the Board of Directors**

Prior to the decision to enter into the Agreements, the Company's board of directors, together with a financial advisor, carefully investigated the conditions for a rights issue to raise the necessary capital. The board's assessment was that the Company, especially taking into account the Company's existing capital structure, cannot fulfil its' capital requirements in any other way than through the Agreements with Atlas. The board of directors has together with a financial advisor assessed that a rights issue would require significant underwriting commitments from an underwriting consortium, which has not been deemed possible for the Company to obtain. In addition, a rights issue would likely have been carried out at a significantly lower subscription price than that which Atlas will be able to convert at in accordance with the terms and conditions of the Agreements. The board of directors' overall assessment is thus that the reasons for entering into the Agreements and subsequently carrying out directed share issues to Atlas in this way outweigh the reasons that justify the main rule of issuing shares with preferential rights for existing shareholders, and that new share issues with deviation from the shareholders' preferential rights in accordance with the Agreements thus are in the interest of the Company and all shareholders. The reason why the issue is directed to an existing shareholder is that Atlas has become a shareholder through previously completed new share issues resolved to fulfil the Company's obligations to Atlas under the Agreements.



The basis for the calculation of the subscription price has, in consultation with a financial advisor and by analysing the Company's existing indebtedness and several market factors, been determined through arm's length negotiations with Atlas. It is the Board's assessment that the subscription price through this procedure reflects current market conditions and demand and that it is thereby market-based.

For further information, please contact:

**For further information, please contact:**

Marco Witteveen, CEO

E-mail: [ir@magnasense.com](mailto:ir@magnasense.com)

The company's Certified Adviser is Eminova Fondkommission AB | [adviser@eminova.se](mailto:adviser@eminova.se)

#### **IMPORTANT INFORMATION**

The publication, release or distribution of this press release may, in certain jurisdictions, be restricted by law and persons in the jurisdictions where this press release has been published or distributed should inform themselves about and observe any such legal restrictions. The recipient of this press release is responsible for using this press release and the information contained herein in accordance with the applicable rules in each jurisdiction. This press release does not constitute an offer to sell or the solicitation of an offer to buy or subscribe for any securities issued by the Company in any jurisdiction, neither from the Company nor anyone else in which such offer or solicitation would be unlawful.

This press release is not a prospectus within the meaning of Regulation (EU) No. 2017/1129 (the "Prospectus Regulation") and has not been approved or reviewed by any regulatory authority in any jurisdiction. The Company has not authorised any offer to the public of shares or rights in any member state of the EEA and no prospectus has been or will be prepared in respect of the directed issue. In any EEA Member State, this announcement is only addressed to and is only directed at "qualified investors" in that Member State within the meaning of the Prospectus Regulation.

This press release does not identify or purport to identify any risks (direct or indirect) that may be associated with an investment in new shares. The information contained in this press release is for the sole purpose of describing the background to the Directed Issue and does not purport to be complete or exhaustive.

This press release does not constitute an offer or invitation to purchase or subscribe for securities in the United States. The securities referred to herein may not be sold in the United States absent registration or an applicable exemption from registration under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States absent registration or an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There is no intention to register any securities referred to herein in the United States or to make a public offering of such securities in the United States. The information in this press release may not be announced, published, copied, reproduced or distributed, directly or indirectly, in whole or in part, in or into Australia, Belarus, Canada, Hong Kong, Japan, New Zealand, Russia, Singapore, South Africa, South Korea, Switzerland, the United States or any



other jurisdiction where such announcement, publication or distribution of this information would be unlawful or where such action is subject to legal restrictions or would require additional registration or other measures than those required by Swedish law. Actions contrary to this instruction may constitute a violation of applicable securities legislation.

In the United Kingdom, this document and any other materials in relation to the securities referred to 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” (as defined in section 86 (7) of the Financial Services and Markets Act 2000) who are (i) persons who have professional experience in matters relating to investments and 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 referred to in Article 49 (2)(a) to (d) of the Regulations (all such persons together being referred to as “relevant persons”). Any investment or investment activity to which this communication relates is available in the United Kingdom only to relevant persons and will be engaged in only with relevant persons. Persons who are not relevant persons should not take any action based on this document and should not act or rely on it. This press release does not constitute a recommendation as to any investor’s decision with respect to the directed issue. Each investor or potential investor should conduct his or her own investigation, analysis and evaluation of the activities and information described in this press release and any other publicly available information. The price and value of the securities may go down as well as up and past performance is no guide to future results.

#### **Forward-looking statements**

This press release contains forward-looking statements that reflect the Company’s intentions, beliefs or current expectations regarding 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 can be identified by the use of words such as “believes”, “expects”, “anticipates”, “intends”, “estimates”, “will”, “may”, “anticipates”, “should”, “could” and, in each case, the negatives thereof, or similar expressions. The forward-looking statements in this press release are based on various assumptions, many of which are based on additional assumptions. Although the Company believes that the assumptions reflected in these forward-looking statements are reasonable, there can be no assurance that they will materialise or that they are accurate. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, actual results or outcomes could differ materially from those in the forward-looking statements for a variety of reasons. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this press release by the forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from error and does not accept any responsibility for the future accuracy of the opinions expressed in this press release or any obligation to update or revise the statements in this press release to reflect subsequent events. Readers of this press release should not place undue reliance on the forward-looking statements contained in this press release. The information, opinions and forward-looking statements expressed or implied herein are made only



as of the date of this press release and are subject to change. 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, except as required by law or the rules of Nasdaq First North Growth Market.

#### **About Magnasense AB**

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](http://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 2024-10-31 12:15 CET.*