



Diagonal Bio secures 100 percent of forthcoming warrant exercise through pre-subscription and underwriting commitments

Diagonal Bio AB (publ) ("Diagonal Bio" or "the Company") today announces that the Company has agreed on pre-subscription and underwriting commitments corresponding to 100 percent of the outstanding warrants of series TO 2 ("TO 2"). The Company has received pre-subscription commitments from the members of the Board of Directors, the CEO, as well as one external warrant holder, amounting to a total pre-subscription commitment of approximately SEK 0.15 million and corresponding to approximately 4.1 percent of the TO 2. In addition to the pre-subscription commitments, the Company has received underwriting commitments from two underwriters amounting to approximately SEK 3.5 million, corresponding to approximately 95.9 percent of the TO 2. The TO 2 is thus agreed through pre-subscription and underwriting commitments to a total of 100 percent. The underwriting commitments will be utilised in case the subscription of ordinary shares in the TO 2 does not cover 100 percent of the issue amount. The exercise period for TO 2 runs from 4 June 2025 until and including 18 June 2025. The last day of trading in TO 2 is 16 June 2025.

"We are very pleased to announce that the warrant exercise has been fully secured through 100 percent pre-subscription and underwriting commitments ahead of the exercise period. This strong level of support is a clear vote of confidence in our strategy, our team, and our long-term potential. Securing the full amount in advance not only ensures the success of the transaction but also provides financial stability and flexibility as we continue to execute on our growth initiatives. I would like to thank the Board and underwriting partners for their trust and commitment." - Karin Wehlin, CEO of Diagonal Bio AB (publ)

In January/February 2025, Diagonal Bio carried out a rights issue of units (the "Rights Issue") and a directed issue of units (the "Directed Issue"). Each unit issued in the Rights Issue and the Directed Issue consisted of eighteen (18) shares and eight (8) warrants of series TO 2. Through the Rights Issue and Directed Issue, as well as through a directed issue to the underwriters in the Rights Issue, carried out to the same terms as the Rights Issue and the Directed Issue, a total of 361,889,384 TO 2 were issued.

Each TO 2 entitles to subscription of one new share in Diagonal Bio to an exercise price of SEK 0.01. The exercise period for TO 2 takes place from 4 June 2025 until and including 18 June 2025. The last day of trading in TO 2 is 16 June 2025. The Company may receive a maximum of approximately SEK 3.6 million through the exercise of TO 2.

Pre-subscription and underwriting commitments

The Company has received pre-subscription and underwriting commitments corresponding to a total of 100 percent of the issue volume in TO 2.

The pre-subscription commitments are from the members of the Company's Board of Directors and the CEO as well as from one external warrant holder, amounting in total to approximately SEK 0.15 million and corresponding to approximately 4.1 percent of TO 2. All pre-subscribers have committed to exercise all their respective warrants of series TO 2.

In addition to the pre-subscription commitments, the Company has received underwriting commitments from existing holders of TO 2 to approximately SEK 3.5 million, corresponding to approximately 95.9 percent of the TO 2. According to the underwriting agreements, the underwriters will receive a compensation of 18 percent in the form of shares to the same terms as in TO 2.

The underwriting commitments are not secured by way of a first priority transaction, bank guarantee, pledge or similar and will be utilised in case the subscription of shares in TO 2 is below 100 percent.

Any subscription of ordinary shares under the underwriting commitments will in practice be made through subscription in a directed share issue, resolved by the Board of Directors based on the authorisation expected to be provided by the annual general meeting on 20 May 2025 or subject to approval by a subsequent extraordinary general meeting to be convened for such purpose, after the exercise period for TO 2 has ended. The fulfilment of the underwriting commitments is thus conditional upon approval by the extraordinary general meeting, if such general meeting is needed to be convened. The outcome of the exercise of TO 2 and the amount of underwriting commitments utilised is expected to be announced through a separate press release by the Company around 19 June 2025.

About Diagonal Bio

Diagonal Bio AB was founded in 2020 and is a Swedish biotechnology company with headquarters and offices in Lund. The Company develops the PANVIRAL® platform to detect and diagnose small sections of pathogen genomes, for example viruses, bacteria and fungi. The Company was founded with the goal of reducing human suffering by revolutionising global diagnostics of pathogen-borne diseases with proprietary technology. Diagonal Bio's patented technology can also be used for the less regulated market segments via LAMPlify®.

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