



MAGNASENSE AB CARRIES OUT PREVIOUSLY ANNOUNCED DIRECTED SHARE ISSUE OF 7,080,627 SHARES TO ATLAS SPECIAL OPPORTUNITIES FOLLOWING CALLED UPON CONVERSIONS OF SEK 2.50 MILLION

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES, CANADA, AUSTRALIA, HONG KONG, NEW ZEALAND, SOUTH AFRICA, SOUTH KOREA, SWITZERLAND, SINGAPORE, JAPAN, RUSSIA, BELARUS OR ANY OTHER JURISDICTION IN WHICH SUCH RELEASE, PUBLICATION OR DISTRIBUTION WOULD NOT BE IN COMPLIANCE WITH APPLICABLE LAWS OR REGULATIONS OR WOULD REQUIRE REGISTRATION OR SIMILAR MEASURES. PLEASE SEE " IMPORTANT INFORMATION" AT THE END OF THE PRESS RELEASE.

The board of directors of Magnasense AB ("Magnasense" or the "Company") has today, based on the authorisation from the annual general meeting 2024 and in accordance with the press release issued on 14 September 2024, resolved on a directed share issue to Atlas Special Opportunities, LLC ("Atlas") of a total of 7,080,627 shares at a subscription price of SEK 0.353 per share (the "Directed Issue"). The purpose of the Directed Issue and the reason for the deviation from the shareholders' preferential rights is to fulfil the Company's commitment to Atlas pursuant to the agreements entered into regarding a loan facility and an amendment of the terms and conditions of outstanding convertible bonds of series 2023/2026 (the "Convertible Bonds"), respectively, which were communicated to the market on 9 April 2024 (the "Financing Agreements"). All shares issued through the Directed Issue have been subscribed for and allocated. In accordance with the loan facility agreement with Atlas, the Company can call for loans in seven (7) tranches (the "Tranches" or each a "Tranche") in an aggregate nominal amount of SEK 45.00 million before deduction of set-up fee (the "Loan Facility") and transaction costs. Magnasense has previously called for the issuance of Tranche 1, 2 and partially 3 in accordance with the press releases issued on 13 May 2024, on 30 May 2024 and on 18 July 2024, respectively. The outstanding Loan Facility amounts to SEK 15.00 million, which means that SEK 30.00 million remains of the Loan Facility for the Company to call on. After the completion of the Directed Issue and the termination of the Convertible Bonds, SEK 35.00 million of the Convertible Bonds remain.



The Directed Issue

Magnasense has previously announced that the Company has entered into the Financing Agreements and that the Company will carry out the Directed Issue. For more information on the Financing Agreements, readers are referred to the press release dated 9 April 2024 ("AegirBio enters into a conditional agreement on a MSEK 45 loan facility with Atlas Special Opportunities and an agreement to amend the outstanding convertible bonds, subject to EGM approval). In accordance with the press release on 9 April 2024, a transaction fee of SEK 7.00 million is payable to Atlas for the issuance of the Loan Facility, the extension of outstanding Convertible Bonds and the termination of outstanding warrants of series TO4, to be paid by set-off against newly issued shares in Magnasense. As further announced in the press release on 9 April 2024, Atlas has the right to call for conversion of outstanding debt in directed issues of all or part of the nominal amount of the called Tranches, the nominal amount of the outstanding Convertible Bonds and the transaction fee up to and including the respective maturity date.

In view of the above, the board of directors of Magnasense has today resolved on the Directed Issue, of approximately SEK 2.50 million corresponding to requested conversions. The issue proceeds are intended to be paid in full by Atlas through set-off. As part of the Directed Issue, Convertible Bonds corresponding to SEK 2.5 million will be terminated. After the completion of the Directed Issue and the termination of the Convertible Bonds, SEK 35.00 million of the Convertible Bonds remain and SEK 4.00 million of the transaction fee remains, and SEK 15.00 million of the Loan Facility remains. The purpose of the issue and the reason for the deviation from the shareholders' preferential rights is to fulfil the Company's obligations towards Atlas under the Financing Agreements. All shares issued through the Directed Issue have been subscribed for and allocated.

In accordance with the Financing Agreements, the subscription price per share in the Directed Issue has been set at a weighted price of SEK 0.353, 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 each receipt of conversion request, respectively, in relation to the size of each conversion request, respectively. The method for calculating the subscription price in the share issue has, in consultation with a financial advisor and through analysis of the Company's capital structure and several market factors, been determined through arm's length negotiations with Atlas. It is the board of directors' assessment that the subscription price through this procedure reflects current market conditions and demand and that it thereby is market-based.

The board of directors' considerations

Prior to the decision to enter into the Financing Agreements, the Company's board of directors has, together with a financial advisor, carefully investigated the conditions for a rights issue to raise the necessary capital. The board's assessment is that the Company currently, cannot meet its' capital needs in any other way than through the Financing Agreements with Atlas. The board of directors has together with a financial advisor assessed that a rights issue would require significant guarantee commitments from a guarantee syndicate, which has not been deemed



possible for the Company to obtain. In addition, a rights issue would probably 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 Financing Agreements. The board of directors' overall assessment is thus that the reasons for entering into the Financing 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 share issues with deviation from the shareholders' preferential rights in accordance with the Financing Agreements thus are in the interest of the Company and all shareholders. The reason why the issue is directed to an existing shareholder is to fulfil the Company's commitment to Atlas as a result of the Financing Agreements.

The Loan Facility

The Loan Facility consists of seven (7) tranches with a total nominal amount of SEK 45.00 million. Magnasense has previously called for Tranche 1, 2 and partially 3 corresponding to a total of SEK 15.00 million, which means that SEK 30.00 million remains of the Loan Facility for the Company to call on. Tranches drawn under the Loan Facility are interest-free and mature on 9 April 2027.

Atlas has the right to call for conversion of debt in directed issues of all or part of the nominal amount of the called Tranches and the transaction fee up to and including the maturity date. The minimum amount to convert is SEK 0.50 million. To facilitate the administration of the conversions, the parties have agreed that a new issue under the Loan Facility shall be made when Atlas has called for conversion in an aggregate amount of at least SEK 2.50 million or if the market value of the transaction fee shares is less than SEK 1.00 million. The Company will announce conversions to the market when Atlas has called for conversions that lead to a new share issue.

The Loan Facility accelerates the Company's grant-funded RADx® project under the auspices of the National Institutes of Health ("NIH") aimed at developing a digital multiplex self-testing platform for individuals with disabilities. A successful execution of the Company's RADx® project will position the Company for potential additional grants from the NIH.

For more information on the Loan Facility, readers are referred to the press release dated 9 April 2024 ("AegirBio enters into a conditional agreement on a MSEK 45 loan facility with Atlas Special Opportunities and an agreement to amend the outstanding convertible bonds, subject to EGM approval").

Change in share capital, number of shares and votes and dilution

The Directed Issue entails that the Company's share capital will increase by SEK 99,128.778 to a total of SEK 689,479.490. The number of shares and votes will increase by 7,080,627 to a total of 49,248,535. Carrying out the Directed Issue entails a dilution of approximately 14.38 per cent for existing shareholders in relation to the total number of shares and votes in the Company.

**For additional information, please contact:**

Marco Witteveen, CEO

Email: ir@magnasense.com

The Company's Certified Adviser is Eminova Fondkommission AB | info@eminova.se

IMPORTANT INFORMATION

The release, publication 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 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. A prospectus will not be prepared in connection with the Directed Issue.

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 the United States, Canada, Australia, Hong Kong, New Zealand, South Africa, South Korea, Switzerland, Singapore, Japan, Russia, Belarus 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.



Forward-looking statements

This press release contains forward-looking statements that reflect the Company's intentions, beliefs or 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 contained in this press release are accurate and any reader 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.