



## Diagonal Bio AB publishes investment memorandum prior to upcoming rights issue of units

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The subscription period of Diagonal Bio AB's ("Diagonal Bio" or the "Company") rights issue of units, which was resolved on 23 December 2024 by the Board of Directors together with the resolution on a directed issue of units, commences tomorrow, 23 January 2025. The Company has prepared an investment memorandum, containing information about the Company as well as about the rights issue of units and the terms and conditions for the rights issue. The investment memorandum is available on Diagonal Bio's website ([www.diagonalbio.com](http://www.diagonalbio.com)).

### Summary of the rights issue and the directed issue

- On 23 December 2024, the Board resolved on a directed issue, amounting to initially approximately SEK 1.7 million before deduction of issue related costs, and a rights issue, amounting to initially approximately SEK 6.0 million before deduction of issue related costs. Through exercise of warrants series TO 2, the Company may receive a maximum of an additional approximately SEK 3.4 million in June 2025. The proceeds from the directed issue, a fully subscribed rights issue as well as fully exercised warrants of series TO 2 are intended to fund the Company's operations until January 2026.
- The directed issue is directed to the Company's marketing partner Daniel Redén, through Redén Trotting AB, and the strategic investor Svea Bank AB.
- The rights issue is covered by subscription undertakings from the Board members, the CEO, and other shareholders, of in total approximately SEK 0.4 million, corresponding to approximately 6 percent of the rights issue. In addition, Diagonal Bio has received underwriting commitments of in total approximately SEK 3 million, corresponding to approximately 50 percent of the rights issue, divided into two separate top-down underwriting tranches.
- The subscription price in the directed issue and the rights issue is set to SEK 0.18 per unit, corresponding to SEK 0.01 per share. Warrants of series TO 2 are issued free of charge.
- The Company's shareholders have preferential rights to subscribe for units in the rights issue, whereby each share entitles the shareholder to one (1) unit right. Twelve (12) unit rights entitle to subscription of one (1) unit. One (1) unit contains eighteen (18) shares and eight (8) warrants of series TO 2. Shares subscribed for in the directed issue do not entitle the holder to subscribe for shares in the rights issue.
- The record date in the rights issue was 21 January 2025 and the subscription period in the rights issue takes place from and including 23 January 2025 until and including 6 February 2025.
- One (1) warrant of series TO 2 gives the holder the right to subscribe for one (1) new share in Diagonal Bio during the period that runs from and including 4 June 2025, to and including 18 June 2025. The exercise price for warrants series TO 2 has been set to SEK 0.01 per new share.
- In connection with the transaction, the Board members and CEO Karin Wehlin have entered into customary lock-up agreements corresponding to 100 percent of their respective shareholdings until 31 July 2025.

### Advisors

Navia Corporate Finance AB is the financial advisor in connection with the transaction. Setterwalls Advokatbyrå AB is the legal advisor to Diagonal Bio and Aqurat Fondkommission AB is the issuing agent.

### For additional information about the transaction, please contact:

Navia Corporate Finance AB  
E-mail: [info@naviacf.se](mailto:info@naviacf.se)

**For additional information about Diagonal Bio, please contact:**

Karin Wehlin, CEO  
Phone: +46 703 052488  
E-mail: kw@diagonalbio.com

**Certified Adviser**

Svensk Kapitalmarknadsgranskning AB  
E-mail: ca@skmg.se

**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®.

**Important information**

The information in this press release does not contain or constitute an offer to acquire, subscribe or otherwise trade in shares, warrants or other securities in Diagonal Bio. No action has been taken, and measures will not be taken to permit a public offering in any jurisdictions other than Sweden. Any invitation to the persons concerned to subscribe for units in Diagonal Bio will only be made through the investment memorandum that the Company estimates has published on Diagonal Bio's website [www.diagonalbio.com](http://www.diagonalbio.com). The investment memorandum does not constitute a prospectus as defined in the provisions of Prospectus Regulation (EU) 2017/1129 of the European Parliament and of the Council ("Prospectus Regulation") and has not been reviewed, registered or approved by the Swedish Financial Supervisory Authority. The offering in the investment memorandum is exempt from the prospectus obligation in accordance with Article 3 (2) of the Prospectus Regulation and Chapter 2, Section 1 of the EU Prospectus Regulation (Supplemental Provisions) Act (2019:414) due to the fact that the amount offered by the Company to the public is less than EUR 2.5 million. This release is not a prospectus in accordance with the definition in the Prospectus Regulation and, accordingly, does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in shares, warrants or other securities in Diagonal Bio. In order for investors to fully understand the potential risks and benefits associated with a decision to participate in the rights issue, any investment decision should only be made based on the information in the investment memorandum. Thus, investors are encouraged to review the investment memorandum in its entirety.

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This press release may contain forward-looking statements which reflect the Company's current view on future events and financial and operational development. Words such as "intend", "expect", "anticipate", "may", "believe", "plan", "estimate" and other expressions which imply indications or predictions of future development or trends, and which are not based on historical facts, are intended to identify forward-looking statements. Forward-looking statements inherently involve both known and unknown risks and uncertainties as they depend on future events and circumstances. Forward-looking statements do not guarantee future results or development and the actual outcome could differ materially from the forward-looking statements.

Since Diagonal Bio conducts essential services according to the FDI-act certain investments in the Transaction may require review by the ISP. Diagonal Bio will, no later than in connection with the publication of the investment memorandum, publish more information about this on Diagonal Bio's website, [www.diagonalbio.com](http://www.diagonalbio.com).