



MAGNASENSE AB ENTERS INTO AN ADDENDUM WITH ATLAS SPECIAL OPPORTUNITIES, LLC REGARDING OUTSTANDING CONVERTIBLE BONDS OF SERIES 2023/2026 AND LOAN FACILITY

Magnasense AB ("Magnasense" or the "Company") has entered into an addendum (the "Addendum") with Atlas Special Opportunities, LLC ("Atlas") ahead of the planned issue of units with preferential rights for the Company's shareholders (the "Rights Issue"). The Addendum is expected to improve Magnasense's financial flexibility and create more stable conditions for the planned Rights Issue. Through an extended maturity of the outstanding convertible bonds of series 2023/2026, lock-up provisions and terms governing repayment, the Addendum is expected to contribute to a strengthened capital structure and promote the Company's long-term development. The parties have agreed that no additional capital will be requested under the Loan Facility (as defined below).

Magnasense has previously entered into agreements with Atlas regarding a loan facility and an amendment of the terms and conditions of outstanding convertible bonds of series 2023/2026 (the "**Convertible Bonds**"), which were communicated to the market on 9 April 2024. Under the original loan facility agreement, the Company could call for loans in seven (7) instalments in an aggregate nominal amount of SEK 45.00 million before deduction of set-up fees and transaction costs (the "**Loan Facility**"). The now entered Addendum entails changes to the terms and conditions of both the Convertible Bonds and the Loan Facility in order to improve the Company's financial flexibility ahead of the planned Rights Issue. A general meeting shall be held no later than 30 June 2025 to approve the proposed amendments to the terms and conditions of the outstanding Convertible Bonds. The main features of the Addendum are summarised below.

Extended maturity of the Convertible Bonds and closed Loan Facility

Pursuant to the Addendum, the maturity of the Convertible Bonds is extended by 24 months, from 20 January 2026 to 20 January 2028, providing the Company with increased financial flexibility. The maturity date for loans called for under the Loan Facility will remain unchanged at 9 April 2027. Concurrently, Magnasense has agreed with Atlas that no additional capital will be requested under the Loan Facility.

Free of charge guarantee commitment from Atlas in the planned Rights Issue

As part of the agreement, Atlas has provided a top-down guarantee commitment of SEK 1.5 million free of charge within the framework of the Rights Issue. The commitment will be set off against Convertible Bonds to the extent the guarantee needs to be utilized, which the Board of Directors considers to be beneficial to the Company's financial position.



Lock-up provisions for conversion and trading of shares

The Addendum contains lock-up provisions for the conversion of debt relating to the Convertible Bonds, the Loan Facility and the remaining transaction fee, proportional to the subscription rate in the planned Rights Issue. This means that Atlas, given a fully subscribed Rights Issue, may only convert debt into shares as follows:

- After 6 months from the registration of the Rights Issue with the Swedish Companies Registration Office, SEK 10 million can be converted and the resulting shares released from lock-up
- After 9 months from the registration of the Rights Issue, an additional SEK 10 million can be converted and the resulting shares released from lock-up
- After 13 months from the registration of the Rights Issue, all remaining amounts under the Convertible Bonds, the Loan Facility and the transaction fee may be converted, and the resulting shares will be released from lock-up
- However, if Magnasense's share price reaches a level corresponding to 100 percent higher than the subscription price per share in the Rights Issue, Atlas may convert up to SEK 10 million regardless of the lock-up periods mentioned

In the event that the Rights Issue is not fully subscribed, the lock-up periods will be reduced in proportion to the subscription rate, excluding subscriptions where payment has been made by way of set-off. For example, if the subscription rate is 75 percent, consisting entirely of cash subscriptions, the lock-up periods will be reduced proportionally to 75 percent (e.g. 6 months lock-up will be 4.5 months lock-up).

In addition, the Addendum contains a special lock-up during the two months preceding the exercise period for the warrants planned to be issued in connection with the Rights Issue provided that each series can generate at least SEK 10 million in gross issue proceeds upon full subscription, excluding Atlas' potential subscription. This lock-up also applies during the entire subscription period of each series.

If Magnasense (i) announces via a press release that a letter of intent has been entered into that may lead to a change of control of the Company, or (ii) enters into a share purchase agreement or similar agreement entailing a change of control, the applicable lock-up conditions under the Addendum shall cease to apply. A change of control shall be deemed to occur if a person or entity acquires, or enters into a binding agreement to acquire (subject to Nasdaq Stockholm's approval), a majority of the shares or votes in Magnasense.

Furthermore, if Atlas at any time holds 30 percent or more of the outstanding shares in the Company, Atlas may, notwithstanding the lock-up provisions in the Addendum, sell shares in the Company to the extent necessary to bring its holding below 30 percent, but not to a greater extent than is necessary to bring it below that level.



All lock-up terms set forth contain customary exceptions and waivers by Eminova Partners Corporate Finance AB, to the extent deemed favourable to the Company and its shareholders.

Finally, the lock-up provisions under the Addendum shall automatically be lifted upon the occurrence of events of default under previously entered into financing agreements with Atlas.

Repayment of part of Atlas debt in connection with future capital raisings

Under the Addendum, the Company has undertaken that 20 per cent of the net proceeds from future capital raises shall be used to repay the corresponding amount of outstanding Convertible Bonds, with the exception of net proceeds from shares in the planned Rights Issue and incentive programmes for executives and key employees with a vesting period of at least three years, and which entail a maximum dilution of 6 percent. Net proceeds are defined in this context as gross proceeds less transaction costs and any set-offs.

Restructuring fee

As compensation for the restructuring of the loan terms and lock-up provisions, a fee of SEK 990,000 shall be paid to Atlas (the "**Restructuring Fee**"). The Company is entitled to settle the Restructuring Fee through a directed share issue to Atlas, where payment is made through set-off. In such case, the subscription price per share shall correspond to 100 per cent of the lowest daily volume weighted average price (VWAP) for the Company's share on Nasdaq First North Growth Market during a period of fifteen (15) trading days ending on the trading day on which the Company resolves on the directed share issue, provided that - unless otherwise agreed between the parties - a resolution on such share issue is not made on a day when no trading has taken place in Magnasense's share. The Restructuring Fee is due for payment, in cash or by set-off, within three (3) months from the date on which the Rights Issue is registered with the Swedish Companies Registration Office.

Additional guarantee and subscription commitments from the Board of Directors and management

To emphasise their commitment, the Board of Directors and management have undertaken to participate in the Rights Issue through guarantee and/or subscription commitments totalling at least SEK 5 million, which means an increase in participation compared to what has previously been communicated. A part of these commitments can be set-off against existing debt and accrued fees. Magnasense and the individuals concerned have further undertaken that any set-off of debt in the Rights Issue shall be subject to the same lock-up provisions that apply to Atlas. No compensation is paid to the Board of Directors or management for these undertakings. Further information on the undertakings is intended to be announced in connection with the Board of Directors' decision to carry out the Rights Issue.

**Outstanding debt and fees to Atlas**

Magnasense has previously called for the issuance of Tranches 1, 2 and partially 3 in accordance with the press releases issued on 13 May 2024, 30 May 2024, 18 July 2024 and on 20 September 2024, respectively. The outstanding Loan Facility thus amount to SEK 17.5 million and mature on 9 April 2027. SEK 31 million of the Convertible Bonds remain, maturing on 20 January 2028. Of the previously agreed transaction fee, SEK 2.5 million remains, which falls due for payment on 5 May 2026. The Restructuring Fee under the Addendum amounts to SEK 0.99 million and shall be paid within three (3) months from the date on which the Rights Issue is registered with the Swedish Companies Registration Office.

For further information, please contact:

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

Magnasense in brief

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.

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 2025-04-10 18:52 CEST.