

Prostatype Genomics carries out a rights issue of units of approximately 49.5 mSEK

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The Board of Directors in Prostatype Genomics AB (“Prostatype Genomics” or the “Company”) has, subject to approval by the extraordinary general meeting on 16 July 2024, resolved to carry out an issue of 990,811,186 units, with preferential rights for the Company’s existing shareholders (the “Rights Issue”). Each unit in the Rights Issue consists of five (5) shares and two (2) warrants of series TO 4 (collectively, a “Unit”). Provided that the Rights Issue is fully subscribed, the Company will receive initial proceeds of approximately 49.5 mSEK before the deduction of issue costs. The Rights Issue is covered by cash pre-subscribers and guarantee commitments of 35.7 mSEK, corresponding to approximately 72.1 percent of the Rights Issue. Guarantor commitments are divided into so-called bottom guarantee commitments of 18.2 mSEK from Exelity AB, Buntel AB, Oliver Molse and Life Science Invest Fund 1 ApS and top guarantee commitments of 7.5 mSEK, with 7.0 mSEK coming from Life Science Invest Fund 1 ApS and 0.5 mSEK Gemstone Capital A/S.

In addition to this debt, a of a total of 3.2 mSEK, will be converted within the Rights Issue, or in a seperated directed issue (“Directed Issue”) on identical terms as the Rights Issue. To secure the Company’s financing needs until the completion of the Rights Issue, the Company has secured bridge financing amounting to 6.5 mSEK.

Summary of the Rights Issue

The Rights Issue is proposed to be carried out on the following main terms:

- Existing shareholders will receive one (1) unit right for each share held on the record date 15 August 2024. One (1) unit right entitles the holder to subscribe for one (1) Unit in the Company. Each Unit consists of five (5) new shares and two (2) warrants of series TO 4.
- The Rights Issue comprises a maximum of 990,811,186 Units, corresponding to a maximum of 4,954,055,930 shares and 1,981,622,372 warrants of series TO 4. Upon full subscription in the Rights Issue, Prostatype Genomics will initially receive approximately 49.5 mSEK before deduction of issue costs.
- One (1) warrant of series TO 4 entitles the holder to subscribe for one (1) new share in the Company during the period 25 November 2024 to and including 9 December 2024 at an exercise price of 30% discount of the 10-day volume-weighted average price prior to the first day of the exercise period.
- The last day of trading in Prostatype Genomics share including the right to receive unit rights in the Rights Issue is 13 August 2024. The shares are traded excluding the right to receive unit rights in the Rights issue from 14 August 2024.

- The subscription price in the Rights Issue is SEK 0.05 per Unit, corresponding to SEK 0.01 per share. Warrants of series TO4 are issued free of charge.
 - The subscription period in the Rights Issue runs from 19 August 2024 to and including 2 September 2024.
 - Warrants of series TO 4 are expected to be admitted to trading on Nasdaq First North Growth Market in close connection with the registration of the Rights Issue with the Swedish Companies Registration Office and the conversion of BTU to ordinary shares and warrants.
 - The Rights Issue is covered by pre-subscribers and guarantee commitments up to approximately 72.1 percent. The guarantee commitments consist partly of a so-called top guarantee and partly of a so-called bottom guarantee.
 - Debt of a total of 3.2 mSEK, will be converted within the Issue, or in a separated Directed Issue on identical terms as the Rights Issue.
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- In order to secure the Company's liquidity needs until the Rights Issue has been completed, the Company has obtained a bridge loan of 6.5 mSEK, where Exelity AB accounts for 4.2 mSEK and Buntel AB accounts for 2.3 mSEK.
 - The complete terms and conditions for the Rights Issue, including additional information about the Company, will be made available in an EU growth prospectus that is expected to be published around 13 August 2024 (the "**Prospectus**").

Fredrik Rickman, CEO for Prostatype Genomics, comments on the issue:

"In these challenging market conditions, trust remains the cornerstone of our journey. Prostatype Genomics is progressing as planned, with Q3 2024 marking the completion of the validation phase. This sets the stage for our biggest milestone in Q4: Medicare reimbursement approval. Prostatype Genomics has secured a transaction with its long-term investors, reinforcing their confidence in our vision and ensuring our path to these critical milestones"

Jan Poulsen, CEO for Life Science Invest Fund 1 (LSIF) says:

"LSIF is excited to be a lead guarantor in this offering. Prostatype Genomics has in our view developed a unique gene test, which can significantly improve both the diagnosis and the quality of life for millions of patients with prostate cancer, and we see a bright future for the company once the US validation study confirms what has already been documented in other studies paving the way for reimbursement in the US in the near term. The next 6 – 12 months can radically change the prospects for Prostatype Genomics, and we look forward to support the company on this journey."

Background and reason

Prostatype Genomics has developed an algorithm-based kit specifically designed to eliminate the misclassification of prostate cancer, which can lead to inappropriate treatment and dosages. Such misclassification often results in unnecessary side effects and requires multiple treatment courses. This innovative kit seamlessly integrates with current diagnostic procedures and tests, ensuring no disruption to the existing healthcare process. Supported by robust clinical evidence, the solution outperforms existing methods in terms of reliability and precision. By providing more accurate risk assessments, the kit helps reduce unnecessary treatment courses and guides healthcare professionals towards optimal treatment decisions.

Following the positive validation data from an ongoing study in the US expected in Q3 2024 and the expected obtaining of a Medicare-approval in Q4 2024, Prostatype Genomics is well-positioned to commercialize its kit in the United States. To achieve this, the Company seeks capital to support several critical areas: covering the initial set-up and salary costs essential for driving commercialization efforts and maintaining full control over the entire sales process to ensure quality and consistency in product delivery, which will effectively lead to higher profit margins over the long term. With a successful commercial launch in the EMEA region in 2022, promising validation data from ongoing studies, and a renewed focus on the US market, Prostatype Genomics is confident in achieving EBITDA break-even by the end of 2026.

Use of proceeds

In order to finance the commercialization on the prioritized markets as well as bringing further progress of the American validation study and obtaining Medicare reimbursement approval, the Board of Directors' of the Company has resolved on the execution of the Rights Issue. The minimum net proceeds from the Rights Issue is expected to be sufficient to complete validation study in Q3 2024 and Medicare reimbursement approval in Q4 2024.

As a minimum, the Company receives gross proceeds of approximately 35.7 mSEK and net cash proceeds of approximately 27.5 mSEK before the repayment of the bridge loan. The total costs are 8.2 mSEK, of which 4.4 mSEK assumes all guarantors choose cash as compensation for their respective guarantee undertakings. The minimum net cash is intended to be used for the planned activities:

- Approximately 23 percent will be used for repayment of the bridge loan and interest
- Approximately 50 percent will be used for finalizing the validation study in USA and the process for Medicare reimbursement approval
- Remaining proceeds to be used for the ongoing commercialization activities USA and Europe as well as strengthening of the overall working capital and ongoing operation activities

Terms of the Rights Issue

The Board of Directors of the Company has resolved, subject to a subsequent approval at an extraordinary general meeting held 16 July 2024, to carry out the Rights Issue. The Rights Issue comprises a maximum of 990,811,186 Units, corresponding to a maximum of 4,954,055,930 shares and 1,981,622,372 warrants of series TO 4. Upon full subscription in the Rights Issue, Prostatype Genomics will initially receive approximately SEK 49.5 million before deduction of issue costs.

Anyone who, on the record date 15 August 2024, is listed in the share register maintained by Euroclear Sweden AB, has preferential rights to subscribe for Units in the Rights Issue in relation to previous holdings of shares. One (1) existing share in Prostatype Genomics entitles to one (1) unit right. One (1) unit right entitles the holder to subscribe for one (1) Unit in the Company. Each Unit consists of five (5) new shares and two (2) warrants of series TO 4. The subscription price in the Rights Issue is SEK 0.05 per Unit, corresponding to SEK 0.01 per share. Warrants of series TO4 are issued free of charge.

If all the Units in the Rights Issue are not subscribed for with the support of unit rights, the Board of Directors will resolve on allotment as follows:

1. To those who have subscribed for Units by exercise of unit rights (regardless of whether they were shareholders on the record date or not) and who have applied for subscription of Units without exercise of unit rights and if allotment to these cannot be made in full, allotment shall be made pro rata in relation to the number of unit rights that each and every one of those, who have applied for subscription of Units without exercise of unit rights, have exercised for subscription of Units.
2. To those who have applied for subscription of Units without exercise of unit rights and if allotment to these cannot be made in full, allotment shall be made pro rata in relation to the number of Units the subscriber in total has applied for subscription of Units.
3. To those who have provided guarantee commitments regarding subscription of Units, in proportion to such guarantee commitments. To the extent that allotment in any section above cannot be done pro rata, allotment shall be determined by drawing of lots.

Change in share capital and number of shares and dilution

The total share capital of the Company prior to the Rights Issue amounts to SEK 9,908,111.86, divided into 990,811,186 shares, each with a nominal value of SEK 0.01. The total maximum volume in the Rights Issue is 4,954,055,930 new shares, which will increase the total number of shares to 5,944,867,116 and the share capital to SEK 59,448,671.16. For existing shareholders not participating in the Rights Issue, this means, at full subscription, a dilution effect of approximately 83.3 percent of the votes and capital in the Company.

If all warrants of series TO 4 are fully exercised for subscription of new shares in the Company, the number of shares will increase by an additional 1,981,622,372, from 5,944,867,116 to a total of 7,926,489,488 and the share capital will increase by an additional SEK 19,816,223.72, from SEK 59,448,671.16 to SEK 79,264,894.88. If full subscription, this corresponds to a dilution effect from warrants of series TO 4 of approximately 25.0 percent.

The total dilution effect if both the Rights Issue and warrants of series TO 4 are subscribed for, and exercised, in full, amounts to approximately 87.5 per cent.

Extraordinary general meeting

The resolution by the Board of Directors regarding the Rights Issue is subject to approval by an Extraordinary General Meeting, expected to be held on 16 July 2024. Notice of the Extraordinary General Meeting will be published through a separate press release.

Pre-subscription and Guarantee commitments

The Rights Issue is covered to approximately 72.1 percent by pre-subscriptions and guarantee commitments, of which pre-subscribers correspond to approximately 20.2 percent of the Rights Issue, bottom guarantee commitments to approximately 36.7 percent of the Rights issue and top guarantee commitments amount to approximately 15.1 percent of the Rights Issue. For top guarantors, compensation of 20 percent of the guaranteed amount is to be paid in cash or 23 percent of the guaranteed amount in Units in the Company. For bottom guarantors, compensation of 16

percent of the guaranteed amount is to be paid in cash or 20 percent of the guaranteed amount in Units in the Company. No compensation is paid for the subscription undertakings. The subscription undertakings and guaranteed commitments are entered into through legally binding agreements.

Debt conversion

Existing loan-holders have agreed to off-set existing debt in the issue or in separated Directed Issue on identical terms of 3.2 mSEK corresponding to 64,000,000 Units. This conversion will be exercised as a separate capital increase in a Directed Issue to the extent that cash subscription does not leave room for conversion within the Issue.

Bridge financing

In order to secure the Company's liquidity needs until the Rights Issue a bridge loan has been completed, the Company has obtained a bridge loan of 6.5 mSEK, where Exelity AB accounts for 4.2 mSEK and Buntel AB accounts for 2.3 mSEK. As compensation for the loan, a commitment fee of 5 percent will be added to the sign on fee, which a 2 percent interest per commenced 30-day, will be based on.

Prospectus

Complete information regarding the Rights Issue and information about the Company will be provided in a Prospectus that is expected to be published on the Company's website around 13 August 2024.

Terms for the warrants of series TO 4 included in the Unit

Subscribers of Units in the Rights Issue will receive two (2) warrant of series TO 4 free of charge. One (1) warrant of series TO 4 entitles the holder to subscribe for one (1) new share.

The subscription price of the warrant of series TO 4 will be set at 30% discount of the 10-day volume-weighted average price prior to the first day of the exercise period, but at a minimum of SEK 0.01 (corresponding to the nominal value). Warrants of series TO 4 can be exercised to subscribe for shares in Prostatype Genomics during the period 25 November 2024 – 9 December 2024 (both days included).

Preliminary timeline for the Rights Issue

- **13 June 2024:** Board of Directors resolve on Rights Issue and Announcement of Rights Issue
- **18 June 2024:** Calling for Extraordinary General Meeting
- **16 July 2024:** Extraordinary General Meeting
- **13 August 2024:** Expected date for the publication of the EU Growth Prospectus
- **13 August 2024:** Last day of trading in the share including the right to receive unit rights
- **14 August 2024:** First day of trading in the share excluding the right to receive unit rights
- **15 August 2024:** Record Date
- **19 August 2024 - 28 August 2024:** Trading in unit rights
- **19 August 2024 - 2 September 2024:** Subscription period
- **19 August 2024 - until the Rights Issue is registered with the Swedish Companies**
Registration Office: Trading in BTU
- **3 September 2024:** Preliminary outcome of Rights Issue
- **4 September 2024:** Final outcome of Rights Issue

Advisors

Prostatype Genomics has mandated Gemstone Capital A/S as financial advisors, Advokatfirman Lindahl as legal advisors and Nordic Issuing AB as settlement agent in connection with the Rights Issue.

For further information about Prostatype Genomics, please contact:

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About Prostatype Genomics AB

Prostatype® is a genetic test that is available to patients and treating urologists as a supplementary decision support tool to answer the question of radical treatment or no radical treatment of prostate cancer. The test is developed by a research group at Karolinska Institutet and is provided by Prostatype Genomics AB.

Important information

The information in this press release neither contains nor constitutes an offer to acquire, subscribe or otherwise trade in shares, warrants or other securities in Prostatype Genomics. No action has been taken and no action will be taken to permit an offer to the public in any jurisdictions other than Sweden. The invitation to interested persons to subscribe for shares in Prostatype Genomics takes place solely through the prospectus that Prostatype Genomics intends to publish around 13 August 2024.

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Forward-looking Statements

This press release contains forward-looking statements that refer to the Company's intentions, assessments or expectations regarding the Company's future results, financial position, liquidity, development, prospects, expected growth, strategies and opportunities as well as the markets in which the Company operates. Forward-looking statements are statements that do not relate to historical facts and can be identified by the inclusion of expressions such as "believes", "expects", "anticipates", "intends", "estimates", "will", "may", "assumes", "should" "could" and, in each case, negations thereof, or similar expressions. The forward-looking statements in this press release are based on various assumptions, which in several cases 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 occur or that they are accurate. As these assumptions are based on assumptions or estimates and are subject to risks and uncertainties, the actual result or outcome may, for many different reasons, differ materially from what appears in the forward-looking statements.

Such risks, uncertainties, contingencies and other material factors may cause actual events to differ materially from the expectations expressed or implied in this press release through the forward-looking statements. The Company does not warrant that the assumptions underlying the forward-looking statements in this press release are correct and any reader of the press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements expressed or implied herein are provided only as of the date of this press release and are subject to change. Neither the Company nor anyone else undertakes to revise, update, confirm or publicly announce any revision of any forward-looking statement to reflect events occurring or circumstances occurring with respect to the contents of this press release, except as required by law or Nasdaq First North Growth Markets' regulations for issuers.

This information is information that Prostatype Genomics 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 2024-06-13 18:05 CEST.