



HEALTH CHECK.
PRECISION. SIMPLICITY.

Diagnostic tests and platform tailored to
the emerging digital health market.

Den 30 juni 2025 beslutade årsstämman i
Magnasense AB, 559222-2953, om
disposition beträffande bolagets resultat i
enlighet med styrelsens förslag, som anges
på sidan 20 i denna årsredovisning.

2024

magnasense.com



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Magnasense was founded in 2019, and is a Swedish diagnostics company that develops and commercializes diagnostic tests. The Company has an international presence with establishments in Sweden, Finland, the United Kingdom and the United States. The common theme of the Group's existing and envisaged product portfolio is to make diagnostics more accessible, easier to use, and with precise, transferable, and clinically relevant results.

Magnasense AB specializes in developing a testing platform for oral health, therapeutic drug monitoring and infectious diseases.

2024 in brief

Consolidated profit for the year

(2023-01-01 – 2024-12-31)

- Net sales amounted to MSEK 0 (0)
- Loss before tax amounted to MSEK -51.5 (-61.2)
- The operating loss for the full year amounted to MSEK -46.9 (-56.2).
- R&D, selling and administrative costs for the full year amounted to MSEK -55.4 (-60.6).
- The cash balance at the end of the year was MSEK 0.3 (12.1) after receiving proceeds totaling MSEK 13.6 in loan facility drawdowns from Atlas, and spending MSEK 12.1 on operating activities and MSEK 15.5 on development assets.
- Loss per share* amounted to SEK -1.22 (-2.38)
- Solidity** amounted to -119% (-3%)

*Loss per share: Loss for the period divided by the weighted average number of shares, which amounted to 40,875,514 shares for the full year 2024 before dilution. The corresponding number for the same period in the previous year was 25,053,902 shares.

** Solidity: Equity divided by total capital.

Significant events during the year

and after the end of the period

2024

Q1

Q2

Q3

Q4

2025

Q1

- AegirBio AB has received a request for an opinion from the Swedish Financial Supervisory Authority, who made a preliminary assessment that AegirBio had violated Article 17 of MAR.
- AegirBio enters into a conditional agreement on a MSEK 45 loan facility with Atlas Special Opportunities and an agreement to amend the terms of outstanding convertibles, to be approved by an Extraordinary General Meeting.
- AegirBio AB held an EGM on April 26, 2024 resolving to elect William Ferenczy, Jens Umehag and Michael Schwartz as new board members and to re-elect Fredrik Häglund, Marco Witteveen and William Vickery as board members, all for the period until the end of the Annual General Meeting 2024, and to dismiss Anders Ingvarsson. Jens Umehag was elected as the new Chairman of the Board.
- AegirBio AB's subsidiary Magnasense Technology Oy ("Magnasense") has initiated arbitration proceedings against Salofa Oy.
- AegirBio AB makes further progress and completes the "Availability" milestone of the RADx® TECH program. It also receives a payment of USD 148,026.
- AegirBio AB calls for payment of Tranche 1 of MSEK 7.5 and intends to carry out a directed set-off issue of 5,175,374 shares to Atlas Special Opportunities LLC.
- AegirBio AB successfully completes another milestone in the RADx® TECH program.
- AegirBio's Chairman of the Board, Anders Ingvarsson, announces his intention to leave the Board.
- AegirBio's subsidiary initiates arbitration against Salofa Oy.
- An Extraordinary General Meeting was held at HQ in Lund on April 26. The Meeting elected Jens Umehag as the new Chairman of the Board and Michael Schwartz and William Ferenczy as ordinary board members. The Meeting also resolved to amend the terms and conditions for convertibles of series 2023/2025.
- AegirBio makes further progress and completes "Accessibility" milestone in RADx® Tech program
- Aegirbio AB changed its name to Magnasense AB, to better reflect core assets and focus.
- Directed issues of 13,196,289 shares to Atlas Special Opportunities, including 12,249,215 shares following conversions of MSEK 5.0 of loan notes, and a further issue of 947,074 transaction fee shares.
- Calls for payments of MSEK 5.0 from Atlas Special Opportunities under Tranche 3 of the loan facility.
- Vicki Johnson joined Magnasense AB as Interim CFO, succeeding Christel Dahlberg.
- Payment period for business-critical supplier invoices totalling USD 970,000 extended (SEK 9.8M), with an agreement to issue 9.5 million warrants subject to approval at an EGM.
- A feasibility study to explore potential technology development opportunities with Salignostics Ltd was initiated.
- Filed a patent application for an advanced detection system designed to improve sensitivity and accuracy of magnetic test strips using superparamagnetic nanoparticles.
- Magnasense AB loans totalling SEK 3.0M from board members.
- Directed issue of 13,090,908 shares to Atlas Special Opportunities
- following conversions totalling SEK 3.0M. Magnasense AB completed the NIH RADx® Tech Project.
- The Company announced its intention to carry out a rights issue of approx. SEK 26M to continue develop saliva-based diagnostics as an alternative to blood testing.
- An EGM to grant the Directors the authorisation to proceed with the rights issue.
- Termination of Agreement with Digital Health Solutions ("DHS"), LLC; as part of the termination, DHS agreed to waive 9,500,000 warrants.
- A directed issue of 22,420,632 shares to Atlas Special Opportunities LLC following conversions totalling MSEK 2.50.
- Magnasense Technologies Oy and Salofa Oy reached a settlement

A word from CEO Marco Witteveen

Dear Shareholders,

This past year marked a defining chapter in our company's evolution — one of strategic transformation, operational milestones, and a sharpened focus on our core strengths. As we closed a pivotal period for our organization, we not only adapted to challenges but worked to reshape the foundation on which we build our future.

In alignment with our refined strategic direction and core technology assets, AegirBio AB changed its name to Magnasense AB. This rebranding reflects our commitment to magnetic immunoassay technologies and a clearer focus on diagnostic innovations, particularly within high-value, scalable segments such as oral health.

A central pillar of our renewed strategy is the Oral Health Project, which we have elevated to a primary development focus. This initiative builds on our core magnetic detection platform and aims to address a significant unmet need in point-of-care oral diagnostics. We believe this area offers strong potential for commercial scalability and clinical impact, and our R&D resources are now concentrated on bringing this program forward. Several technical milestones were achieved during the year, and planning is underway for the next stages of development and validation.

To guide and strengthen our scientific direction, we welcomed new members to our Scientific Advisory Committee during the year. Their deep expertise in diagnostics, clinical translation, and regulatory affairs provides critical support as we refine our pipeline and execute our development strategy.



Over the year, we also completed the NIH RADx® Tech project. This achievement underscores the viability and scalability of our platform in point-of-care settings, reinforcing its applicability across multiple diagnostic use cases.

From a financial perspective, we undertook several measures to support ongoing operations. We entered a conditional MSEK 45 loan facility with Atlas Special Opportunities, which included amendments to existing convertible loan terms. Over the course of the year, we drew down MSEK 17.5 across Tranches 1–3 under the facility. This facility contributed to the Company's working capital requirement during a critical period of transition. Additionally, Atlas converted MSEK 6.5 of convertible debt into 18,521,942 shares across multiple transactions and received 12,940,629 shares as transaction fees, equivalent to SEK 4.5M.

To manage short-term liquidity, we reached agreements with key suppliers to extend payment terms on invoices totalling USD 970,000 (MSEK 9.8), backed by a proposed issuance of 9.5 million warrants (subject to EGM approval). Our Board also demonstrated its ongoing commitment, with members extending loans to the company totalling MSEK 3.0.

Governance was also strengthened over the year. At the Extraordinary General Meeting on April 26, 2024, we welcomed new Board members — William Ferenczy, Jens Umehag, and Michael Schwartz — alongside the re-election of Fredrik Häglund, Marco Witteveen, and William Vickery. Jens Umehag was appointed Chairman, and Vicki Johnson joined as Interim CFO, succeeding Christel Dahlberg.

We also resolved certain legacy legal matters in early 2025, most notably the settlement of the dispute with Salofa Oy, marking an end to a long-running arbitration process and allowing us to focus more fully on forward-looking priorities.

While we remain vigilant around ongoing regulatory matters — including a preliminary review by the Swedish Financial Supervisory Authority regarding a potential breach of Article 17 of MAR — we are cooperating fully and transparently to bring this process to a close.

The capital needed to finance the initial phase of the Oral Health Project was a key driver in the rights issue in early 2025, concluding in May 2025, which achieved a subscription of MSEK 7.2 with and without preferential rights, and a further MSEK 8.2 from guarantors.

Looking ahead, we are cautiously advancing several early-stage opportunities to support our long-term strategy. These include a feasibility study with Salignostics Ltd, a recent patent application for an enhanced magnetic detection system, and a non-binding Letter of Intent with a larger industry partner. We have also submitted a grant application to help fund the continued development of our Oral Health platform. Though 2024 has brought its share of challenges, it has also provided clarity and momentum. By sharpening our strategic focus, concentrating resources on high-impact programs, and reinforcing our governance and financial position, we believe we are better positioned for sustainable long-term value creation. We thank you for your continued support and patience as we navigate this next phase of our evolution.

Sincerely,

Marco Witteveen
CEO, Magnasense AB

About Magnasense

Magnasense is at the forefront of a groundbreaking initiative focused on creating an innovative test digital platform.

This platform is meticulously designed to empower individuals to take charge of their health with unparalleled convenience and inclusivity. Our mission is deeply rooted in acknowledging the distinctiveness of each individual and the pivotal significance of offering accessible health monitoring across a diverse range of health conditions.



Our technology

HEALTH CHECK. PRECISION. SIMPLICITY.

Our platform makes precision diagnostic testing and monitoring as simple and intuitive as a daily routine. We are building a comprehensive diagnostic platform designed for the evolving digital health landscape. Our mission is to democratize access to healthcare testing by streamlining the process and making it accessible, user-friendly, and non-invasive. Central to our approach is an innovative saliva collection system featuring a familiar, ergonomic design, integrated magnetic test strips, and a compact reader device for seamless sample collection and test initiation.

Our mission

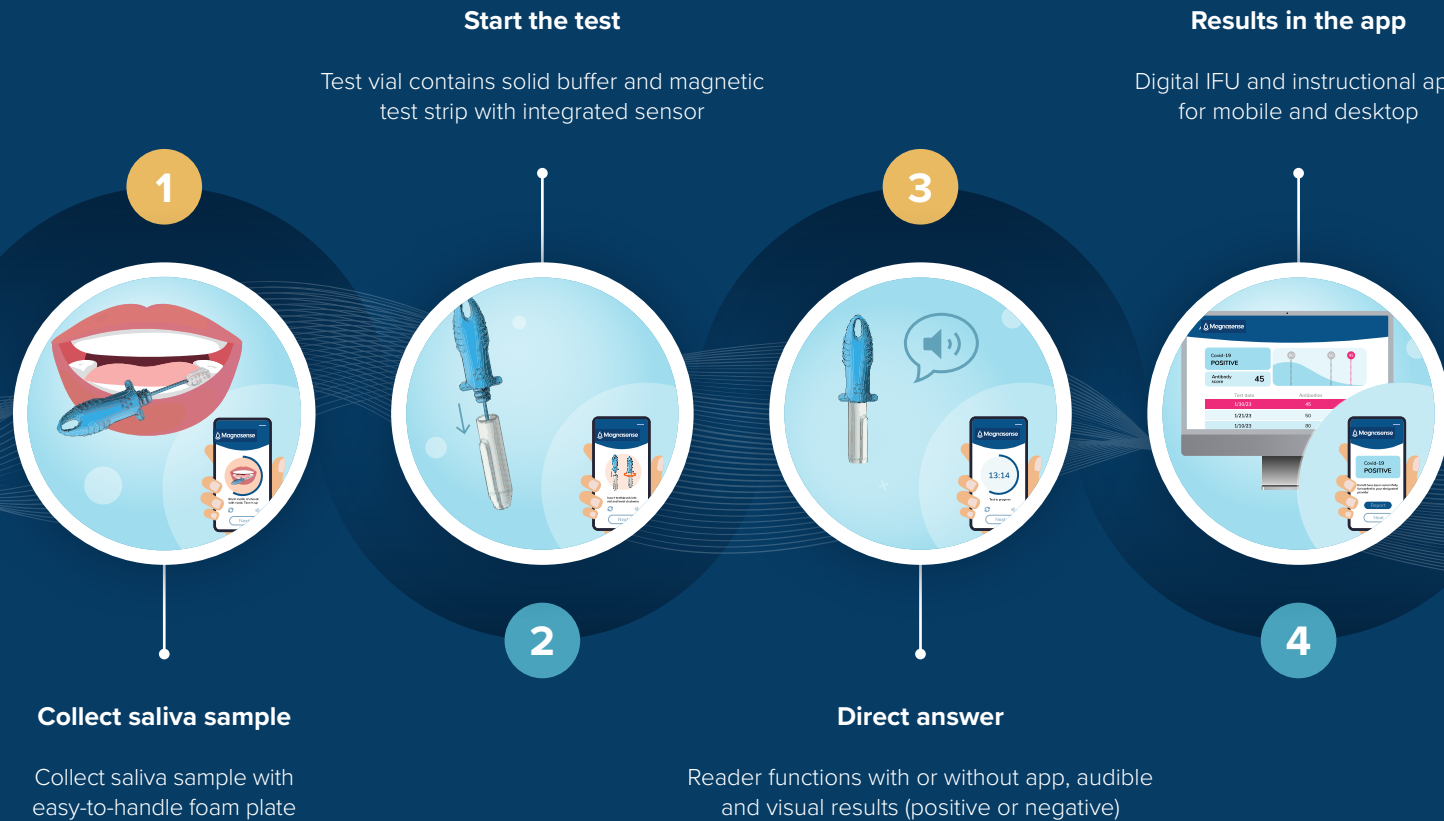
Magnasense's mission is to develop accessible biomarker assay technologies by making diagnostic testing simple, intuitive, and widely accessible. We aim to empower individuals and healthcare providers to monitor health and optimize treatment decisions through streamlined, user-friendly diagnostic solutions that fit seamlessly into everyday life.

Magnasense is now building its business around technologies for:

- Laboratory developed tests, for the follow-up of patients during treatment with biological drugs
- Point-of-Care, quantitative near-patient tests for routine control in clinics and health centers
- Point-of-Need and rapid tests, quantitative home tests for chronic diseases and rapid tests for indicative and rapid test results



4 steps for a better health





Key features

User-friendly experience

- Designed for intuitive and non-invasive use, enabling effortless sample collection.
- Test activation requires simple, non-precise movements, eliminating the need for fine motor skills.

IoT connectivity

- Interface via secure and standardized IoT (Internet of Things) connectivity, linking to a smartphone app and a cloud platform.
- Allows for device instructions, test result analysis, and user support, ensuring preferred result format accessibility.
- Audible cues, flashing lights, and vibrations on the base unit provide information even without connectivity.
- Healthcare integration
- Seamlessly integrates with laboratory information systems, digital health platforms, and healthcare providers.
- Accessible through a standard web browser for real-time collaboration and data privacy (GDPR and HIPPA compliance).

Accessibility-centric design

- Packaging features high-contrast colors, tactile markers, and QR/NFC codes for independent use.
- Instructions presented through large visual aids, textual content, and video guides for easy comprehension.
- Application optimized for digital assistants and Bluetooth Braille devices.

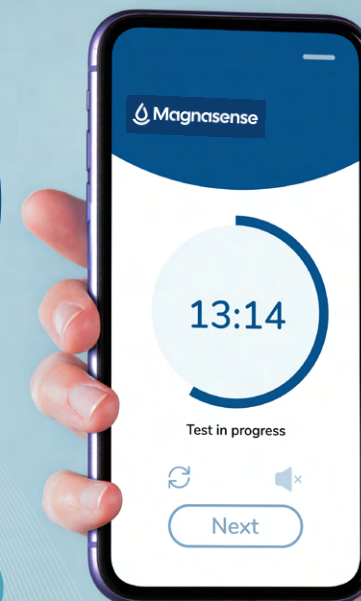
Potential impact

- Aims to revolutionize decentralized testing by merging saliva-based diagnostic technology with a user-friendly digital platform.
- Strives to make testing as straightforward as a daily routine, addressing historical exclusion of individuals with visual or motor impairments.

Maturity level

- Presently in the developmental phase with significant progress in early-stage design.
- Committed to advancing the platform to a state of maturity and market readiness.

“Interface via secure and standardized IoT connectivity, linking to a smartphone app and a cloud platform.”



Share and shareholders

Magnasense's share is listed on Nasdaq First North Growth Market, under the ticker "MAGNA" with ISIN code SE0014401121.

Share capital

According to the Articles of Association of Magnasense AB adopted at the general meeting on 24 February 2025, the share capital shall amount to a minimum of SEK 872,752 and a maximum of SEK 3,491,008. The share capital amounted to SEK 872,572 as of 2024-12-31. All 62,339,443 shares with a par value of SEK 0.014 are fully paid and entitle the holder to an equal share in the Company's assets. No shares are held by the Company itself or by its subsidiaries.

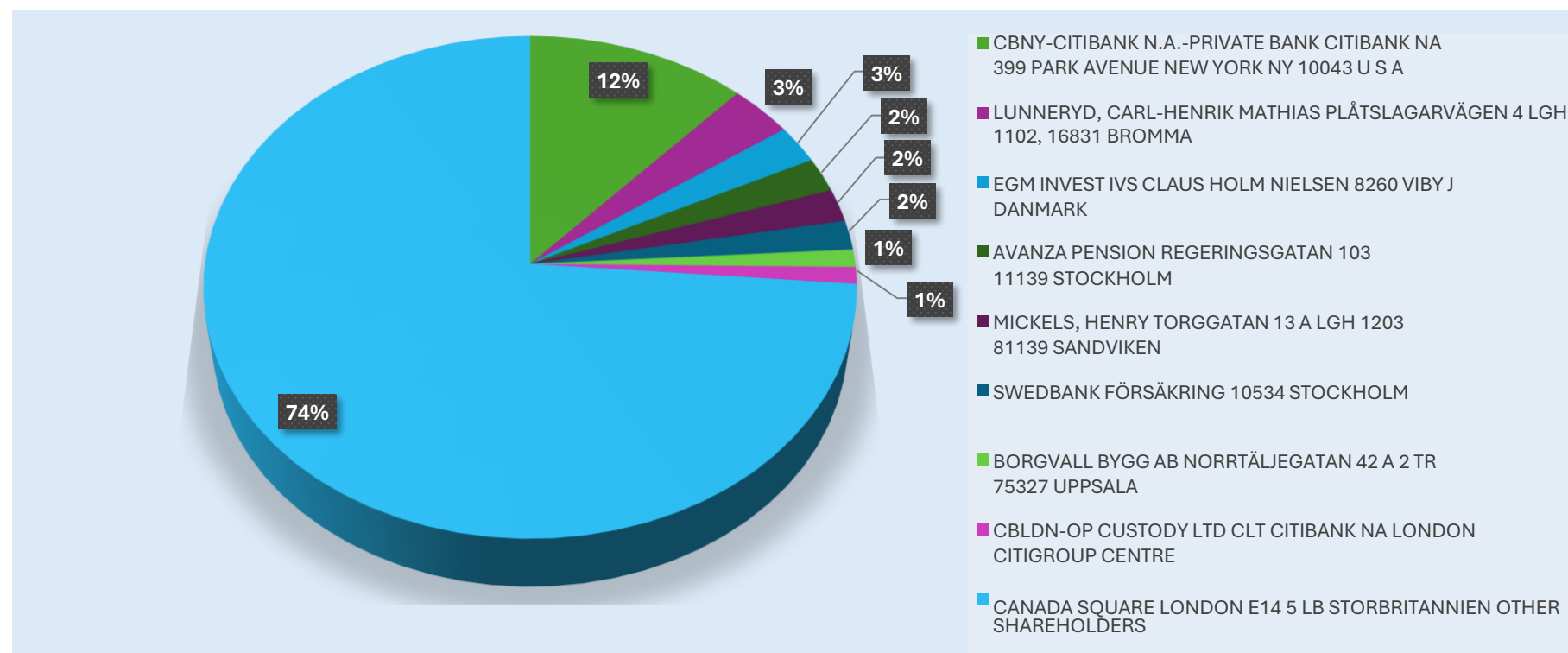
Dividend

The Board of Directors proposes to the Annual General Meeting that no dividend be paid to shareholders for the 2024 fiscal year.

Certified Adviser

Eminova Fondkommission AB

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Source: Euroclear Sweden AB as of December 31, 2024



CORPORATE GOVERNANCE



Corporate governance report

Magnasense AB (publ.), 559222-2953, is a Swedish limited liability company with its registered office in Lund, and its shares are listed on Nasdaq First North Growth Market in Stockholm. Magnasense AB is classified as a Health Care company.

Corporate governance refers to the framework and structure established to govern and manage the activities of a limited liability company in an efficient and controlled manner. Ultimately, corporate governance aims to satisfy shareholders' demands for return on investment and all stakeholders' need for information on a company and its performance. The basis for the Company's governance includes the Articles of Association, the Swedish Companies Act, Nasdaq First North's rulebook for issuers and internal rules and regulations. Companies listed on Nasdaq First North are under no obligation to apply the Swedish Corporate Governance Code (the "Code"), and the Company does not intend to fully comply with the Code. However, the Company may choose to act in accordance with the Code in certain parts. Magnasense AB's fiscal year follows the calendar year.

Articles of Association

The Articles of Association of Magnasense state that the Company shall, based on innovative and precise technology, contribute to an improved treatment of patients who need biological drugs as part of their treatment. The business shall be based on technology and enable diagnosis and monitoring of drugs dosage from the central laboratory to the home environment and related activities. The Board of Directors shall have its registered office in Lund.

The Annual General Meeting shall be held in Lund. The Articles of Association contain provisions on, among other things, the number of shares, the number of board members and auditors, and the Annual General Meeting.

The Company's Articles of Association are available on Magnasense's website under Corporate Governance.

Annual General Meeting

Magnasense's Annual General Meeting (AGM) is the highest decision-making body for the Company's shareholders. Shareholders who wish to attend and exercise their voting rights at Magnasense's AGM must partly be entered in the share register and partly give notice of their attendance. At the AGM, several key issues are addressed, such as the adoption of the income statement and balance sheet for the past year, including the appropriation of the Company's profits, discharge of the Board of Directors from liability, election of board members and auditors, and other matters in accordance with the Swedish Companies Act and the Articles of Association. Amendments to the Articles of Association also require the resolution of the General Meeting. All shareholders have the right to have matters considered at the AGM. In order for such matters to be included in the notice, the request must be made to the Company at least six weeks before the AGM. The notice of the AGM was published at the 27th of May 2025 and the AGM will be held in Lund on June 30, 2025, at 11.00am CET.

Composition and work of the Board of Directors

Magnasense's Board of Directors consists of a Chairman and five members. According to the Articles of Association, the Board of Directors shall consist of a minimum of three and a maximum of seven members, with a minimum of zero and a maximum of three alternates. The board members are elected annually at the AGM for the period until the end of the next AGM. The work of the Board is led by the Chairman but otherwise without a permanent division of duties.

According to the Rules of Procedure, the Board of Directors must hold at least five meetings per year. During 2024, the Board met 27 times.

The Chairman of the Board of Magnasense since 2024 is Jens Umehag. The Chairman of the Board is appointed by the AGM.

The Board has chosen not to establish a Nomination, Audit, or Remuneration Committee; these issues are instead handled under the Chairman's leadership, and preparation is handled by the entire Board. The Board decides on the remuneration and other terms of employment of the Group management team.

Group management team

The Group's management includes the Group CEO, Group CFO and Group COO.

In addition to central management issues, the Group management team also handles Group support activities such as research and development, marketing support, production and quality management, risk management, financing and financial control.

Remuneration to senior executives

Magnasense aims to ensure that the principles for Group management team remuneration shall be market-based, that the remuneration shall be determined by the Board of Directors, and shall be based on the importance of the tasks, the person's experience and performance, and that the remuneration comprises the following elements: fixed basic salary, short-term variable remuneration, pension benefits, and other benefits, as well as severance pay.

External auditors

The auditors work according to an audit program and continuously report their findings to the Board, partly during the course of the audit, partly in conjunction with the adoption of the annual report. The auditors review the annual report to assess its accuracy, completeness and the accounting's compliance with Generally Accepted Accounting Principles (GAAP). The auditor in charge attends the AGM and describes the audit work and observations.

Auditors are elected by the AGM for a term of office of one year. Göteborgs Revision KB was elected auditor at the 2023 AGM. Authorized public accountant Stefan Kylebäck is the auditor in charge.

Certified Adviser

Eminova Fondkommission AB
adviser@eminova
Phone: +46 8 684 211 10

Corporate governance

Board of Directors



Jens Umehag

Chairman of the Board since 2024

Born: 1974

Education and experience: Bachelor's degree in European Business Administration at the European Business School, London. Managing Partner Halma Ventures 2019–23. CFO Medical & Environmental sectors at Halma plc 2019–21.

Other ongoing assignments: CFO & COO of Resynergi Inc 2024-present. Founder & Managing partner at JU Advisors LLC. Treasurer & Board director at A Step Ahead Chess non-profit (Chicago) 2023–

Holding:** None.

Dependent in relation to the Company and company management but independent in relation to the Company's major shareholders.



Fredrik Häglund

Board member since 2020

Born: 1975

Education and experience: M. Sc. in Strategic Management, Business Administration, Lund University, B.Sc. in Financial Economics, Economics, Lund University. Former board member of LifeAssays AB.

Other ongoing assignments: Board member of Ringtornet Fastigheter AB and Ellingtofta Jordbruks AB, among others. Chairman of the Board at Toftaholm Fastighetsförvaltning AB and AB Sjöholmen.

Holding:** 186,982 shares*

*265,458 shares are on loan to Atlas Special Opportunities LLC in connection with the convertible loan agreement in December 2022.

Dependent in relation to the Company and its management but independent in relation to the Company's major shareholders.



William Vickery

Board member since 2022

Born: 1967

Education and experience: MBA at INSEAD, Engineering Degree, majoring in Chemical Engineering, at HEI, France. Former Senior Evaluation Director at AstraZeneca, Head of the Healthcare Business Unit at Erganeo (Frankrike), Head of Corporate and Business Development at Hybrigenics, Senior Director of Business Development at ExhonHit, Business Development Director at Roche Pharmaceuticals.

Other ongoing assignments: Due Diligence Director at Servier.

Holding:** None.

Dependent in relation to the Company and its management but independent in relation to the Company's major shareholders.

**At 31 December 2024



Marco Witteveen

Board member and CEO since 2023

Born: 1969

Education and experience: Bachelor's Degree in International Business at Hogeschool van Utrecht, and Master's Degree in Strategic Sales & Marketing at NCOI Opleidingen. More than 30 years' experience in Med Tech companies, with at least 20 years' focus on Point of Care diagnostics on a global level. Marco has developed and executed core strategies and built effective teams at Abbott, Biosite, Alere, and most recently NanoDx.

Other ongoing assignments: Board member and CEO of the own company Medestex.

Holding:** 200,000 warrants.

Dependent in relation to the Company and its management but independent in relation to the Company's major shareholders.

** At 31 December 2024



William Ferenczy

Board member since 2024

Born: 1955

Education and experience: BS Preprofessional, University of Notre Dame 1977. 40 years sales/marketing/executive experience in in-vitro diagnostics with a primary focus on point-of-care testing. Companies include Abbott Diagnostics, Biosite, Nanosphere, QuidelOrtho.

Other ongoing assignments: Founding principal for Mentor Dx LLC

Holding:** None.

Dependent in relation to the Company and company management but independent in relation to the Company's major shareholders.



Michael Schwartz

Board member since 2024

Born: 1970

Education and experience: Masters of Business Administration (MBA) - University of Chicago, Booth School of Business - 2004 - Strategy, Finance, Marketing and Entrepreneurship concentrations. Bachelor of Science (B.S.), Business Administration - University of Kansas 1992 with Political Science concentration. Specialty Dental Brands: Board Member 2018–2024. Specialty Dental Brands: Chairman and Chief Executive Officer 2018–2023. Spring & Sprout Support Services: Chief Executive Officer and Founder 2013–2018. Huron Capital Partners: Operating Partner 2013–2018. Corner Dental: Chief Executive Officer 2008–2012.

Other ongoing assignments: None.

Holding:** None.

Dependent in relation to the Company and company management but independent in relation to the Company's major shareholders.

Corporate governance

Senior executives



Marco Witteveen

Board member since 2023. CEO since 2023

Born: 1969

Education and experience: Bachelor's Degree in International Business at Hogeschool van Utrecht, and Master's Degree in Strategic Sales & Marketing at NCOI Opleidingen. More than 30 years' experience in Med Tech companies, with at least 20 years' focus on Point of Care diagnostics on a global level. Marco has developed and executed core strategies and built effective teams at Abbott, Biosite, Alere, and most recently NanoDx.

Other ongoing assignments: Board member and CEO of the own company Medestex.

Holding:** 200,000 warrants

Dependent in relation to the Company and its management but independent in relation to the Company's major shareholders.



Vicki Johnson

CFO since 2024

Born: 1984

Education and experience: Since beginning her career at EY LLP, where she qualified as a Chartered Accountant (CA), Vicki has spent 15 years in various finance roles across professional services, manufacturing, and technology sectors, with extensive expertise in financial reporting, audit, budgeting, forecasting, tax, and treasury. For the past five years, Vicki has been a financial consultant with CFPro Limited (now part of BKL) in the UK, providing CFO services to a FTSE AIM-listed manufacturing company and a privately owned technology company.

Other ongoing assignments: None

Holding:** None

Dependent in relation to the Company and its management but independent in relation to the Company's major shareholders.



Dr. Vasiliki Fragkou

Employee of AegirBio UK Ltd since 2020. COO since 2023

Born: 1979

Education and experience: Bachelor of Science in Biology at the Universitatea din Bucuresti, Postgraduate Diploma in Applied Genetics at the University of Birmingham, and a PhD in Electrochemical Glucose Biosensors at Cranfield University. Dr. Vasiliki Fragkou was employed in the UK in November 2020 to lead the establishment and management of our UK subsidiary. Dr. Fragkou has extensive experience in innovation, science, design and development of medical devices for in vitro diagnostics, as well as expertise in supply chain and manufacturing.

Other ongoing assignments: None

Holding:** 50,000 warrants.

Dependent in relation to the Company and its management but independent in relation to the Company's major shareholders.

** At 31 December 2024

FINANCIAL STATEMENTS



Management report

The Board of Directors and the CEO of Magnasense AB (publ) reg. no. 559222-2953 hereby submit the annual report and consolidated financial statements for the fiscal year 2024-01-01 – 2024-12-31. Magnasense AB (publ) is listed on Nasdaq First North Growth Market in Stockholm and has its registered office in Lund, Sweden.

The annual report and the auditor's report cover pages 19–54. The result of the year's operations and the position of the Parent Company and the Group are set out in the management report and subsequent income statements, balance sheets, statements of comprehensive income, cash flow statements, statements of changes in equity, and supplementary information and notes, which constitute the consolidated annual report.

All amounts, unless otherwise specified, are stated in thousands of SEK (KSEK), and the figures in parentheses refer to the previous period.

The operations in general

Magnasense (previously Aegirbio), established in 2019, is a Swedish diagnostics company that develops and commercializes diagnostic tests, with a key focus on monitoring and optimizing the dosing of biological drugs.

The Company has an international presence with operations in Sweden, Finland, the United Kingdom and the United States. The common theme of the Group's existing and future product portfolio is to make diagnostics more accessible, easier to use, and with precise, transferable, and clinically relevant results.

Significant events during the financial year

- In July, Aegirbio AB changed its name to Magnasense AB, to better reflect core assets and focus.

- Magnasense strengthened its Scientific Advisory Board with the addition of Professor Iain L.C. Chapple and Associate Professor Melissa Grant, specializing in periodontology and Dr. Adam S. Cheifetz, a renowned gastroenterologist. Professor Chapple is a distinguished dental professional who brings a wealth of experience and expertise to the Company's Scientific Advisory Board and will be a link in Magnasense's strategy of measuring specific biomarkers in saliva with the Company's digital platform, helping to improve the overall health of individuals. Professor Melissa Grant is co-lead of the Periodontal Research Group at the University of Birmingham with extensive experience in biochemistry and disease detection. Dr. Adam S. Cheifetz is Director of the Center for Inflammatory Bowel Disease at Beth Israel Deaconess Medical Center and Professor of Medicine at Harvard Medical School.
- In March the Swedish Financial Supervisory Authority (Finansinspektionen) notified the Company of its preliminary assessment that the Company had failed to comply with MAR Article 17 on several occasions in 2021.
- In April, Jens Umehag joined the Company as the new Chairman of the Board, succeeding Anders Ingvarsson. Michael Schwartz and William Ferenczy also joined the Board as new members.
- The terms and conditions of series 2023/2025 convertible loan notes, issued by Atlas Special Opportunities LLC in 2023, were amended to extend the term and adjust conversion requirements.
- Furthermore, additional funding was agreed in April through an additional 36 month secured MSEK 45 loan facility with Atlas Special Opportunities LLC, along with transaction fee shares payable of MSEK 7.
- Arbitration was initiated against Salofa Oy, due to the failure of Salofa Oy to comply with its obligations under an agreement signed in July 2023.
- Magnasense successfully completed a pivotal first milestone within the National Institutes of Health (NIH) for Rapid Acceleration of Diagnostics Tech Program (RADx), in May, and shortly thereafter received a milestone payment of USD 148,026 (MSEK 1.6).
- In May the Company published a study in Multiple Sclerosis and Related Disorders journal. The study not only provided valuable insights into the effectiveness of natalizumab treatment for MS patients, but also serves as proof of the effectiveness of Magnasense's monitoring technology, showing that saliva samples can be a useful non-invasive tool for monitoring natalizumab levels in MS patients. .
- In May, June, July and September the Company received MSEK 7.5 payment from Atlas Special Opportunities LLC, under Tranche 1 of the new loan facility, MSEK 5.0 under Tranche 2 and MSEK 5.0 under Tranche 3. These amounts are before set-up fees and transaction costs.
- In July, September and October the Company carried out directed issues of shares of value MSEK 2.5, MSEK 2.5 and MSEK 1.5 following conversions of loan notes. There were additionally issues of MSEK 4.5 transaction fee shares (issued in parts between May, July and November 2024).
- In July, Magnasense appointed Vicki Johnson as interim CFO, succeeding Christel Dahlberg.
- In August a feasibility study to explore potential technology development opportunities with Salignostics Ltd was initiated.
- In August the payment period for business-critical supplier invoices totalling USD 970,000 extended (SEK 9,8M), with an agreement to issue 9.5 million warrants.
- Magnasense filed a patent application for an advanced detection system designed to improve sensitivity and accuracy of magnetic test strips using superparamagnetic nanoparticles.

Significant events after the end of the financial year - continued

- In September the Company obtained short term loans of MSEK 3 from Board members Fredrik Häglund and Michael Schwartz.
- In December Magnasense completed the RADx Tech project under NIH, and received USD 494,755 relating to this in early 2025.

Significant events after the end of the financial year

- On 20 January 2025, the Company announced its intention to carry out a rights issue to raise proceeds of approximately SEK26m by issue of ordinary shares. The issue is necessary to strengthen the working capital of the Company, to ensure continued operations, and to advance the initial phase of the Group's oral health project. The Rights Issue required an amendment of the articles of association, so that the Board of Directors of the Company could be granted authorization to resolve on the rights issue. This authorisation was granted to the Board at an extraordinary general meeting on 24 February 2025.
- On 28 January 2025, the Company terminated its existing agreement with supplier DHS, which included the waiver of 9,500,000 warrants.
- On 12 April 2025, the Company entered into an addendum to its agreements with Atlas Special Opportunities LLC, which:
 - extended the maturity of the Convertible Loan Notes (2024/2026 series) from 20 January 2026 to 20 January 2028.
 - agreed to a free of charge top-down guarantee commitment of MSEK 1.5 in respect of the rights issue, to be set off against existing Convertible Bonds
 - agreed to various lock-up provisions for the conversion of debt for 12+ months after the rights issue.
 - as compensation Atlas will be paid a restructuring fee of KSEK 990, through directed issue, separately to the rights issue.
- On 12 May 2025 the outcome of the rights issue was announced, being that the issue was subscribed to a level of MSEK 7.2, with a further MSEK 8.2 being taken up by guarantors (of which MSEK 1.2 were cash commitments)

Economic overview

Revenue

The Group reports net sales of MSEK 0 (0) for the full year 2024, but other income of MSEK 9.9 (4.5). Other income consists of grant income to the Company and its subsidiaries.

Result

The Group's operating profit for the full year amounted to MSEK -46.8 (-56.2). Research and development costs for the full year 2024 amounted to MSEK 44.0 (-42.5), mostly attributable to development & patent costs.

Sales costs amounted to MSEK -3.8 (-3.9). Administrative costs amounted to MSEK -7.6 (-14.2). These costs include administration, financial and legal services, and consultancy costs.

Total costs for the full year, amounted to MSEK -56.7 (-60.7). We have had a strong focus on reducing and optimizing our costs in 2024 and have thus managed to reduce them in 2024 compared to 2023.

The Group's net financial items for the full year amounted to MSEK -4.6 (-5.0).

Loss before tax amounted to MSEK -51.5 (-61.2).

Financial overview

Group – multi-year overview

KSEK	2024	2023 Restated	2022	2021
Net sales	-	92	1,706	13,282
Operating profit	-46,875	-56,158	-365,095	-80,161
Profit before taxes	-51,518	-61,189	-364,313	-92,660
Balance sheet total	32,609	54,723	66,870	404,367
Solidity (%)	-119%	0%	60%	92%
Basic & Diluted Earnings Per Share	-1.22	-2.38	-18.90	-6.28

Parent Company – multi-year overview

KSEK	2024	2023	2022	2021
Net sales	-	41	-	550
Operating profit	-4,771	-12,403	-165,767	-71,438
Profit before taxes	-5,987	-24,139	-267,845	-93,681
Balance sheet total	62,363	42,677	15,569	280,115
Solidity (%)	14%	8%	55%	97%



Employees

The average number of employees in the Group amounted to 15 (14) in the Group and 6 (3) in the Parent Company. The proportion of women was 63.7% (57.1%) in the Group and 13% (0%) in the Parent Company.

Work environment

The Company has adopted a Code of Conduct. It describes the principles for how all employees within the Group shall behave in relationship to other employees, business contacts, other stakeholders, and shareholders. The code is based on Magnasense's values and vision, as well as on the business being operated with integrity and in accordance with applicable laws and regulations.

Quality

Magnasense applies a management system that is established and certified in accordance with the ISO 13485:2016 standard. The certification encompasses design and development, manufacturing, sales, and service at Magnasense.

Financial position

The Group's solidity amounted to -119% (-0%). The Group's equity at the end of the period was MSEK -38.7 (0.2), of which MSEK 35.9 relates to contributed capital in the form of converted convertible bonds, loan facility and warrants

Assets

The Group's tangible assets amounted to MSEK 0.6 (0.8), consisting mainly of equipment and machinery. The Group's intangible assets amounted to MSEK 23.4 (34.5) and relate to capitalized expenditure on research and development, MSEK 17.8 (23.2), and patents, MSEK 5.6 (11.3). Rights of use amounted to MSEK 1.5 (0.5) and relate to lease contracts for rental premises.

The Group's trade receivables amounted to MSEK 0 (2.6). Prepayments amounted to MSEK 0.6 (0.7). Other receivables amounted to MSEK 6.3 (1.6).

Investments

Net investments in intangible assets during the year amounted to MSEK 18.1 (5.4). The investment relates to capitalized development costs for the RADx® project. Of the capitalized development costs, MSEK 16.9 (1.5) relates to capitalized personnel costs, and MSEK 1.2 (3.9) to capitalized external development costs, such as consulting costs and materials. During the year MSEK18.9 was impaired following review.

Liabilities

The Group had liabilities of MSEK 71.3 (54.6). Of this, third party loans and borrowings amounted to MSEK 43.4 (32.3). Liabilities also included trade payables of MSEK 11.5 (2.8), accruals of MSEK 3.1 (5.5), right of use liabilities of MSEK 1.5 (0.4) and provisions of MSEK 1.2 (1.2).

Cash flow statement

Cash flow from operating activities for the year before changes in working capital amounted to MSEK -14.6 (-41.6), after changes in working capital to MSEK -12.1 (-41.9). Working capital amounted to MSEK 2.5 (-0.3).

Cash flow from investment activities for the fiscal year amounted to MSEK -15.5 (-5.4) and consists of development costs for the RADx® project and investment in new laboratory equipment. The change in cash flow from financing activities is explained by the new loan facility and directors loan, MSEK 16.5, and amortization of lease liability, MSEK -1.4 (-1.4). Total cash flow amounted to MSEK -11.9 (-2.4). The Group's cash and cash equivalents at the end of the year amounted to MSEK 0.3 (12.1).

Related party transactions

The Company's related parties and the extent of related party transactions are described in Note 10.

Parent Company

The Parent Company, whose activities are mainly focused on overall management and financing of the Group, reported a negative operating profit for 2024 of MSEK -4.8 (-12.4). Income totals MSEK 11.8 (12.9) and mainly consists of management fees invoiced to subsidiaries and is recognized as other operating income. Participations in subsidiaries as of December 31 amounted to MSEK 2.9 (2.9). The Parent Company's cash and cash equivalents at the end of the period amounted to MSEK 0.2 (10.4).

Future developments, material risks and uncertainties

The Company is determined to achieve its long-term growth targets. The future development of the Company is based on our valuable insights from the recently completed RADx® project, and plans for the Oral Health Project.

The Company's product development remains a priority, in order to ensure future product leadership. Strong product development is fundamental in Magnasense's organic growth, thanks to our innovative and collaborative strengths.

Magnasense's operations are exposed to risks and uncertainties that, to varying degrees, can impact the capacity to attain the objectives set. The Company is continuously working to manage the risks and uncertainties it faces. The work is carried out systematically and aims to bring risks to light and limit their impact as they arise. For a more in depth description of the financial risks faced by the Company and how they are addressed, please refer to Notes 2 and 3.



Sales and credit risk

There is a risk that the Company's products fail to meet market requirements or do not generally achieve a high degree of market acceptance. As the Company's product portfolio is subject to continuous development and the products as yet are relatively unknown to the global market, future demand is, however, difficult to predict. Misjudgments of market acceptance and demand may lead to lower sales revenues and budgeted margins than previously assumed by the Company, failure of the Company's products to generate revenue that justifies the Company's presence in the market, or failure to generate sales revenue at all. In addition, there is a risk that it takes longer than anticipated for the Company's products to penetrate the market, that general market demand does not correlate with the planned intensified commercialization phase of the Company's products, and that the products become obsolete or otherwise fail to be at the forefront of their domains. As the Company's sales are expanded over a wider geography, credit risk also increases. The Company is working continuously to secure payment terms that contribute to mitigating the risk of credit loss.

Dependence on key individuals

Magnasense is a small organization, and the Company's success is largely dependent on the wide-ranging competence and experience of the Board of Directors, senior executives and other key individuals within the Group. This applies primarily to employees with qualifications in biotechnology and/or experience in the medical device or pharmaceutical industries. To attract skilled employees and prevent any loss of key individuals, the Company is constantly working to create good conditions for employees to thrive and get opportunity to further their skills on a regular basis. The loss of any key individual or difficulties in recruiting additional key individuals as the Group grows may cause the Company's development and commercialization of products to be delayed, which may adversely affect the Company's future prospects.

Know-how and trade secrets

Magnasense is dependent on know-how and trade secrets that are not always covered by patents or other formal protection of intellectual property rights, such as information about inventions for which patent applications are yet to be filed. The Company strives to protect such information, including through agreements with employees, consultants and partners. There is, however, a risk of unauthorized dissemination to, or use of the Company's information by, for example, competitors, consultants or employees, and of this occurring in such a manner that renders it impossible for the Company to obtain a patent or otherwise harms the Company's competitiveness. Although the specific knowledge of each individual employee of the Company concerns a limited area of operation, which mitigates the risk of unauthorized dissemination of information at aggregate level, there is still a risk that such an event could occur. In addition, there is a risk that competitors and others may independently develop similar know-how.

Dependence on intellectual property rights

Magnasense is dependent on intellectual property rights, such as the Company's patented technology Veritope used to optimize the dosage of biological drugs to patients (for more information, see section "Magnasense's business"). There is a risk that existing and future patents and other intellectual property rights held by Magnasense may not provide full protection against infringement and competition. The patent position of a biotechnology company is generally uncertain and involves complex technical, medical and patent law assessments. Moreover, the industry is characterized by rapid technological progress and a high level of innovation. As such, there is always a risk that other operators develop new technologies and products that circumvent or replace the Company's intellectual property rights, or prevent the Company from obtaining the necessary patent protection. As patent applications remain confidential until published, there is a risk that Magnasense's patent applications will not be given priority over previously unknown patent applications and patents. In addition,

it is not certain that the Company's patent applications will result in patents being granted, or that any patent protection granted will have the scope of protection stated in the original application. Moreover, the legal regulation of intellectual property rights may differ significantly between countries, and Magnasense's rights may thus be more vulnerable in some countries than in others. There is also a risk that granted patents may be declared invalid, for example as a result of a dispute with a third party, and there may be a risk that the measures taken by Magnasense to protect its intellectual property rights prove insufficient and that competitors or others, intentionally or unintentionally, infringe on the Company's intellectual property rights. If the Company has to defend its patents and other intellectual property rights, product development may incur significant costs and delays as a result. Moreover, it cannot be ruled out that the Company may inadvertently infringe the intellectual property rights of others and thus be drawn into disputes that could be costly, time-consuming and disruptive to business. Thus, there is a risk that the Company may need to allocate substantial amounts to address potential disputes, which in turn may increase the capital needs.

Currency risk

Currency risk is the risk of fluctuations in fair value or future cash flows as a result of changes in foreign exchange rates. Magnasense's exposure to currency risk arises mainly from cash flow in foreign currencies – so-called transaction exposure – and from the translation of foreign subsidiaries' income statements and balance sheets into the Group's reporting currency, Swedish kronor – so-called translation exposure. The Group's operations are international, as the Company has subsidiaries in, inter alia, the United States, the United Kingdom, and Finland, and conducts testing in the United States and the United Kingdom. Magnasense is, consequently, exposed to currency risk from a number of different currencies, most notably USD, GBP and EUR. The risk stems from both translation and transaction exposures. For more information on the currency risk faced by the Group, see Note 3.



Financing capacities and future capital need

Magnasense's technology is still in development phase. The Company's goals include securing the supply of all of the Company's products and ensuring the revenue flow from LDTs in the US and future Point of Care ("POC") tests on MagniaReader in Europe and the United States. The Company may in the future become dependent on additional capital beyond that previously raised. There is a risk that the Company for shorter or longer periods of time will not be able to generate sufficient funds to finance its continued operations. In addition, there is a risk that capital cannot be raised when the need arises, or that it cannot be raised at favorable terms for the Company, which could adversely affect the Company's business and financial position. If Magnasense fails to obtain sufficient financing, the Company may be required to halt planned development efforts, implement restructurings of its operations in whole or in part, operate at a slower pace than desired, or reduce or terminate some or all of its operations. In turn, this may delay or prevent commercialization of the Company's products and lead to delay or loss of sales revenue.

Disputes

In April 2023, the Swedish Financial Supervisory Authority launched an investigation into Magnasense AB's inside information management. In March 2024, Magnasense AB received a request for an opinion from the Swedish Financial Supervisory Authority, which made a preliminary assessment that Magnasense had violated Article 17 of MAR on a number of occasions during the period May 4, 2021, to October 27, 2021. There is uncertainty about the final amount resulting from the Swedish Financial Supervisory Authority's decision. The Company has reserved MSEK 1.2 in the financial statements.

Composition and work of the Board of Directors

Information on the Company's governance and the work of the Board during the year can be found in the Corporate Governance Report on pages 14–16 of the annual report.

Allocation of profit or loss

Proposal for the appropriation of profits at the 2024 AGM.

At the disposal of the Annual General Meeting is:

Parent Company

KSEK

Share premium reserve	445,610
Retained earnings	-431,747
Loss for the year	-5,987
Balanced in a new account	7,876

Dividend

The Board of Directors proposes to the Annual General Meeting that no dividend be paid to shareholders for the 2024 fiscal year.



Consolidated statement of comprehensive income

KSEK	NOTE	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Net sales	5	-	92
Cost of goods sold	6	-	-48
Gross profit		-	44
Research and development costs	6	-25,166	-42,495
Sales costs	6	-3,828	-3,883
Administrative costs	6	-7,551	-14,182
Impairment of intangible assets	15 6	-18,872	-
Other operating income	11	9,856	4,505
Other operating costs		-1,314	-147
Operating loss	6,7,8,9,10,11,15	-46,875	-56,158
Result from financial items	12		
Financial income		37	17,443
Financial costs		-4,680	-22,474
Profit before tax		-51,518	-61,189
Tax	13	1,886	1,493
Profit/loss for the year		-49,632	-59,696
Other comprehensive income			
Translation differences		-325	-3,376
Comprehensive income for the year		-49,957	-63,072
Comprehensive income for the year divided on Parent Company shareholders		-49,957	-63,072
Earnings per share before dilution, SEK	24	-1.22	-2.38
Earnings per share after dilution, SEK		-1.22	-2.38



Consolidated statement of financial position

KSEK	NOTE	2024-12-31	Restated 2023-12-31
ASSETS			
Intangible assets	15, 29	23,350	36,155
Tangible fixed assets	16	605	756
Rights of use	8	1,522	519
Other financial assets	18	-	284
Total fixed assets		25,477	37,714
Current assets			
Trade receivables	3	1	2,617
Other receivables	19	6,287	1,596
Prepayments and accrued income	17	561	654
Cash and cash equivalents		283	12,142
Total current assets		7,132	17,009
Total assets		32,609	54,723

KSEK	NOTE	2024-12-31	Restated 2023-12-31
EQUITY AND LIABILITIES			
	24,25,26, 29		
Share capital		873	2,470
Other contributed capital		544,843	532,072
Translation reserve		-3,701	-3,376
Retained earnings		-580,660	-530,998
Equity attributable to Parent Company shareholders		-38,645	168
Non-controlling interests		-	-
Total equity		-38,645	168
Non-current liabilities			
Deferred tax liabilities	13	2,344	3,731
Lease liability	8	586	207
Loans and borrowings	20, 21	38,017	32,112
Other non-current liabilities	20, 21	7,730	8,132
Total non-current liabilities		48,677	44,182
Current liabilities			
Current loans and borrowings	20, 21	5,404	169
Current lease liability	8	888	235
Trade payables		11,506	2,847
Other liabilities	20	488	430
Provisions	27	1,200	1,200
Accruals and deferred income	22	3,091	5,492
Total current liabilities		22,577	10,373
TOTAL EQUITY AND LIABILITIES		32,609	54,723
Solidity		-119%	0%



Consolidated statement of changes in equity

(KSEK)	Share capital	Other contributed capital	Translation reserve	Retained earnings incl. profit for the year	Total Parent Company Shareholders	Non-controlling interests	Total
Opening balance on January 1, 2023	1,703	513,679	-953	-474,602	39,827	-	39,827
Loss for the year	-	-	-	-59,696	-59,696	-	-59,696
Correction of misstatement (after tax)	-	-	-1,285	1,644	359	-	359
Correction of previous errors – Note 29	-	-	-	1,621	1,621	-	1,621
Other comprehensive income for the year	-	-	-1,138	-	-1,138	-	-1,138
Comprehensive income for the year	-	-	-2,423	-56,431	-58,854	-	-58,854
<i>Transactions with shareholders:</i>							
Contributed capital less transaction costs	767	18,393	-	-51	19,109	-	19,109
Warrants	-	-	-	86	86	-	86
Equity on December 31, 2023	2,470	532,072	-3,376	-530,998	168	-	168
Opening balance on January 1, 2024	2,470	532,072	-3,376	-530,998	168	-	168
Loss for the year	-	-	-	-49,632	-49,632	-	-49,632
Other comprehensive income for the year	-	-	-325	-	-325	-	-325
Comprehensive income for the year	-	-	-325	-49,632	-49,957	-	-49,957
Capital reduction	-2,379	2,379	-	-	-	-	-
<i>Transactions with shareholders:</i>							
Contributed capital less transaction costs	782	10,218	-	-30	10,970	-	10,970
Warrants	-	174	-	-	174	-	174
Equity on December 31, 2024	873	544,843	-3,701	-580,660	-38,645	-	-38,645



Consolidated cash flow statement

KSEK	NOTE	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Operating activities			
Operating loss		-46,875	-56,158
Adjustment for non-cash items	15, 16, 17	32,282	14,260
Cash flow before changes in working capital		-14,593	-41,898
Change in operating receivables		-1,697	-105
Change in operating liabilities		4,158	-207
Cash used in operating activities		-12,132	-42,210
Acquisition of tangible assets	16	-11	-93
Acquisition of intangible assets	15	-15,537	-5,445
Cash used in investment activities		-15,548	-5,538
New issue net of issuance costs		-	1,269
Loan facility drawdowns net of issuance costs		13,612	-
Directors loans net of issuance costs		2,850	-
Convertible loans net of issuance costs		-	48,950
Transaction costs		-	-3,898
New issue, warrants		-	87
Funds from credit facilities		1,199	-
Interest paid		-454	-118
Interest received		14	341
Payment of lease liabilities		-1,420	-1,362
Cash flow from financing activities		15,801	45,269
Cash flow for the year		-11,879	-2,431
Cash and cash equivalents at the beginning of the period		12,142	14,588
Exchange rate difference on cash and cash equivalents		20	-15
Cash and cash equivalents at the end of the period		283	12,142

Adjustment for non-cash items

KSEK	NOTE	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Impairment of intangibles	15	18,872	-
Depreciations of tangible and intangible assets	15, 16 8	12,745	16,517
Other operating costs IFRS		1,527	-1,387
Other items		862	-870
Total		32,282	14,260

Change in lease liabilities

KSEK	Lease liabilities
Opening balance 2023-01-01	2,126
Outgoing liabilities	-322
Amortization	-1,362
Closing balance 2023-12-31	442
Opening balance 2024-01-01	442
Additions	2,452
Amortization	-1,420
Closing balance 2024-12-31	1,474



The Parent Company's income statement

KSEK	NOTE	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Net sales	5	-	41
Cost of goods sold		-	-
Gross profit		-	41
Research and development costs		-1,426	-4,176
Sales costs		-6,466	-5,181
Administrative costs		-7,727	-15,902
Impairment of goodwill	15	-	-
Other operating income	11	11,804	12,882
Other operating costs		-956	-67
Operating profit	6,7,8,9,10	-4,771	-12,403
Result from financial items	12		
Impairment of participations in Group companies	31	-	-
Interest income and other similar items	12	9,375	9,913
Interest costs and similar items	12	-10,590	-21,648
Profit before tax		-5,986	-24,139
Appropriations	14		
Tax	13	-	-424
Profit/loss for the year		-5,986	-24,563

The profit/loss for the period is consistent with the comprehensive income for the year



Parent Company statement of financial position

KSEK	NOTE	2024-12-31	2023-12-31
ASSETS			
Participations in Group companies	31	2,885	2,885
Total fixed assets		2,885	2,885
Current assets			
Trade receivables	3	-	40
Receivables from Group companies		35,192	28,252
Other receivables	19	381	848
Prepayments and accrued income	17	327	281
Cash and cash equivalents		164	10,371
Total current assets		36,064	39,792
Non-current assets			
Receivables from Group companies		23,414	-
Total non-current assets		23,414	-
Total assets		62,363	42,677

KSEK	NOTE	2024-12-31	2023-12-31
EQUITY AND LIABILITIES			
	24,25,26,29		
Equity			
<i>Restricted equity</i>			
Share capital		873	2,470
Total restricted equity		873	2,470
Other contributed capital		445,601	432,830
Retained earnings		-431,777	-407,184
Comprehensive income for the year		-5,986	-24,563
Total non-restricted equity		7,838	1,083
Total equity		8,711	168
Non-current liabilities			
	20,21		
Loans and borrowings	21	35,892	32,112
Other non-current liabilities	21	2,500	-
Total non-current liabilities		38,392	32,112
Current liabilities			
	20		
Current loans and borrowings		3,117	-
Liabilities to Group Companies		3,238	791
Trade payables		5,968	770
Other liabilities		124	586
Accruals and deferred income	22	1,613	3,665
Provisions	27	1,200	1,200
Total current liabilities		15,260	7,012
TOTAL EQUITY AND LIABILITIES		62,363	42,677
Solidity		-119%	0%



The Parent Company's statement of changes in equity

(KSEK)	Share capital	Share premium reserve	Retained earnings	Profit/loss for the year	Total
Opening balance on January 1, 2023	1,703	414,175	-113,799	-293,472	8,607
Previous year's result	-	-	-293,472	293,472	-
New issues	53	1,164	-	-	1,217
Net value of conversion rights before transaction costs*	-	7,436	-	-	7,436
Conversion of convertible loans*	714	10,055	-	-	10,769
New issue, warrants	-	-	87	-	87
Loss for the year	-	-	-	-24,563	-24,563
Equity on December 31, 2023	2,470	432,830	-407,184	-24,563	3,553
Opening balance on January 1, 2024	2,470	432,830	-407,184	-24,563	3,553
Previous year's result	-	-	-24,563	24,563	-
Capital reduction	-2,379	2,379	-	-	-
Conversion of convertible loans less transaction costs	782	10,218	-30	-	10,970
Fair value of warrants issued	-	174	-	-	174
Loss for the year	-	-	-	-5,986	-5,987
Equity on December 31, 2024	873	445,601	-431,777	-5,986	8,711



The Parent Company's cash flow statement

KSEK	NOTE	2024-01-01 2024-12-31	2023-01-01 2023-12-31
Operating activities			
Operating profit		-4,771	-12,403
Adjustment for non-cash items		238	-3,585
Cash flow before changes in working capital		-4,533	-15,988
Change in operating receivables		-26,290	-31,958
Change in operating liabilities		6,168	373
Cash used in operating activities		-24,655	-47,573
Cash flow from financing activities			
New issue		-	1,269
Loan facility drawdown net of issuance costs	21	13,612	-
Convertible loans net of issuance costs		-	48,950
Directors' loans net of issuance costs	21	1,425	-
Transaction costs		-	-3,898
New issue, warrants		-	87
Interest paid		-373	-29
Interest received		20	341
Payment of lease liabilities		-236	-
Cash flow from financing activities		14,448	46,720
Cash flow for the year		-10,207	-853
Cash and cash equivalents at the beginning of the period		10,371	11,225
Exchange rate difference on cash and cash equivalents		-	-
Cash and cash equivalents at the end of the period		164	10,371



Notes to the financial statements

Note 1 - General information and accounting policies

Magnasense AB, reg. no. 559222–2953, is the Parent Company of the Magnasense Group ("Magnasense" or "The Group"). Magnasense AB has its registered office in Lund, Sweden.

This annual report covers the period January to December 2024 for the Parent Company and the Group. The income statements and balance sheets of the Group and the Parent Company for 2024 shall be adopted by the Annual General Meeting.

Compliance with law and standards

The consolidated financial statements of Magnasense AB (publ) are prepared in accordance with the Swedish Annual Accounts Act and International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations by the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the European Commission for application in the EU. In addition, the Group applies the Swedish Financial Reporting Board's recommendation RFR 1 Supplementary Accounting Regulations for Groups, which specifies the additions to IFRS disclosures required by the provisions of the Swedish Annual Accounts Act. The Parent Company applies the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities, which means the same accounting policies as the Group except in the cases described in the concluding part of this note. The divergences between the policies applied by the Parent Company and the Group stem from restrictions imposed by the Annual Account Act on the Parent Company's ability to apply IFRS.

Bases for preparation of the financial statements of the Parent Company and the Group

The Parent Company's functional currency is Swedish kronor, which is also the reporting currency for the Parent Company and the Group. Consequently, the financial statements are stated in Swedish kronor. All amounts, unless otherwise specified, are stated in thousands of SEK (KSEK), and the figures in parentheses refer to the previous period. Assets and liabilities are recognized at historical cost. Preparing the financial reports in accordance with IFRS requires the management team to make assessments and estimates, and to make assumptions about the accounting principles and the reported amounts of assets, liabilities, income and expenses.

Estimates and assumptions are based on historical experience as well as on a number of other considerations that are considered reasonable given the prevailing circumstances. The results of these estimates and assumptions are then used to assess the reported values of assets and liabilities that are not otherwise clear from other sources. The actual results may ultimately differ from those estimates and judgments. The accounting policies set out below have been applied consistently to all periods presented in the Group's financial statements, unless otherwise stated below. The accounting policies of the Group have been applied consistently to the reporting and consolidation of the Parent Company and the subsidiaries.

New IFRS and interpretations that became effective in the year:

- Classification of Liabilities as Current or Non-current – Amendments to IAS 1, Non-current liabilities with Covenants – Amendments to IAS 1
- Lease Liability in a Sale and Leaseback – Amendments to IFRS 16
- Supplier finance arrangements – Amendments to IAS 7 and IFRS 7

None of the new or amended standards that entered into force in 2024 had a material impact on the Group's earnings or financial position.

New IFRS and interpretations that are issued but not yet effective:

- IFRS S1: General requirements for disclosure of sustainability-related financial information – issued June 2023 but not yet endorsed by the European Commission
- IFRS S2: Climate-related disclosures - - issued June 2023 but not yet endorsed by the European Commission
- Amendments to IAS 21 to clarify the accounting when there -is a lack of exchangeability – effective January 2025
- Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments – effective January 2025

- Annual improvements to IFRS – Volume 11 – effective January 2026

- IFRS 18 Presentation and Disclosure in Financial Statements – effective January 2027

- IFRS 19 Subsidiaries without Public Accountability: Disclosures – effective January 2027

None of the standards, amendments or interpretations of existing standards that become effective in 2024 or later are expected to have a material impact on the Group's earnings or financial position.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the highest executive decision maker. The highest executive decision maker is the function responsible for allocating resources and assessing the performance of the operating segments. In Magnasense, this function has been identified as the Chief Executive Officer and the management, that is, the unit within Magnasense that makes strategic decisions. Magnasense's operations comprise only one branch of activity: developing and commercializing tests to monitor the dosing of biological drugs to ensure that the right dosing is given to the right people at the right time.

Classification

Fixed assets consist essentially of amounts expected to be recovered or paid after more than twelve months from the balance sheet date, while current assets consist essentially of amounts expected to be recovered or paid within twelve months from the balance sheet date. Non-current liabilities consist essentially of amounts that Magnasense, at the end of the reporting period, has an unconditional right to elect to pay beyond twelve months after the end of the reporting period. If Magnasense does not have such a right as of the end of the reporting period – or if the liability is held for trading or is expected to be settled in the normal operating cycle – the amount of the liability is recognized as a current liability.



Principles of consolidation

Subsidiaries

Subsidiaries are all companies (including structured entities) in which the Group holds a controlling influence. The Group controls a company when it is exposed to or is entitled to variable returns from its holding in the company and is able to influence the return through the influence it exercises in the company. A controlling influence implies the direct or indirect power to design the financial and operational strategies of the entity for financial advantage and usually follows from a shareholding of more than half of the voting rights. In assessing whether a controlling influence exists, any shares carrying voting rights that can be readily exercised or converted shall be taken into account. Subsidiaries are recognized by applying the purchase method, if the acquisition of the subsidiary involved the acquisition of a business and not just of assets and liabilities. Under the purchase method, the acquisition of a subsidiary is regarded as a transaction whereby the Group indirectly acquires the assets of the subsidiary and assumes its liabilities and contingent liabilities. The consolidated cost is determined by preparing an acquisition analysis in connection with the business combination. In the analysis, the cost of the shares or the business is determined along with the fair value of the identifiable assets acquired and liabilities and contingent liabilities assumed. The cost of the shares or the business is the fair value at the date of transfer of the assets, liabilities incurred or assumed, and equity instruments issued as consideration for the net assets acquired. The cost further includes the fair value of all assets and liabilities resulting from an agreed contingent consideration. Acquisition-related costs are expensed. Identifiable assets and assumed liabilities in a business combination are initially measured at fair value as of the acquisition date. For each acquisition, the Group determines whether non-controlling interests in the acquiree should be recognized at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets. If the cost exceeds the fair value of the identifiable assets acquired and liabilities and contingent liabilities assumed, the difference is recognized as goodwill. If the cost is less than the fair value of the identifiable net assets acquired and contingent liabilities assumed, the difference is recognized directly in profit or loss. The financial statements of subsidiaries are included in the consolidated financial statements as of the day on which controlling influence is established and until the day on which it ceases.

Intra-group receivables and liabilities, income and expenses and unrealized gains or losses arising from intra-group transactions between group companies are eliminated in their entirety when the consolidated financial statements are prepared.

Translation of foreign currency

The items included in the financial statements of the various entities in the Group are measured in the currency used in the economic environment in which each entity is principally active (functional currency). In the consolidated financial statements, Swedish kronor (SEK) is used. This is the Parent Company's functional currency and the Group's reporting currency.

Transactions and balance sheet items in foreign currency

Transactions in foreign currency are translated into the functional currency at the exchange rate prevailing on the date of the transaction or the date on which the items are remeasured.

Exchange rate gains and losses that arise in conjunction with payments of such transactions or in conjunction with translation of monetary assets and liabilities denominated in foreign currency at the exchange rate on the balance sheet date are recognized in the income statement.

Group companies

The results and financial position of Group companies with a functional currency different from the reporting currency are translated into the reporting currency as follows:

- assets and liabilities for each of the balance sheets are translated at the exchange rate on the balance sheet date,
- income and expenses for each of the income statements are translated at the average exchange rate, and
- any exchange differences arising are recognized in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of that operation and translated at the exchange rate on the balance sheet date.

Revenue

The Group is not currently revenue generating. Revenue comprises the fair value of the consideration received or receivable for the sale of goods. The Group recognizes revenue when a performance obligation is considered satisfied. The Group's revenue relates to performance obligations that are fulfilled at a specific point in time. The Group develops saliva-based testing for disease as an alternative to blood testing.

A performance obligation regarding the sale of goods is considered satisfied and revenue is recognized when the material risks associated with ownership of the goods are transferred to the buyer, which is typically when the customer takes possession of the goods.

Recognition of government grants

Government grants are recognized at fair value when there is reasonable certainty that the grants will be received and the Group will meet the conditions associated with the grants. Government grants relating to the recovery of costs are accrued and recognized in the income statement in the same periods as the costs they are intended to compensate.

Tax

Income taxes consist of current taxes and deferred taxes. None of the Group companies are in a tax position. Some companies are eligible for R&D tax credits.

Financial instruments

Financial instruments recognized as assets in the balance sheet include cash and cash equivalents, trade receivables and loan receivables. Liabilities include financial instruments in the form of trade payables and loan payables. A financial asset or liability is recognized in the balance sheet when the Company becomes party to the instrument's contractual terms. Trade receivables are recognized when the invoice has been sent. Liabilities are recognized when the counter-party has performed and there is a contractual obligation to pay, even if the invoice has not yet been received. Trade payables are recognized when an invoice has been received. Financial assets are removed from the balance sheet when rights set out in the agreement are realized, expire or the company loses control of them. The same applies to parts of financial assets. A financial liability is removed from the balance sheet when the contractual obligation is fulfilled or otherwise extinguished. The same applies to parts of financial liabilities. Acquisitions and disposals of financial assets are recognized on the trade date, which is the date on which the company commits to acquire or dispose of the asset. On initial recognition, financial instruments are classified by type of asset and, for debt instruments, by business model. Financial instruments are initially recognized at



cost equal to the fair value of the instrument plus transaction costs, except for financial instruments classified as financial assets at fair value through profit or loss, which are recognized at fair value excluding transaction costs. Subsequent recognition depends on the classification of the financial instruments, as set out below.

Financial assets at fair value through profit or loss

Magnasense has no financial instruments in this category.

Financial assets carried at amortized cost

Loan and trade receivables are financial assets held for the purpose of collecting contractual cash flows. The receivables arise from cash lending and when Magnasense provides goods and services directly to the debtor with no intention of trading the receivables. This category also includes purchased receivables. Receivables are recognized at amortized cost. Amortized cost is determined based on the effective interest rate calculated at the date of acquisition. This implies that surplus and deficit values as well as direct transaction costs are amortized over the life of the instrument. Trade receivables are recognized at the amount expected to be collected less provisions for credit losses. The expected life of trade receivables is short, and the value is thus recognized at the nominal amount without discounting. Where applicable, a provision for expected credit losses is calculated based on the risk of loss throughout the life of the receivable and recognized on initial recognition of the receivable. The amount of the provision is the difference between the carrying amount of the asset and the present value of estimated future cash flows. Impairment of trade receivables is recognized in the income statement as a reduction of operating income, and impairment of loan receivables is recognized in the financial costs item.

Financial liabilities at fair value through profit or loss

Magnasense has no financial instruments in this category. Financial liabilities measured at amortized cost This category includes loans and other financial liabilities, for example, trade payables. Financial liabilities are initially measured at fair value, net of transaction costs.

Subsequently, financial liabilities are measured at amortized cost, and any difference between cost (net of transaction costs) and redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method. Breakage costs on early repayment of loans without raising a new loan are recognized in profit and loss at the time of repayment. Non-current liabilities have an expected maturity of more than one year, while current liabilities have a maturity of one year or less. Trade and other operating payables where the expected maturity is short are, therefore, normally recognized at the nominal amount.

Hedge accounting

Magnasense does not apply hedge accounting.

Offsetting of financial assets and liabilities

Financial assets and financial liabilities are offset and recognized with a net amount in the statement of financial position only when the following criteria are met: There is a legally enforceable right to set off the recognized amounts, and the Company intends to settle the items on a net basis or to realize the assets and liabilities simultaneously. Financial income and expenses are offset in the income statement when they are associated with the financial assets and liabilities that are set off.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and immediately accessible balances with banks and equivalent institutions.

Inventories

Inventories are valued on a FIFO basis at the lower of cost and net realizable value. The cost of inventories includes expenses incurred to acquire the inventory assets.

Goodwill

Goodwill is calculated in accordance with the principles set out above in the section on consolidation principles. Goodwill is not

amortized but instead tested for impairment annually or more frequently if events or changes in circumstances indicate a possible impairment. Goodwill is recognized at cost less accumulated impairment losses. An impairment of goodwill is not reversed in the subsequent period.

Intangible fixed assets

Capitalized expenditure for product development

The Group conducts research and development relating to new products. Research expenses are recognized as incurred. Expenditure that is directly attributable to the development of identifiable and unique products is recognized as intangible assets when the following criteria are fulfilled:

- it is technically possible to complete the product so that it can be used,
- the intention of the company is to complete the product and use it or sell it,
- conditions are established for the use or sale of the product,
- it can be shown how the product will generate probable future economic benefits,
- adequate technical, financial and other resources are available to complete the development and use or sell the product, and
- the expenditure that is attributable to the product during its development can be calculated reliably.

Directly attributable expenditure that is capitalized also include personnel costs and a fair share of indirect costs. Other development expenditure that does not fulfill these conditions is expensed as incurred. Development expenditure previously recognized as expense is not recognized as an asset in a subsequent period.

Patents

Costs directly attributable to patents are recognized at cost less accumulated amortization and any impairment loss.



Amortization policy for intangible fixed assets

Amortization of projects commences when they are deemed ready for commercialization. Capitalized development expenditure is amortized over its estimated useful life, which is considered to be five years.

Tangible fixed assets

A tangible fixed asset is recognized as an asset in the balance sheet if it is probable that future economic benefits will flow to the Company and the cost of the asset can be measured reliably. In the Group, tangible fixed assets are recognized at cost less accumulated depreciation and any impairment loss. Cost includes the purchase price and expenses directly attributable to bringing the asset to its location and into condition for its intended use. Tangible fixed assets consisting of parts with significantly different useful lives are treated as separate components of tangible fixed assets. The carrying amount of a tangible fixed asset is removed from the balance sheet on disposal of the asset or when no future economic benefits are expected from its use. The gain or loss arising on the sale or other disposal of an asset is the difference between the selling price and the carrying amount of the asset, less direct cost to sell. The gain or loss is recognized as other operating income/cost.

Depreciation policy for tangible fixed assets

Depreciation is recognized on a straight-line basis over the asset's estimated useful life. Fixtures and fittings are depreciated over five years. The depreciation methods applied and the residual values and useful lives of the assets are subject to annual review at year-end.

Impairment

The carrying amounts of the Group's assets are reviewed at each balance sheet date to determine whether any indication of impairment exists. When testing for impairment, IAS 36 is applied for assets other than financial assets. Financial assets are tested in accordance with IFRS 9.

Impairment testing of non-financial assets

Goodwill and intangible assets that have an indefinite useful life or intangible assets not ready for use are not amortized but are tested for impairment annually, or when there is an indication of impairment. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable value is the higher of the fair value of the asset less cost to sell and value in use of the asset. The market value of all the listed shares of the Company as of the balance sheet date was used as recoverable amount. When tested for impairment, assets are grouped on the lowest levels where there are substantially independent cash flows (cash-generating units). As set out above in relation to segment reporting, the operations are monitored and reported by Magnasense as one operating segment.

Impairment testing of financial assets

Magnasense measures expected future credit losses related to debt instrument investments at amortized cost, based on forward-looking information. The Group chooses provisioning method depending on whether there has been a material increase in credit risk or not. In accordance with the rules in IFRS 9, Magnasense applies a simplified method for impairment testing of trade receivables. The simplification involves calculating the provision for expected credit loss based on the risk of loss over the entire life of the receivable and recognizing it on initial recognition of the receivable.

Cash flow statement

The cash flow statement is drawn up using the indirect method. This means that the operating profit is adjusted for transactions that have not resulted in cash inflows or outflows during the period as well as for any revenue and costs attributable to the cash flows of investment or financing activities.

Earnings per share

Basic and diluted earnings per share are calculated by dividing the profit attributable to Parent Company shareholders by a weighted average number of ordinary shares during the period.

Employee benefits

Short-term employee benefits, including salaries, paid annual leave, paid sick leave and social security contributions, are recognized as services are rendered by the employees in exchange for the benefits.

Pension obligations

The Group only has defined contribution pension plans. A defined contribution pension plan is a pension plan pursuant to which the Group pays fixed contributions to a separate legal entity. The Group has no legal or informal obligations to pay additional contributions if the legal entity has insufficient assets to pay all compensation to employees relating to the employees' service during a current or earlier period.

Share-based incentive programs

An outstanding warrant program to be settled in shares has been issued to senior executives and other key individuals for consideration equal to the fair value of the warrants. As participants paid fair value, no benefit arose and no cost is thus recognized for the warrant program. Consideration received is reported directly against equity.

Leasing – lessee

At inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. At the start of the lease, or when reviewing a lease that contains several components – both lease and non-lease components – the Group allocates consideration under



the contract to each component based on the independent price. For leases of premises in which the Group is the lessee, the Group has, however, decided not to distinguish between lease and non-lease components and recognizes lease and non-lease components paid for with a fixed amount as a single lease component.

The Group recognizes a right-of-use asset and a lease liability on the commencement date of the lease. The right-of-use asset is measured initially at cost, which consists of the initial value of the lease liability and lease payments made at or before the commencement date, plus any initial direct expenses. The right-of-use asset is depreciated in a straight line from the commencement date until the earlier of the end of the asset's useful life and the end of the lease term. For the Group, this is normally the end of the lease term.

Lease liabilities – divided into a non-current part and a current part – are initially measured at the present value of out-standing lease payments during the estimated lease term. The lease term consists of the interminable term plus additional terms in the lease if, at the commencement date, it is deemed reasonably certain that these will be used.

The lease payments are normally discounted by the Group's marginal borrowing rate, which, in addition to the Group's/Company's credit risk, reflects each lease's term, currency and quality of the underlying asset as intended security. However, in such cases where the implicit interest rate of the lease is easily determined, that rate is used.

The value of the liability increases with the interest expense for each period and decreases with the lease payments. The interest expense is calculated as the liability's value times the discount rate. The lease liability for the Group's premises with indexed rent is

calculated at the rent applicable at the end of each reporting period. At this time, the liability is adjusted by the corresponding adjustment of the right-of-use asset's recognized value. Correspondingly, the liability's and the asset's values are adjusted when the lease term is reviewed. This takes place in connection with the expiry of the final termination date within the previously determined lease term for a premises lease, or upon the occurrence of either a significant event or a significant change in circumstances that is within the control of the Group and affects the current determination of the lease term. The Group discloses right-of-use assets and lease liabilities separately in the statement of financial position. For leases with a term of 12 months or less, or with an underlying asset of low value (less than SEK 50), no right-of-use asset or lease liability is recognized. Lease payments for these leases are recognized as an expense over the lease term on a straight-line basis.

Mergers

Mergers are recognized in accordance with BFNAR 2020:5.

The Parent Company's accounting policies

The Parent Company prepares its annual report in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities and statements on emerging issues. Pursuant to the RFR 2 rules, the Parent Company must, in the annual report for the legal entity, apply all IFRS/IAS standards and statements adopted by the EU to the extent that is possible within the framework of the Annual Accounts Act and with consideration to the relationship between accounting and taxation. The recommendation specifies the exceptions to be made to IFRS/IAS. The Parent Company applies the same accounting policies as specified for the Group, with the following exceptions.

Financial instruments

The Parent Company has chosen not to apply IFRS 9; however, the principles for impairment in IFRS 9 shall nevertheless be used for intra-group receivables.

Subsidiaries

Participations in subsidiaries are recognized in the Parent Company using the cost method.

Recognition of group contributions

Group contributions are recognized according to the alternative rule in RFR 2, which means that both paid and received group contributions are recognized as appropriations in the income statement.

Goodwill

Goodwill is amortized over ten years in the Parent Company, which is justified by the strategic nature of the related acquisitions.

Intangible fixed assets

Expenditure for product development is expensed in the Parent Company when incurred, that is, the expenditure is not capitalized as intangible assets.

Leasing – lessee

The Parent Company does not apply IFRS 16, in accordance with the exemption in RFR 2. As a lessee, lease payments are recognized as an expense over the lease term on a straight-line basis. Hence, right-of-use assets and lease liabilities are not recognized in the balance sheet. In the same manner as in the consolidated financial statements, lease and non-lease components are not separated for premises. Instead, lease and non-lease components are recognized as a single lease component for these types of underlying assets. The agreements in which the Parent Company is the lessor are recognized as operating leases.



Format of the income statement and balance sheet

The Parent Company follows the format of the Swedish Annual Accounts Act, which, among other things, implies a different breakdown of equity.

Note 2 - Important estimates and assessments for accounting purposes

Estimates and assessments are reviewed regularly and are based on past experience and other factors, including expectations of future events that are judged to be reasonable taking current conditions into consideration. The Group makes estimates and assumptions about the future. By definition, the estimates for accounting purposes that follow from such estimates and assumptions will not always correspond to the actual outcome. The estimates and assumptions that pose a significant risk of material adjustments to the carrying amounts of assets and liabilities during the next fiscal year are outlined below.

Goodwill

For impairment purposes, the Group is considered a single cash-generating unit whose carrying amounts of goodwill – and other intangible assets, tangible fixed assets, and right-of-use assets – are tested for impairment as a whole. Impairment testing at the end of 2022 has led to a full impairment of the Group's and Parent Company's goodwill, so there is no future valuation risk.

Intangible assets

The Group capitalizes expenses attributable to the development of medical products to the extent that the criteria in IAS 38 are considered to be satisfied. The recognized capitalized expenditure for development work is subject to impairment testing by the management. The most critical assumption, which is evaluated by management, is whether the intangible asset is expected to generate future economic benefits that are at least sufficient to

cover the carrying amount of the intangible asset. However, the financial resources required to complete development depend on the Company's ability to obtain future financing. Moreover, the valuation is dependent on the assumption of going concern. Magnasense is also, to some extent, dependent on its ability to obtain protection of its intangible assets. The Group's intellectual property rights are primarily protected by patents and patent applications.

The research and development work carried out by Magnasense and in cooperation with various partners continuously generates new patentable ideas for the Group. These ideas are carefully assessed by the Company and by patent agents consulted by the Group. Whether to file a patent application for a certain invention is decided on a case-by-case basis.

Conditions for going concern

The annual report has been prepared under the assumption of going concern. In the past, the Company has reported losses due to its research and development work and inability to realize revenue in line with management's plans. Financing has been through a mixture of equity and debt. In preparing the annual report, management has based its assumptions on existing cash and cash equivalents, including cash received after the end of the year from completion of the RADx® project funded by the National Institute of Health (NIH), and the rights issue in early 2025. In the estimation of future cash flows, the management has taken into account internal measures implemented to streamline the internal organization and focus on its strategic Oral Health Project.

The fact that some future expenses are under the control of the management and thus can be eliminated or deferred has also been taken into account. The Company will need to seek additional financing within the next 12 months. Should the Group, for any reason, be unable to continue operations, this may impact the Group's ability to realize the carrying values of the assets, in particular those related to intangible assets in the form of patents and capitalized development expenditures, as well as its ability to pay its debts at normal pace and in the amounts set out in the Group's financial statements.



Note 3 - Financial risk management

Through its activities, the Group is exposed to financial risks, and the Board of Directors is ultimately responsible for managing and monitoring these risks as follows:

Liquidity and financing risk

Liquidity risk exists if Magnasense fails to meet its payment obligations due to a lack of cash or if has no other means to meet them than by borrowing at a significantly higher cost than normal or through disposal of assets at below-market prices. Magnasense closely monitors the development of cash flow to ensure that sufficient cash is at hand at all times and continuously works on various financing options to bridge the period until a positive cash flow is achieved.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in market interest rates. The Group's assessment is that it is not currently exposed to any material interest rate risks.

Credit and counterparty risk

Credit and counterparty risk partly refers to risks linked to customers and suppliers not being able to fulfill their obligations to Magnasense and partly to the risk that Magnasense cannot fulfill its obligations, which can significantly reduce the Company's creditworthiness. In the first case, the credit risk is mainly attributable to outstanding trade receivables, but may nevertheless involve the failure of distributors/suppliers to meet their commitments. In the second case, Magnasense aims to ensure its own creditworthiness by maintaining adequate liquidity.

KSEK	Parent Company		Group	
	2024	2023	2024	2023
Credit risk exposure:				
Cash and cash equivalents	164	10,371	283	12,142
Trade receivables	-	40	1	5,518
Impairment of trade receivables	-	-	-	-2,901
Receivables from Group companies	58,606	28,252	-	-
Other current receivables -see note 19	381	1,129	6,287	2,250
Total	59,151	39,792	6,571	17,009

Currency risk

The Group has foreign subsidiaries in the United States, the United Kingdom, and Finland and, therefore, has currency exposure to USD, GBP, and EUR. The impact on the Group's result is due to changes in the fair value of third-party purchases and of monetary assets and liabilities, calculated based on a reasonably possible variation in exchange rates. No hedge accounting is applied.

The Group's purchases in foreign currency break down by currency as below:

	2024		2023	
	KSEK	Sensitivity analysis*	KSEK	Sensitivity analysis*
Currency				
USD	3,146	315	11,756	1,175.6
EUR	1,914	191	2,760	276.0
GBP	4,943	494	6,948	694.8

* A +/- 10% difference in exchange rate would have this impact on the Group's equity and result for the year.

The Group's recognized assets in foreign currency are distributed as follows:

	2024		2023	
	KSEK	Sensitivity analysis*	KSEK	Sensitivity analysis*
Currency				
USD	10,707	1,071	6,052	605.2
EUR	261	26	8,155	815.5
GBP	1,088	109	3,105	310.5

* A +/- 10% difference in exchange rate would have this impact on the Group's equity and other comprehensive income.



Note 3 - Financial assets and liabilities

The maturities of third party financial assets and liabilities are shown in the table below:

Maturity structure of financial assets and liabilities 2024-12-31

Group KSEK	Financial liabilities				
	Financial assets	Loan	Supplier	Leasing	Other
	6,570	4,341	11,506	218	3,579
0–3 months					
3–12 months	-	-	-	670	5,230
1–2 years	-	26,008	-	586	-
2–5 years	-	9,884	-	-	2,500
More than 5 years*	-	3,188	-	-	-
Total	6,570	43,421	11,506	1,474	11,309

* This loan is in the subsidiary Magnasense Technologies Oy and is a capital loan, which means that repayment shall be made only when there are distributable funds in the company.

Parent Company KSEK	Financial liabilities				
	Financial assets	Loan	Supplier	Leasing	Other
	545	3,117	5,967	-	1,737
0–3 months					
3–12 months	-		-	-	-
1–2 years	-	26,008	-	-	-
2–5 years	-	9,884	-	-	2,500
More than 5 years	-	-	-	-	-
Total	545	39,009	5,967	-	4,237

Maturity structure of financial assets and liabilities 2023-12-31

Group KSEK	Financial liabilities				
	Financial assets	Loan	Supplier	Leasing	Other
	14,759	-	2,847	235	-
0–3 months					
3–12 months	2,250	169	-	-	12,175
1–2 years	-	32,112	-	207	-
2–5 years	-	-	-	-	-
More than 5 years*	-	3,079	-	-	-
Total	17,009	35,360	2,847	442	12,175

Parent Company KSEK	Financial liabilities				
	Financial assets	Loan	Supplier	Leasing	Other
	11,540	-	770	-	-
0–3 months					
3–12 months	-	-	-	-	6,242
1–2 years	-	32,112*	-	-	-
2–5 years	-	-	-	-	-
More than 5 years*	-	-	-	-	-
Total	11,540	0	770	-	6,242

Net gains/losses for each category of financial instruments:

The Group has no net gains/losses to report for the various financial instruments.

Note 4 - Segment information

Magnasense's operations comprise only one branch of activity: developing and commercializing tests to monitor the dosing of biological drugs to ensure that the right dosing is given to the right people at the right time. As activities are pursued in a single operating segment, there is no separate segment information to present.



Note 5 - Net sales

Breakdown of net sales KSEK	Parent Company		Group	
	2024	2023	2024	2023
COVID-19 saliva test Viraspec	-	-	-	-
Customized Veritope development project	-	-	-	-
Other	-	41	-	92
Total	-	41	-	92

Net sales per geographic market KSEK	Parent Company		Group	
	2024	2023	2024	2023
Sweden	-	41	-	41
USA	-	-	-	-
Finland	-	-	-	51
Total	-	41	-	92

Fixed assets by geographical market KSEK	Parent Company		Restated Group	
	2024	2023	2024	2023
Sweden	-	-	12,560	13,401
UK	-	-	606	756
Finland	-	-	-	7,988
USA	-	-	10,789	14,766
Total	-	-	23,955	36,911

Note 6 - Breakdown of operating costs by category

In the statement of comprehensive income, the operating costs are classified based on the functions “Cost of goods sold”, “Research and development costs”, “Sales costs” and “Administrative costs”. The total costs classified by function break down into the following cost categories:

KSEK	Parent Company		Group	
	2024	2023	2024	2023
Raw materials and consumables	-	-	-	1,227
Other external costs	10,640	18,977	13,031	25,530
Personnel costs	5,935	6,350	10,556	17,334
Depreciation	-	-	14,272	16,517
Impairment	-	-	18,872	-
Total COGS, research & development, sales, and administrative costs	16,575	25,327	56,731	60,608

Note 7 - Disclosure of auditor's fee and reimbursement

KSEK	Parent Company		Group	
	2024	2023	2024	2023
Göteborgs Revision KB				
Audit engagement	335	1,034	335	1,097
Audit work in addition to the audit engagement	-	50	-	50
Tax consultancy services	-	-	-	-
Other services	-	-	-	-
Total	335	1,084	335	1,147

Audit engagements mean fees related to the statutory audit, that is, such work that has been necessary in order to provide the audit report, as well as so-called audit advice provided in connection with the audit engagement. Audit work, in addition to the audit engagement, means fees related to various types of quality assurance services. Other engagements mean services not included in audit engagements, audit work or tax consultancy.



Note 8 - Lease agreements

Operating leases KSEK	Parent Company	
	2024	2023
Lease cost	285	351
The nominal value of future lease payments can be broken down as follows:		
Maturity within 1 year	229	262
Between 2 and 5 years	-	202
Residual maturity, total	229	464

The Group leases office and research premises which have been recognized in accordance with IFRS 16 where the rights of use, lease liability, interest and depreciation are based on the original maturities of these agreements. The accounting policies are set out in Note 2. A maturity analysis of lease liabilities is provided in Note 3 Financial assets and liabilities.

Rights of use KSEK	Group		
	Premises	Cars	Total
Opening balance 2023-01-01	1,891	99	1,990
Divestments and early termination of contracts	-12	-99	-111
Contracts added in the year	-	-	-
Depreciation for the year	-1,360	-	-1,360
Closing balance 2023-12-31	519	-	519
Opening balance 2024-01-01	519	-	519
Contracts added in the year	2,530	-	2,530
Divestments and early termination of contracts	-	-	-
Depreciation for the year	-1,527	-	-1,527
Closing balance 2024-12-31	1,522	-	1,522

Rights of use KSEK	Group	
	2024-12-31	2023-12-31
Assets with rights of use		
Premises	519	519
Cars	-	-
	519	519
Lease liabilities		
Current	888	235
Non-current	586	207
	1,474	442
Amounts recognized in profit or loss:		
Depreciation	-1,527	-1,361
Interest costs	-84	-47
	-1,611	-1,408
Amounts recognized in the statement of cash flows		
Amortization of financial lease liabilities	-1,420	-1,362
Interests paid for financial lease liabilities	-	-47
Total cash outflows related to lease agreements	-1,420	-1,409

The Group has no variable lease fees, short-term leases or expenses for low-value leases.



Note 9 - Average number of employees, personnel costs, pensions and other

Average number of employees	Parent Company		Group	
	2024	2023	2024	2023
Number of employees	6	3	15	14
Of whom men	6	3	6	6

Senior executives	Parent Company		Group	
	2024	2023	2024	2023
Board of Directors	5	3	5	3
Chief Executive Officer and other senior executives	2	1	3	1
Of whom men	6	4	6	4

Total salaries, social security contributions and pensions	Parent Company		Group	
	2024	2023	2024	2023
Salaries and other remunerations including pension costs	3,928	4,984	7,902	15,177
Social security contributions	623	869	965	1,659
Other costs*	1,385	1,662	1,689	7,514
Total	5,935	7,515	10,556	24,350
Of which pension costs	696	696	766	1,334

* Other costs include board fees and invoiced fees from non-employed senior executives.

Benefits for senior executives

Board members

As matter of principle, remuneration of board members is paid in accordance with the decision of the General Meeting. Board fees are not paid to Marco Witteveen, who is formally employed by the Group and thus has received remuneration based on their employment contract.

Chief Executive Officer

Magnasense AB reported MSEK 3.0 (1.1) in basic pay to CEO Marco Witteveen, who took office on June 15, 2023. Payment in lieu of pension contributions for the CEO are made at 25 percent of the basic salary, and are disclosed on the following page as other remuneration. The period of notice from each party is 6 months, and no contractual severance pay shall be awarded.

Other senior executives

Remuneration to other senior executives consists of invoiced consultancy fees based on time spent and, in cases where the senior executive is an employee, salary. Other senior executives are the COO and the interim CFO, who, together with CEO Marco Witteveen, constitute the management team.



Remuneration and other benefits for the directors, CEO and other senior executives

2024						
KSEK	Directors' fees	Basic pay	Variable remuneration	Other remuneration	Pension costs	Total
Jens Umehag, Chairman of the Board*	115	-	-	-	-	115
William Ferenczy, Director	76	-	-	-	-	-
William Vickery, Director	155	-	-	-	-	155
Fredrik Häglund, Director	155	-	-	-	-	155
Michael Schwartz, Director	76	-	-	-	-	76
Marco Witteveen, CEO	-	2,420	-	560	-	2,980
Board and CEO, total	577	2,420	-	560	-	3,557
Other senior executives**	-	2,254	-	853	146	3,253
Total	577	4,764	-	1,413	146	6,810

* Jens Umehag took office on April 26, 2024. Anders Ingvarsson, previous Chairman of the Board, resigned the same day and his salary is reported as basic pay under Other senior executives.

** William Ferenczy and Michael Schwartz were appointed April 26 2024.

Directors fees were not paid out in the year. Accrued Board member fees were exchanged for shares in the rights issue in May 2025, totalling KSEK 464

2023						
KSEK	Directors' fees	Basic pay	Variable remuneration	Other remuneration	Pension costs	Total
Anders Ingvarsson, Chairman of the Board	157	-	-	722	-	879
Seppo Mäkinen, Director	64	-	-	120	-	184
William Vickery, Director	105	-	-	-	-	105
Fredrik Häglund, Director	105	-	-	-	-	105
Sofia Bertling, Director	64	-	-	-	-	64
Marco Witteveen, CEO ***	-	1,142	-	323	-	1,465
Board and CEO, total	495	1,142	-	1,165	-	2,802
Other senior executives	-	2,373	-	2,966	263	5,602
Total	495	3,515	-	4,131	263	8,404

*** CEO Marco Witteveen took office on June 15, 2023. Bradley Messmer, previous CEO, resigned on June 14, 2023, and his salary is reported as basic pay under Other senior executives.

Remuneration for the CEO is included in sales costs in the income statement for the year, and other Board members fees are included in administrative costs

Share-based incentive programs

On August 25, 2023, the Annual General Meeting decided to introduce a warrant program for senior executives and other key individuals in the Group, TO 2023/2026. The program entailed that the Company issued 360,000 warrants, where each warrant shall entitle the holder to subscribe for 1 new share in the Company. The warrants were issued at a subscription price of SEK 0.24 per warrant, which corresponded to the market value of the warrant in accordance with the customary valuation model (Black & Scholes). Each warrant entitles the holder to subscribe for one new share at a subscription price of SEK 2.95. Subscription of shares with the support of warrants in series TO 2023/2026 can take place during the period from September 1, 2026, up to and including September 30, 2026. As program participants paid fair value, no benefit arose. Consideration received is reported directly against equity.

Warrant holdings	No. of warrants
Marco Witteveen, CEO	200,000
Christel Dahlberg, CFO	50,000
Vasiliki Fragkou, COO	50,000
Catherine Dent	20,000
Lesley Page	20,000
Stacey Casswell	20,000
Total	360,000



Note 10 - Related party transactions

Group

All the companies in the Group are wholly owned and none of the Parent Company owners has significant influence. No board member or senior executive of Magnasense AB has personally, through companies or through related parties been directly involved in any business transaction conducted by Magnasense that was or is unusual in its nature or terms. Transactions with related parties are priced on market terms. For a specification as to which persons are board members and other senior executives, see Note 9. Transactions/remuneration not paid as regular salary or board fees are listed below:

Related party transactions	
KSEK	2024
Ingvarsson Consulting AB (owned by Anders Ingvarsson, Chairman of the Board until April 2024)	114
Michael Schwartz – Directors loan	1,425
Fredrik Häglund – Directors loan	1,425
Total	2,964
KSEK	2023
Ingvarsson Consulting AB (owned by Anders Ingvarsson, Chairman of the Board until April 2024)	722
Seppo Mäkinen, Director	120
P3 Management & Consulting AB (owned by Patrik Elfving)	380
Aegirbio UK Limited	533
medestex (owned by Marco Witteveen, CEO)	323
Total	2,078

Parent Company

In addition to the related party relationships disclosed for the Group, the Parent Company holds a controlling influence over its subsidiaries, which are listed in Note 31. Payables and receivables to subsidiaries relate to settlement balances, and transactions are priced at market terms.

Note 11 - Other operating income

KSEK	Parent Company		Group	
	2024	2023	2024	2023
Received contributions*	1,132	455	9,856	4,505
Management fees	10,672	12,335	-	-
Exchange rate differences	-	2	-	-
Total	11,804	12,882	9,856	4,505

*Received contributions consist of grant income in the Parent Company and the Group. .

During the year Magnasense received grant funding from the National Institute of Health RADx® tech program through wholly owned US subsidiary Abreos Biosciences LLC, of MSEK 8.7.

Note 12 - Financial income and costs

Financial income KSEK	Parent Company		Group	
	2024	2023	2024	2023
Interest income	13	2,129	14	9,659
Foreign exchange gains	9,362	7,784	23	7,784
Total	9,375	9,913	37	17,443

Financial costs KSEK	Parent Company		Group	
	2024	2023	2024	2023
Interest costs	-7,480	-5,395	-7,512	-9,954
Foreign exchange losses	-6,059	-11,781	-	-12,472
Transaction fee costs on debt extinguishment	-2,369	-	-2,369	-
Fair value adjustments*	5,545	-	5,545	-
Other financial costs	-229	-	-260	-
Impairment of receivables recognized as current assets	-	-4,472	-	-
Financial costs relating to lease liabilities	-	-	-84	-47
Total	-10,592	-21,648	-4,680	-22,473
Net financial items	-1,217	-11,735	-4,644	-5,030

*During the year there have been fair value adjustments to debt owed of SEK5.5m. There was a gain on extinguishment of the existing convertible loan notes in 2024, due to revised terms. This resulted in a credit to the income statement of MSEK 7.4M (see Note 22 for more details of this transaction), off-set by other fair value adjustments of MSEK1.9, which arose from re-measurements of the present value of debt due to conversions during the year.



Note 13 - Tax

KSEK	Parent Company		Group	
	2024	2023	2024	2023
Tax cost				
Current tax expense	-	-	433	-
Adjustments relating to previous years	-	74	-	-
Deferred tax	-	-	1,453	1,492
Total tax cost	-	74	1,886	1,492
Profit before tax	-5,986	-24,563	-51,518	-61,189
Reconciliation of effective tax				
Tax at Swedish tax rate of 20.6% (20.6%)	1,233	5,060	10,613	12,605
Tax effect of non-deductible costs	-843	-2,300	-7,320	2,388
Tax credits and refunds	-	-	433	-
Tax effects of issuance costs reported directly to equity	-6	-11	-6	-
Unvalued tax loss carry-forwards	-384	-2,749	-1,834	-13,492
Tax attributable to previous years	-	-	-	-9
Total	-	-	1,886	1,492

Accumulated tax loss carryforwards, for which deferred tax assets are not recognized, provisionally amount to KSEK 812,162 (792,071) for the Group and KSEK 533,022 (531,126) for the Parent Company. These tax loss carryforwards have no expiration date. However, MSEK 245 of the tax loss carry-forwards for both the Parent Company and the Group are restricted due to the merger between Magnasense AB and Life-Assays AB during 2021. The deferred tax has not been recognized because of the difficulty in assessing when future taxable profit will be available against which these loss carry-forwards can be utilized.

Deferred tax recognized in the financial statements

Deferred tax liability	Parent Company		Group	
	2024	2023	2024	2023
Opening balance	-	-	3,731	5,223
Merger	-	-	-	-
Acquisition	-	-	-	-
Translation	-	-	66	-
Recognized in profit or loss	-	-	-1,453	-1,492
Total deferred tax liabilities	-	-	2,344	3,731

Recognized deferred tax liability attributable to consolidated surplus relating to the merger with LifeAssay and acquisition of Magnasense US Inc.

Note 14 - Appropriations

KSEK	Parent Company	
	2024	2023
Group contributions	-	-424
Total	-	-424



Note 15 - Intangible assets

	Parent Company		Restated Group	
	2024	2023	2024	2023
KSEK				
Cost, opening balance	17,266	17,266	69,017	63,572
Purchases/ internally generated	-	-	18,105	5,445
Translation differences	-	-	519	-
Accumulated cost, closing balance	17,266	17,266	87,641	69,017
Accumulated amortization/impairment, opening balance	-17,266	-17,266	-32,861	-19,011
Amortization for the year	-	-	-12,558	-13,850
Impairment for the year	-	-	-18,872	-
Accumulated amortization, closing balance	-17,266	-17,266	-64,291	-32,861
Closing carrying amount	-	-	23,350	36,156

The intangible assets recognized by the Group comprise capitalized expenditure for research and development amounting to KSEK 17,757 (23,200) and patents of KSEK 5,593 (11,334).

During the year an impairment of KSEK 18,872 was recorded against existing capitalized research and development assets following impairment testing.

The Group income statement includes KSEK 25,166 (42,495) research and development expenditure. Of this amount, KSEK 12,558 (13,850) is amortization of intangibles. The remaining costs are operational expenditure that do not meet the requirements for capitalization under IAS 38 as they cannot be attributed to a specific intangible asset.

Note 16 - Tangible assets

	Parent Company		Group	
	2024	2023	2024	2023
KSEK				
Cost, opening balance	-	-	2,309	2,216
Purchases	-	-	11	93
Disposals	-	-	-1,063	-
Translation differences	-	-	111	-
Accumulated cost, closing balance	-	-	1,368	2,309
Accumulated depreciation, opening balance	-	-	-1,553	-1,298
Depreciation for the year	-	-	-193	-18
Disposals	-	-	1,025	-
Translation differences	-	-	-41	-237
Accumulated depreciation, closing balance	-	-	-763	-1,553
Closing carrying amount	-	-	605	756

Note 17 - Prepayments and accrued income

	Parent Company		Group	
	2024	2023	2024	2023
KSEK				
Cost, opening balance	281	404	284	602
Deposits	46	-123	277	52
Closing carrying amount	327	281	561	654

Note 18 - Other financial assets

	Parent Company		Group	
	2024	2023	2024	2023
KSEK				
Cost, opening balance	-	-	284	294
Deposits	-	-	-284	-10
Closing carrying amount	-	-	-	284



Note 19 – Other receivables

KSEK	Parent Company		Group	
	2024	2023	2024	2023
Cost, opening balance	848	1,050	1,596	1,657
Outgoing receivables	-467	-202	4,691	-61
Accumulated cost, closing balance	381	848	6,287	1,596

Tax receivables make up the majority of other receivables at the Parent Company (KSEK 380). Group other receivables consist largely of KSEK 5,441 receivable in respect of the recently completed RADx milestone, and Tax receivables of KSEK 616.

Note 20 – Classification of financial instruments

Assets on the balance sheet, measured at amortized cost

KSEK	Parent Company		Group	
	2024	2023	2024	2023
Trade receivables	-	40	5,442	2,617
Receivables from Group companies	58,606	28,252	-	-
Other receivables	381	848	847	2,250
Cash and cash equivalents	164	10,371	283	12,142
Total	59,151	39,792	6,572	17,009

Current financial liabilities on the balance sheet, measured at amortized cost

KSEK	Parent Company		Group	
	2024	2023	2024	2023
Trade payables	5,967	770	11,506	2,847
Liabilities to Group companies	3,238	791	-	-
Short term loan liabilities	-	-	2,287	-
Directors loan	3,117	-	3,117	-
Lease liabilities	-	-	888	-
Other current liabilities	124	5,451	488	7,526
Total current financial liabilities	12,446	7,012	18,286	10,373

The fair value of the above instruments is considered equivalent to their carrying amounts, as they are short-term in nature.

Non-current financial liabilities on the balance sheet, measured at amortized cost

KSEK	Parent Company		Group	
	2024	2023	2024	2023
Leasing	-	-	586	207
Convertible notes – Atlas Opportunities LLC	26,008	32,112	26,008	32,112
Loan facility – Atlas Opportunities LLC	9,884	-	9,884	-
Interest bearing loans*	-	-	2,125	3,079
Other non-current liabilities	2,500	-	7,730	8,132
Total non-current financial liabilities	38,392	32,112	46,333	35,191

*In Dec 2023 statements, this item was presented as "Other long term debts". As this is an interest bearing financial instrument to a credit institution, this has been described as "Loans and borrowings" in the current year.

The carrying amount is equivalent to the fair value as the interest on it is on par with current market interest rates and therefore the carrying amount is appropriate. See note 21 for key assumptions and methods used to calculate the carrying values.



Note 21 – Loans and borrowings

Current loans and borrowings

In September 2024, the Company raised SEK 3M loan funding net of 5% commitment fees, through short term loan notes issued to 2 directors, Fredrik Häglund and Michael Schwartz. The loans accrue compound interest of 2.0% per month and was repayable in cash on 30 March 2025. The loan has a calculated discount rate of 40.6%. Half of the net proceeds were paid directly to wholly owned subsidiary Abreos Biosciences LLC, resulting in a net cashflow to the Company of SEK1.425M. Following the year end, the Directors have chosen to convert this loan and associated interest to shares as part of the rights issue in May 2025.

Non-current loans and borrowings

In March 2023, the Company raised a convertible loan of nominal SEK 55M through a directed issuance of 550 convertible bonds. The convertible bonds accrue zero interest and had an initial term until 20 January 2025, unless they are converted into shares before that date at the holder's request. At inception an equity component was identified, being T3 and T4 warrants that were issued alongside the convertible notes. These were fair valued using the Black-Scholes model, and an equity component of SEK 8M was recognised directly within equity. The amortised cost of the residual loan note liability at inception had a calculated discount rate of 23.1%.

In April 2024, the terms of the convertible loan notes were re-negotiated as follows

- The term was extended by 12 months to January 2026
- 2.585M outstanding T3 and T4 warrants were terminated (see Note 26)
- a reduction of the minimum conversion amount for each individual request for conversion
- A MSEK 25 floating charge pledge was recorded in favour of Atlas Special Opportunities LLC against the assets of the Company.

It has been determined that the terms of the modification have exceeded the threshold for substantial modification as defined by IFRS 9 guidance, and therefore the revised convertibles have been accounted for as having extinguished the existing notes, and replacement with new notes. Following the extinguishment, a gain was recognized in the income statement of SEK 7.4M. The present value of the new convertible notes was calculated using a discount rate of 27.1%.

A new 36-month SEK 45M secured loan facility was also agreed in April 2024. SEK 25.00 million of the Loan Facility is secured by a floating charge against the assets of the Company. The facility accrues no interest. Repayment shall either be in cash or in set-off against newly issued shares. At December 2024, tranches of the facility corresponding to SEK 17.5M have been called down. Calls for funding are paid net of a 10% transaction fee by the Lender. SEK 25M of the facility has been secured by floating charge. The present value of the loan call has been calculated using a discount rate of 28.6%.

A transaction fee of SEK 7M is payable to the lender for the issue of the new loan facility, terminating the outstanding warrants and for amending the terms of the convertible loan notes. If the market value of the Transaction Fee Shares falls below SEK 1M and providing that all Transaction Fee Shares have been issued, the Company shall issue additional Transaction Fee Shares to facilitate that the market value of such shares is again SEK 7M. This has been identified as an equity instrument, but at the balance sheet date the likelihood of this "top-up" clause being triggered is judged as remote and not all Transaction Fee Shares have been issued in any case, and therefore has been assessed as having nil value at 31 December 2024, but will be assessed at each balance sheet date.

During the year to December 2024, 12,667,902 transaction shares were issued with an equivalent value of SEK 4.5M. At the end of the year, there is a liability included within other non-current liabilities for the remaining SEK 2.5M transaction shares.



Note 21 – Loans and borrowings – continued

Current loans and borrowings reconciliation

	Group						Parent Company
	Opening balance 1 January	Finance charge	Interest paid	Reclass	Payments/ Receipts (paid net of lender issue costs only)	Closing balance 31 December	Closing balance 31 December
(KSEK)							
Directors' loan	-	267	-	-	2,850	3,117	3,117
Interest bearing loans and overdrafts	-	32	-7	1,063	1,199	2,287	-
Total current Loans and borrowings	-	299	-7	1,063	4,049	5,404	3,117

Non-current loans and borrowings reconciliation

	Group										Parent Company
	Opening balance 1 January	Finance charge	Recognition/ (derecognition) of debt	Reclass	Foreign exchange	Fair value adj.	Conversion to ordinary shares	Net drawdowns from lender**	Other capitalised transaction on fees*	Closing balance 31 December	
(KSEK)											
Convertible notes – 2023/2025 series	32,112	1,707	-33,819	-	-	-	-	-	-	-	-
Convertible notes – 2024/2026 series	-	4,234	26,434	-	-	1,840	-6,500	-	-	26,008	26,008
Loan facility – 2024/2027	-	1,272	-	-	-	-	-	15,750	-7,138	9,884	9,884
Interest bearing loan	3,079	-	-	-1,063	109	-	-	-	-	2,125	-
Total non-current Loans and borrowings	35,191	7,213	-7,385	-1,063	109	1,840	-6,500	15,750	-7,138	38,017	35,892

*Other capitalised transaction fees include transaction fee shares, legal fees and broker fees. Please see next table for analysis.

KSEK	2024	2023
Third party convertible debt – Atlas Opportunities LLC – Group and Company		
Convertible notes		
Nominal value - opening	40,000	55,000
Conversions	-6,500	-15,000
Nominal value - closing	33,500	40,000
Loan facility		
Nominal value - opening	-	-
Drawdowns	17,500	-
Nominal value - closing	17,500	-
Closing nominal value of the debt	51,000	40,000
Loan facility	9,884	-
Convertible notes	26,008	32,112
Closing carrying value of the debt	35,892	32,112

Calculation of carrying value of loan facility in 2024:

	(KSEK)
Drawdowns	17,500
Lender fees	(1,750)
**Net drawdowns from lender	15,750
Broker commission	(1,216)
Legal fees	(922)
Loan facility drawdowns net of issuance costs – cash received	13,612
Transaction fee shares (cost of issue)	(5,000)
Finance charge	323
Amortisation of capitalised transaction fees	949
Closing debt value of loan facility - 2024/2027	9,884



Note 22 - Accruals and deferred income

KSEK	Parent Company		Group	
	2024	2023	2024	2023
Accrued salary-related costs	1,077	508	1,089	508
Deferred grant revenue	-	1,442	-	1,442
Accrued sales costs	-	-	-	-
Other accrued expenses	536	2,915	2,002	4,742
Total	1,613	4,865	3,091	6,692

Of Other accrued costs in 2024 for the Group, KSEK 1,250 relates to costs associated with completion of the RADx project

Note 23 - Equity

Share capital

Ordinary shareholders are entitled to any dividends and voting rights of one vote per share at the General Meeting. All shares convey equal rights to the Group's remaining net assets. During the year there was a capital reduction, as approved by the AGM in June 2024, to reduce the quota value of an ordinary share to SEK0.014, from SEK 0.08.

The reduction in share capital has been allocated to non-restricted equity under share premium. At 31 December 2024 there were 10.25M warrants for ordinary shares outstanding (December 2023: 4.035M). During the year, 2.6M warrants relating to Atlas were terminated, see Note 21, and a further 0.7M warrants were cancelled.

Other contributed capital

Other contributed capital consists entirely of amounts paid in excess of the par value of issued shares in connection with new issues.

Retained earnings including profit for the year

Retained earnings including result for the year includes profits or losses earned in the Parent Company and its subsidiaries.

Dividend

No distribution of dividend will be proposed at the Annual General Meeting 2024

Restricted equity

Restricted equity may not be reduced by the distribution of dividends.

Share premium reserve

Share premium reserve consists entirely of amounts paid in excess of the par value of issued shares in connection with new issues and amounts paid for warrants exercised during the fiscal year and is non-restricted equity.

Retained earnings

Consists of the previous year's unrestricted equity after the payment of any dividend. Where applicable, results of mergers are also recognized here. Together with share premium reserve and profit/loss for the year, this makes up total non-restricted equity.

Number of shares, Parent Company

Change in number of shares:	2024	2023
Opening balance	30,876,872	21,283,848
New issue	31,462,571	9,593,024
Closing balance	62,339,443	30,876,872



Note 24 - Earnings per share

Earnings per share, calculated as profit attributable to Parent Company shareholders for the year (SEK per share) divided by the average number of shares, which as of 2024-12-31 was 40,875,514 shares before full dilution. The corresponding number for the same period in the previous year was 25,053,902 shares.

The share

The Magnasense AB (publ) share was listed on Nasdaq First North Growth Market in Stockholm on June 22, 2020. On December 31, 2024, the number of shares in the Company amounted to 62,339,443. The corresponding number on 2023-12-31 was 30,876,872.

There is one class of shares. Each share has equal right to shares in the Company's assets and profit, and entitles to one vote in the General Meeting. The par value of the share is SEK 0.014, and the registered share capital amounts to SEK 872,752.

The weighted average number of shares in 2024 amounted to 40,875,514 before full dilution and 51,125,514 after full dilution. The corresponding numbers for 2023 was 25,053,902 shares before full dilution and 29,088,902 shares after full dilution.

Earnings per share before dilution for the Parent Company amounted to SEK -0.15 based on the profit for the year divided by the average number of shares before full dilution. The corresponding figure for 2023 was SEK -0.98 per share.

Note 25 - Appropriation of profits

The Board of Directors' proposal for the appropriation of profits

Number of shares in the Parent Company

KSEK	
Share premium reserve	445,610
Retained earnings	-431,747
Loss for the year	-5,987
Total	7,876

The Board of Directors proposes that of the funds at disposal of KSEK 7,876, KSEK -431,747 shall be carried forward, and KSEK 445,610 shall remain as a share premium reserve. Hence, it is proposed that no dividend be paid.

Note 26 - Warrants

Outstanding Warrants for Shares	2024	2023
Opening balance	4,035,000	700,000
Cancellations	-700,000	-
Waivers	-2,585,000	
Issues	9,500,000	3,335,000
Closing balance	10,250,000	4,035,000
Closing balance consisting of:		Issued
TO 2023/2026 – Management incentive scheme*	750,000	August 2023
TO 2024/2025 – Third party warrants**	9,500,000	August 2023



*On August 25, 2023, the Annual General Meeting decided to introduce a warrant program of 750,000 for senior executives and other key individuals in the Group, TO 2023/2026. Each warrant entitles the holder to subscribe for 1 new share in the Company. The warrants were issued at a subscription price of SEK 0.24 per warrant. Each warrant entitles the holder to subscribe for one new share at a subscription price of SEK 2.95. Subscription of shares with the support of warrants in series TO 2023/2026 can take place during the period from September 1, 2026, up to and including September 30, 2026. Consideration received was reported directly against equity.

**In August 2024, 9.5M warrants were issued to DHS, a key supplier of Abreos Biosciences, LLC, a wholly owned subsidiary of the Group. These warrants were free of charge warrants, with a subscription price of SEK0.50, issued in exchange for revising commercial terms. The subscription period for the warrants is 17 January 2025 to 30 September 2025. These were valued using a dilutive Black-Scholes model and were valued at SEK 0.174M. This has been recorded as an expense within finance costs in the year (recorded in the "Other" category), with a corresponding increase in equity. These warrants were waived post year end, however, see Note 30

Note 27 – Provisions and Contingent liabilities

There are no contingent liabilities to report.

In the current and prior year, there is a MSEK 1.2 provision recorded in the Company. In April 2023, the Swedish Financial Supervisory Authority launched an investigation into Magnasense AB's inside information management. In March 2024, Magnasense AB received a request for an opinion from the Swedish Financial Supervisory Authority, which made a preliminary assessment that Magnasense had violated Article 17 of MAR on a number of occasions during the period May 4, 2021, to October 27, 2021. There is uncertainty about the final amount resulting from the Swedish Financial Supervisory Authority's decision. The Company has reserved MSEK 1.2 in the financial statements.

Note 28 - Pledged assets

There is a MSEK 25 Floating charge against the assets of the Company. This was issued as part of the debt agreement with Atlas Special Opportunities LLC in April 2024, see Note 21 for more information.

Note 29 – Prior year error

In Q3 and Q4 of 2023, additional amortisation was recorded on assets that were already fully depreciated. The impact of this is a KSEK 1,621 understatement of assets and retained earnings at 31 December 2023. The errors have been corrected by restating each of the affected financial statement lines for the prior period. The error only affects the consolidated figures.

KSEK	Group		
	2023	Adjustment	Restated 2023
Assets:			
Intangible assets	34,534	1,621	36,155
Equity:			
Retained earnings	-1,453	1,621	168

The impact on basic and diluted earnings per share in 2023, would have been to reduce the loss per share from SEK -2.38 per share, to SEK -2.32 per share.

Note 30 – Post Balance Sheet Events

On 20 January 2025, the Company announced its intention to carry out a rights issue to raise proceeds of approximately SEK26m by issue of ordinary shares. The issue is necessary to strengthen the working capital of the Company, to ensure continued operations, and to advance the initial phase of the Group's oral health project.

The Rights Issue required an amendment of the articles of association, so that the Board of Directors of the Company could be granted authorization to resolve on the rights issue. This authorisation was granted to the Board at an extraordinary general meeting on 24 February 2025.

On 28 January 2025, the Company terminated its existing agreement with supplier DHS, which included the waiver of 9,500,000 warrants.

On 12 April 2025, the Company entered into an addendum to its agreements with Atlas Special Opportunities LLC, which:

- extended the maturity of the Convertible Loan Notes (2024/2026 series) from 20 January 2026 to 20 January 2028.
- agreed to a free of charge top-down guarantee commitment of MSEK 1.5 in respect of the rights issue, to be set off against existing Convertible Bonds
- agreed to various lock-up provisions for the conversion of debt for 12+ months after the rights issue.
- as compensation Atlas will be paid a restructuring fee of KSEK 990, through directed issue, separately to the rights issue.

On 12 May 2025 the outcome of the rights issue was announced, being that the issue was subscribed to a level of MSEK 7.2, with a further MSEK 8.2 being taken up by guarantors (of which MSEK 1.2 were cash commitments)As part of guarantees provided by the Board, Board members converted their accrued board fees, totalling MSEK 0.5, and Directors' loan MSEK 3.4.



Note 31 - Participations in Group companies

	Parent Company	
KSEK	2024	2023
Opening acquisition costs	78,739	78,739
Accumulated cost, closing balance	78,739	78,739
Accumulated impairment, opening balance	-75,854	-75,854
Impairment for the year	-	-
Carrying amount at year-end	2,885	2,885

Magnasense AB's participations in Group companies through direct holdings:

		2024		2023	
Corporate registration number		Participation, %	Value in KSEK	Participation, %	Value in KSEK
Viraspec AB, Sweden, Lund	559243-8708	100	263	100	263
Thyrolitics AB, Sweden, Lund	559167-2869	100	2,622	100	2,622
Magnasense Ltd, UK, London	12963210	100	-	100	-
Magnasense US Inc, US, Delaware *	86-2923979	100	-	100	-
Magnasense Technologies Oy, FI, Vantaa	2336219-4	100	-	100	-
Total			2,885		2,885

Magnasense AB's participations in Group companies through indirect holdings:

		2024	2023
"Corporate registration number"		Participation, %	Participation, %
Abreos Biosciences LLC, US, San Diego *	1636983	100	100
Abreos France Sàrl, FR, Marseille ***	82 258 282 100 028	100	100

* The indirect holdings above are owned through Magnasense US Inc.

** Abreos France Sàrl, FR, Marseille was liquidated in November 2023

Auditor's Report

To the general meeting of Magnasense AB, reg. no. 559222–2953

Report on the annual report and consolidated financial statements

Opinions

We have audited the annual report and consolidated financial statements of Magnasense AB (publ) for the year 2024. The annual report and consolidated financial statements of the Company are included on pages 18–54 of this document. In our opinion, the annual report has been prepared in accordance with the Swedish Annual Accounts Act and presents fairly, in all material respects, the financial position of the parent company as of 31 December 2024 and its financial performance and cash flow for the year in accordance with the Swedish Annual Accounts Act. The consolidated financial statements have been prepared in accordance with the Swedish Annual Accounts Act and present a true and fair view, in all material respects, of the Group's financial position as of 31 December 2024 and its financial performance and cash flow for the year in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Swedish Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual report and consolidated financial statements.

We therefore recommend that the general meeting adopt the income statement and balance sheet for the Parent Company and the Group.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under these standards are further described in the Auditor's Responsibilities section. We are independent of the Parent Company and the Group in accordance with generally accepted auditing standards for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Emphasis of matter related to material uncertainty regarding going concern assumption

We would like to draw attention to the information in the management report on page 23 concerning future financing needs and in Note 2 regarding the going concern assumption, which states that the company has a history of low revenue resulting in reported losses. This has led to the company being dependent on external financing through share issues or loans and that it will continue to be so, including within 12 months from the balance sheet date. The group reports a loss of SEK 49,957 thousand kr for the financial year, and as of 31 December 2024, the group's current liabilities exceed its total current assets and short-term receivables by SEK 15,455 thousand kr. As stated in the administration report on page 23 and in Note 2, these events and conditions indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other information than the annual report and consolidated financial statements

This document also contains information other than the annual and consolidated accounts and is found on pages 1–17. The Board of Directors and the Chief Executive Officer are responsible for this other information.

Our opinion on the annual report and consolidated financial statements does not cover this other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the annual report, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual report. In this procedure, we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Chief Executive Officer

The Board of Directors and the Chief Executive Officer are responsible for the preparation and fair presentation of the annual report and the consolidated financial statements under the Swedish Annual Accounts Act and, as regards the consolidated financial statements, under IFRS as adopted by the EU. The Board of Directors and the Chief Executive Officer are also responsible for any internal control they deem necessary to prepare an annual report and consolidated financial statements free from material misstatement, whether due to fraud or errors. In preparing the annual report and consolidated financial statements, the Board of Directors and the Chief Executive Officer are responsible for assessing the Company's and the Group's ability to continue as a going concern. They disclose, when applicable, conditions that may affect the ability to continue operations and to use the assumption of continued operations. However, the going concern assumption is not applied if the Board of Directors and the Chief Executive Officer intend to liquidate the Company, cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objective is to obtain reasonable assurance that the annual report and consolidated financial statements are free from material misstatement, whether due to fraud or error, and to provide an audit report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual report and consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the annual report and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of the Company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Chief Executive Officer.
- conclude on the appropriateness of the Board of Directors' and the Chief Executive Officer's use of the going concern basis of accounting in preparing the annual report and consolidated financial statements. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual report and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion about the annual report and consolidated financial statements. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

- evaluate the overall presentation, structure and content of the annual report and consolidated financial statements, including the disclosures, and whether the annual report and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual report and consolidated financial statements, we have also audited the administration of the Board of Directors and the Chief Executive Officer of Magnasense AB (publ) for the year 2024 and the proposed appropriations of the Company's profit or loss.

We recommend to the general meeting that the profit be appropriated as proposed in the administration report and that the members of the Board of Directors and the Chief Executive Officer be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the Parent Company and the Group in accordance with generally accepted auditing standards for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Chief Executive Officer

The Board of Directors is responsible for the proposed appropriation of the Company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the Company's and the Group's type of operations, size and risks place on the size of the parent Company's and the Group's equity, consolidation requirements, liquidity and position in general.

The Board is responsible for the Company's organization and the management of the Company's affairs. This includes, among other things, continuously assessing the financial situation of the Company and the Group and ensuring that the organization of the Company is such that the accounting, asset management, and the Company's financial position, in general, includes satisfactory controls. The Chief Executive Officer shall handle the day-to-day administration in accordance with the Board's guidelines and instructions and, among other things, take the measures necessary for the Company's accounting to be carried out in accordance with law and for the asset management to be conducted in a secure manner.

Auditor's responsibilities

Our objective concerning the audit of the administration, and thus our statement on discharge from liability, is to obtain audit evidence in order to be able to assess with a reasonable degree of certainty whether any board member or the Chief Executive Officer in any significant respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the Company, or
- in any other way acted in contravention of the Swedish Companies Act, the Annual Accounts Act, or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the Company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Swedish Companies Act. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the Company, or that the proposed appropriations of the Company's profit or loss are not in accordance with the Swedish Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we use professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the Company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the Company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability.

As a basis for our opinion on the Board of Directors' proposed appropriations of the Company's profit or loss we examined whether the proposal is in accordance with the Swedish Companies Act

Gothenburg, June 6, 2025

Göteborgs Revision KB

Stefan Kylebäck

Authorized Public Accountant

Signatures

Lund, June 9, 2025

Jens Umehag
Chairman of the Board

Marco Witteveen
CEO

Fredrik Häglund
Director

William Vickery
Director

William Ferenczy
Director

Michael Schwartz
Director

Our auditor's report was submitted on June 9, 2025
Göteborgs Revision KB

Stefan Kylebäck
Authorized Public Accountant

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