



Horizon Technology Finance

A LIFE SCIENCES & TECHNOLOGY VENTURE LENDING PARTNER

Horizon Technology Finance Provides \$20 Million Venture Loan Facility to Magnolia Medical Technologies

May 26, 2020

FARMINGTON, Conn., May 26, 2020 /PRNewswire/ -- Horizon Technology Finance Corporation (NASDAQ: HRZN) ("Horizon"), a leading specialty finance company that provides capital in the form of secured loans to venture capital backed companies in the technology, life science, healthcare information and services, and sustainability industries, announced today that on May 6, 2020 it provided a \$20 million venture loan facility to Magnolia Medical Technologies, Inc. ("Magnolia").

Magnolia is the developer of an FDA-cleared high-precision blood culture collection medical device, Steripath[®], designed with patented technology to prevent the contamination of blood cultures upon collection. Steripath is especially effective in reducing the false-positive diagnostic rate of bloodstream infections including sepsis, a potentially life-threatening condition, thereby decreasing unnecessary and inappropriate antibiotic use. Magnolia also has several new innovative Steripath products in development to support expanded use cases and further enhance the platform's value proposition. The company is supported by several prominent life science investors, including HealthQuest Capital, Evidity Health Capital, SightLine Partners, and RTW Investments. Magnolia will use the proceeds to continue to drive commercial growth, scale new product launches, and invest in technology platform extensions.

"Magnolia's Steripath device has vastly improved blood culture collection capabilities and significantly reduced the misdiagnoses of sepsis," said Gerald A. Michaud, President of Horizon. "Steripath, a patented technology indicated to reduce blood culture contamination, is being used by a broad array of hospitals nationwide and as a result, patients can be released more quickly with reduced complications and re-admissions, enabling hospitals to save considerably on expenses. We are pleased to provide funding for Magnolia as it develops additional products that will further augment Steripath's value proposition and lead to expanded market penetration and share."

"We are delighted by Horizon's support of Magnolia, which will allow us expand our Steripath product family with exciting new devices," said Greg Bullington, Chief Executive Officer of Magnolia. "Magnolia's devices are filling a vital need by providing an advanced solution that has proven to significantly improve the accuracy and consistency of blood culture results to deliver better clinical outcomes in hospitals, which is a win for both the patient and healthcare system. Horizon's investment will enable us to continue expanding our line of Steripath products, which will further enhance hospital blood culture collection capabilities, and ultimately further accelerate Magnolia's market penetration and business growth."

About Horizon Technology Finance

Horizon Technology Finance Corporation (NASDAQ: HRZN) is a leading specialty finance company that provides capital in the form of secured loans to venture capital backed companies in the technology, life science, healthcare information and services, and sustainability industries. The investment objective of Horizon is to maximize its investment portfolio's return by generating current income from the debt investments it makes and capital appreciation from the warrants it receives when making such debt investments. Headquartered in Farmington, Connecticut, Horizon also has regional offices in Pleasanton, California and Reston, Virginia. To learn more, please visit www.horizontechfinance.com.

About Magnolia

Magnolia Medical Technologies develops, manufactures and markets innovative blood and bodily fluid collection devices to facilitate significant improvements in the accuracy, consistency and predictability of critical laboratory tests. Magnolia Medical invented and patented the initial specimen diversion technique (ISDT[™]) and device (ISDD[®]) for blood culture collection and contamination prevention. The company has amassed an intellectual property portfolio including more than 70 issued method, apparatus and design patents with more than 50 additional patent applications pending. For more information, visit magnolia-medical.com.

Forward-Looking Statements

Statements included herein may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Statements other than statements of historical facts included in this press release may constitute forward-looking statements and are not guarantees of future performance, condition or results and involve a number of risks and uncertainties. Actual results may differ materially from those in the forward-looking statements as a result of a number of factors, including those described from time to time in the Company's filings with the Securities and Exchange Commission. Horizon undertakes no duty to update any forward-looking statement made herein. All forward-looking statements speak only as of the date of this press release.

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