

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): October 21, 2021

EXAGEN INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-39049
(Commission
File Number)

20-0434866
(IRS Employer
Identification No.)

1261 Liberty Way
Vista, CA 92081
(Address of principal executive offices) (Zip Code)

(760) 560-1501
(Registrant's telephone number, including area code)

N/A
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	XGN	The Nasdaq Global Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01. Entry into a Material Definitive Agreement.

On October 21, 2021, Exagen Inc. (the "Company"), entered into the Second Amendment to Loan and Security Agreement with Innovatus Life Sciences Lending I, LP ("Innovatus") and the other lenders party thereto (the "Second Loan Amendment"), which amended the term loan agreement, dated as of September 7, 2017, between the Company and Innovatus, as amended on November 19, 2019 (the "Original Loan Agreement"). The Second Loan Amendment will become effective on November 1, 2021.

The Second Loan Amendment amends the Original Loan Agreement by, among other things, (i) decreasing the interest rate on all borrowings to 8.0%, of which 2.0% will be paid in-kind and capitalized to the principal amount of the outstanding term loan on a monthly basis until December 1, 2024; after which interest will accrue at an annual rate of 8.0%; (ii) extending the interest-only period through December 2024 and the maturity date to November 19, 2026; and (iii) changing the specified level of revenue, as measured quarterly on a rolling twelve-month basis, commencing with the quarter ending December 31, 2022, the Company must achieve to satisfy the related financial covenant in the Original Loan Agreement, subject to exceptions based on achievement of performance milestones and the ability to cure any default thereof with the issuance of equity securities or subordinated indebtedness. We refer to the effects of the Second Loan Amendment as the "Refinancing."

The foregoing description is a summary description of certain terms contained in the Second Loan Amendment and does not purport to be complete, and it is qualified in its entirety by reference to: (i) the copy of the Original Loan Agreement, filed with the Securities and Exchange Commission (the "SEC") as [Exhibit 10.32](#) to the Company's Registration Statement on Form S-1 on August 23, 2019, (ii) the terms and conditions of the Second Loan Amendment, which will be filed as an exhibit to the Company's Quarterly Report on Form 10-Q to be filed for the quarter ending September 30, 2021.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The disclosure set forth under Item 1.01 of this Current Report on Form 8-K is incorporated into this Item 2.03 by reference.

Item 8.01. Other Events.**Press Release**

On October 25, 2021, the Company issued a press release announcing the Refinancing. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated October 25, 2021
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

EXAGEN INC.

Date: October 25, 2021

By: /s/ Kamal Adawi
Kamal Adawi
Chief Financial Officer



Exagen Inc. Announces \$27.2 Million Debt Refinancing

October 25, 2021

SAN DIEGO, CA – Exagen Inc. (Nasdaq: XGN), a leading provider of autoimmune testing solutions, announced today that it entered into an amendment to its loan and security agreement with its primary lender, an affiliate of Innovatus Capital Partners, LLC (“Innovatus”). The amended agreement provides a \$27.2 million, 5-year term loan at 8.0% interest, of which 2.0% is paid in-kind in the form of additional term loans. Additional information regarding the amendment is available in the company’s Current Report on Form 8-K filed with the Securities and Exchange Commission on October 25, 2021.

“Innovatus has been a great partner to Exagen and we are excited about extending our relationship,” said Ron Rocca, President and Chief Executive Officer of Exagen.

“We are delighted to continue our support of Exagen in its pursuit of transforming the care for patients suffering from chronic autoimmune diseases,” said Claes Ekstrom, Managing Director at Innovatus. “We look forward to supporting the outstanding team at Exagen in their mission to improve patient outcomes and lower healthcare costs.”

About Exagen

Exagen is dedicated to transforming the care continuum for patients suffering from debilitating and chronic autoimmune diseases by enabling timely differential diagnosis and optimizing therapeutic intervention. Exagen has developed and is commercializing a portfolio of innovative testing products under its AVISE® brand, several of which are based on our proprietary Cell-Bound Complement Activation Products, or CB-CAPs, technology. Exagen’s goal is to enable providers to improve care for patients through the differential diagnosis, prognosis and monitoring of complex autoimmune and autoimmune-related diseases, including rheumatoid arthritis and lupus. For more information, please visit www.Exagen.com.

Innovatus Capital Partners, LLC

Innovatus Capital Partners, LLC, is an independent adviser and portfolio management firm with approximately \$1.6B in assets under management. Innovatus adheres to an investment strategy that identifies disruptive and growth opportunities across multiple asset categories with a unifying theme of capital preservation, income generation, and upside optionality. The firm has a dedicated team of life sciences investment professionals with deep experience in healthcare,

including life sciences. Innovatus and its principals have significant experience providing debt financing to medical device, diagnostics, and biotechnology companies that address unmet medical needs, improve patient outcomes, and reduce overall healthcare expenditures. Further information can be found at www.innovatuscp.com.

Forward Looking Statements

Exagen cautions you that statements contained in this press release regarding matters that are not historical facts are forward-looking statements. These statements are based on Exagen's current beliefs and expectations. Such forward-looking statements include, but are not limited to, statements regarding Exagen's goals and strategies, the potential utility and effectiveness of, and demand for, Exagen's services and testing solutions, Exagen's potential growth and expansion, Exagen's continued relationship with Innovatus, and management's and Innovatus's views and expectations of the same. The inclusion of forward-looking statements should not be regarded as a representation by Exagen that any of its plans will be achieved. Actual results may differ from those set forth in this press release due to the risks and uncertainties inherent in Exagen's business, including, without limitation: the COVID-19 pandemic may continue to adversely affect our business, financial condition and results of operations, including as a result of shutdowns of our facilities and operations as well as those of our suppliers and courier services, impeding patient movement and interruptions to healthcare services causing a decrease in test volumes, disruptions to the supply chain of material needed for our tests, our sales and commercialization activities and our ability to receive specimens and perform or deliver the results from our tests, delays in ongoing and planned clinical trials involving our tests; the company's commercial success depends upon attaining and maintaining significant market acceptance of its testing products and promoted therapeutics among rheumatologists, patients, third-party payers and others in the medical community; the company's ability to successfully execute on its business strategies, including its strategy of integrating the promotion of its existing and future proprietary testing products with the promotion of therapeutics; third party payers not providing coverage and adequate reimbursement for the company's testing products or promoted therapeutics; the company's ability to obtain and maintain intellectual property protection for its testing products; regulatory developments affecting the company's business; and other risks described in the company's prior press releases and the company's filings with the Securities and Exchange Commission (SEC), including under the heading "Risk Factors" in Exagen's Annual Report on Form 10-K for the year ended December 31, 2020 and any subsequent filings with the SEC. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof, and Exagen undertakes no obligation to update such statements to reflect events that occur or circumstances that exist after the date hereof. All forward-looking statements are qualified in their entirety by this cautionary statement, which is made under the safe harbor provisions of the Private Securities Litigation Reform Act of 1995.

Investor Relations

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