



Q-LINEA

Presentation Q1(20)

Jonas Jarvius, CEO

Anders Lundin, CFO



Disclaimer

DISCLAIMER

THIS PRESENTATION AND ITS CONTENTS ARE CONFIDENTIAL AND ARE NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN OR INTO OR FROM THE UNITED STATES OF AMERICA, CANADA, AUSTRALIA, JAPAN OR ANY OTHER JURISDICTION WHERE SUCH DISTRIBUTION IS UNLAWFUL.

This presentation has been prepared and issued by and is the sole responsibility of Q-linea AB (the "Company") and is being furnished to each recipient solely for its own information and in connection with the preliminary discussions in relation to the Company. For the purposes of this disclaimer, "presentation" means these slides, their contents or any part of them, any oral presentation, any question or answer session and any written or oral materials discussed or distributed during the presentation meeting.

This presentation may not be copied, passed on, reproduced or redistributed, directly or indirectly, in whole or in part, or disclosed by any recipient, to any other person (whether within or outside such person's organisation or firm), and it may not be published anywhere, in whole or in part, for any purpose or under any circumstances. It is expressly forbidden to disclose the information in this presentation to any other person.

This presentation reflects the situation/information as of the date hereof and has not been independently verified and no representation or warranty, express or implied, is given by or on behalf of the Company, Carnegie Investment Bank AB (publ) (the "Manager"), any of their respective affiliates or any of such persons' respective directors, officers, employees, agents, affiliates or advisers as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or opinions contained in this presentation and no responsibility or liability is assumed by any such persons for such information or opinions or for any errors, omissions or misstatements contained herein.

This presentation contains summary information only and does not purport to be comprehensive and is not intended to be (and should not be used as) the sole basis of any analysis or other evaluation. The information set out in this presentation may be subject to updates, revisions, verifications and amendments without notice and the information may thus change materially. None of the Company, the Manager, any of their respective affiliates or any of such persons' respective directors, officers, employees, agents, affiliates or advisers is under an obligation to update or keep current the information contained in this presentation or to provide the recipient with access to any additional information that may arise in connection with it, and any opinions expressed in this presentation are subject to change without notice and none of them will have any liability whatsoever (in negligence or otherwise) for any loss whatsoever arising from any use of this presentation or otherwise arising in connection with this presentation.

This presentation does not constitute or form part of, and should not be construed as, any offer, invitation, solicitation or recommendation to purchase, sell or subscribe for any securities in any jurisdiction and neither the issue of the information nor anything contained herein shall form the basis of or be relied upon in connection with, or act as an inducement to enter into, any investment activity. This presentation does not purport to contain all of the information that may be required to evaluate any investment in the Company or any of its securities and should not be relied upon to form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever.

This presentation is intended to present background information on the Company, its business and the industry in which it operates and is not intended to provide complete disclosure upon which an investment decision could be made. The merit and suitability of an investment in the Company should be independently evaluated and any person considering such an investment in the Company is advised to obtain independent advice as to the legal, tax, intellectual property, accounting, financial, credit and other related advice prior to making an investment. The Company has not decided whether to proceed with any transaction.

To the extent available and unless otherwise explicitly stated, the industry and market data contained in this presentation has come from official or third party sources. Third party industry publications, studies and surveys generally state that the data contained therein has been obtained from sources believed to be reliable, but that there is no guarantee of the accuracy or completeness of such data. While the Company believes that each of these publications, studies and surveys has been prepared by a reputable source, the Company has not independently verified the data contained therein. In addition, certain of the industry and market data contained in this presentation originates from the Company's own internal research and estimates based on the knowledge and experience of the Company's management in the market in which the Company operates. While the Company believes that such research and estimates are reasonable and reliable, they, and their underlying methodology and assumptions, have not been verified by any independent source for accuracy or completeness and are subject to change without notice. Accordingly, undue reliance should not be placed on any of the industry or market data contained in this presentation.

This presentation is only addressed to and directed at persons in member states of the European Economic Area ("EEA") who are qualified investors within the meaning of Article 2(1)(e) of the Prospectus Directive (Directive 2003/71/EC), as amended ("Qualified Investors"). In addition, in the UK, this presentation is addressed to and directed only at Qualified Investors who are persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order"), are persons who are high net worth entities falling within Article 49(2)(a) to (d) of the Order or are persons to whom it may otherwise lawfully be communicated (all such persons being referred to as "relevant persons").

This presentation must not be acted on or relied on in the UK by persons who are not relevant persons and in any member state of the EEA other than the UK by persons who are not Qualified Investors. Any investment or investment activity to which this presentation relates is available only to relevant persons in the UK and Qualified Investors in any member state of the EEA other than the UK and will be engaged in only with such persons.

This presentation and the information contained herein are not an offer of securities for sale and are not for publication or distribution in the US or to persons in the US (within the meaning of Regulation S under the US Securities Act of 1933, as amended (the "Securities Act")), or any other jurisdiction where such distribution or offer is unlawful, except to qualified institutional buyers ("QIBs") as defined in Rule 144A under the Securities Act ("Rule 144A"). The Company does not intend to conduct a public offering of any securities in the US and the securities of the Company have not been and will not be registered under the Securities Act and may not be offered or sold in the US without registration except to QIBs in reliance on Rule 144A or another exemption from, or in transactions not subject to, the registration requirements of the Securities Act. Subject to certain limited exceptions, neither this presentation nor any copy of it may be taken, transmitted or distributed, directly or indirectly, into the US, its territories or possessions. Any failure to comply with the foregoing restrictions may constitute a violation of US securities laws.

Certain statements in this presentation may constitute forward-looking statements, beliefs or opinions, including statements with respect to the Company's business, financial condition and results of operations. These statements reflect the Company's beliefs and current expectations and involve risk and uncertainty because they relate to events and depend on circumstances that will occur or may change in the future are based on numerous assumptions regarding the Company's present and future business strategies and the environment the Company will operate in and are subject to risks and uncertainties that may cause actual results to differ materially. Forward-looking statements involve inherent known and unknown risks, uncertainties and contingencies because they relate to events and depend on circumstances that may or may not occur in the future and may cause the actual results, performance or achievements of the Company to be materially different from those expressed or implied by such forward looking statements. Many of these risks and uncertainties relate to factors that are beyond the Company's ability to control or estimate precisely, such as future market conditions, currency fluctuations, the behaviour of other market participants, the actions of regulators and other factors such as the Company's ability to continue to obtain financing to meet its liquidity needs, changes in the political, social and regulatory framework in which the Company operates or in economic or technological trends or conditions. As a result, you are cautioned not to place undue reliance on such forward-looking statements. Past performance should not be taken as an indication or guarantee of future results, and no representation or warranty, express or implied, is made regarding future performance. Some of the information is still in draft form and will only be finalised, if legally verifiable, at a later date. Forward-looking statements speak only as of their date and the Company, the Manager, their respective affiliates and any of such persons' respective directors, officers, employees, agents, affiliates or advisers expressly disclaim any obligation or undertaking to supplement, amend, update or revise any of the forward-looking statements made herein, except where it would be required to do so under applicable law.

The Manager is authorised by the Swedish Financial Supervisory Authority (Sw. Finansinspektionen) and is acting exclusively for the Company and no one else in connection with this presentation or any future transaction in connection with it. The Manager will not regard any other person (whether or not a recipient of this presentation) as a client and will not be responsible to anyone other than the Company for providing the protections afforded to their respective clients nor for the giving of advice in relation to any transaction, matter or arrangement referred to in this presentation.

THIS PRESENTATION IS BEING DELIVERED IN CONNECTION WITH A PROPOSED MEETING WITH THE COMPANY AND NO COPY OF THE PRESENTATION WILL BE LEFT BEHIND AFTER THE MEETING. BY ATTENDING THE MEETING WHERE THIS PRESENTATION IS MADE, YOU AGREE TO BE BOUND BY THE FOREGOING LIMITATIONS AND TO MAINTAIN ABSOLUTE CONFIDENTIALITY REGARDING THE INFORMATION DISCLOSED IN THIS PRESENTATION.

Q-linea in brief



Q-linea is developing disruptive solutions for faster infectious disease diagnostics, first product targeting sepsis

Q-linea entered global partnership with Thermo Fisher Scientific for commercialization of ASTar®

Production of instruments and consumables in Sweden

114 employees & consultants at quarter end

Goal is to present ASTar electronically in H1-20

Lead product ASTar®



*Selected 3 years in a row
as one of Sweden's most
promising companies*



Q-linea's lead product candidate – ASTar – a modular AST system

Rapid

- Phenotypic AST results in 3 to 6 hours for blood
- Answer <45 minutes for e.g. urine

Simple to use

- Fully automated
- Up to 12 samples analyzed in parallel
- Up to 50 samples per 24h¹⁾

Comprehensive

- Directly from positive blood culture flasks, clinical samples or isolates
- Up to 48 antibiotics in 5-11 two-fold dilutions

ASTar® offering System



Consumables

Fully-automated High-value test



Blood, cUTI, LRTI

Semi-automated Isolate test



Isolates, UTI

Source: Company information. 1) Throughput depending on sample type

Key highlights first quarter

Q-linea signs global partnership agreement with Thermo Fisher Scientific for the commercialisation of ASTar

- World-wide exclusive for ASTar, except Sweden
- Mutual exclusivity for rapid AST
- Share customer data and full insights in sales process

We aim to bring the best customer experience

- Unique system & technology, developed together with customers
- Strong brand & world wide presence
- Proven track-record of selling high-quality products to target customers
- Strong customer relationships
- High quality service organisation & expert elevated support

Fast access to high-volume customers

- Long term relationships with large institutions



Key highlights first quarter

Solved the problem with third-party key component

- Focused efforts from both parties
- Rapidly identified corrective measures
- Extensive testing performed on several systems
- No errors since November on any systems

In-house reference MIC testing

- The project runs according to plan
- Characterisation has been completed for approximately 80% of the more than 650 isolates collected.

Upcoming clinical study is still progressing according to plan

- Are in detailed discussions with selected clinical sites
- Investigation possibilities to add additional sites
- The Corona pandemic may impact timing or strategy



Source: Company information.

Key highlights first quarter

New production facility opened

Project delivered on time

Assembly & production of consumables started

390 sqm ISO8, Class C Clean room, 1 500 sqm in total.

Qualification of facility and equipment started

Preparing for production of validation batches for upcoming clinical study

Production running according to plan

So far, minimal effects on delivery of components & parts due to the Corona pandemic

This situation might change on a short notice depending on 3rd party supplier capacity



Source: Company information.

Key events after the end of the period

ECCMID and ASM trade-shows cancelled

Due to the Corona pandemic, all major trade-shows have been cancelled.

Our initial plan of presenting AS*Tar* at ECCMID have shifted to an electronic event.

Currently in discussions with Thermo Fischer Scientific on how and when to present AS*Tar* to the market

In a situation such as this, the benefits of a strong partner is evident



Source: Company information.

The effects of the Corona pandemic on Q-linea

So far, the effects have not caused a delay on planned clinical study start

We moved all production of consumables from China to Sweden end of last year

Most activities coupled to ASTar launch are still internal

There is a strong interest from our clinical partners to perform studies

Depending on travel restrictions and availability at the sites, the US study may be impacted.
We can still perform approximate 1/3 of the US study internally

So far, the adoption of new work routines have had minimal impact on the project during the first quarter. This may change in the upcoming quarters and it also depends on a healthy staff.

We may encounter delayed deliveries of components, since we rely on 3rd parties for various components

Income statement first quarter

Net sales in the first quarter amounted to SEK 0.2 million (0.4).

Operating result totalled SEK -55.9 million (-36.7).

The company reported a loss after tax of SEK -56.0 million (-36.3).

Earnings per share, before and after dilution amounted to SEK -2.44 (-1.59).

Figures in parentheses refer to the outcome for the corresponding period in the preceding year with respect to earnings and cash flow and to the closing balance in the preceding financial year with respect to the balance sheet.

Source: Company information.

Balance sheet at end of first quarter

Cash and cash equivalents amounted to SEK 28.3 million (26.0)

Short-term investments in fixed-income funds SEK 89,8 million (150,4) and the current portion of non-current assets (listed bonds) SEK 27.9 million (30.1).

Non-current assets, listed bonds SEK 115.2 million (121.0).

Cash flow statement first quarter

Cash flow from operating activities SEK -59.1 million (-41.0).

Cash flow from investing activities SEK 61.6 millions (-292.7).

Cash flow from financing activities SEK -0.1 millions (-0.1).

Increased cash outflow from operating activities mainly due to a larger operating loss.

Cash and cash equivalents, Short term investments and listed bonds at first quarter end amounted SEK 261.2 million (327.5).

Figures in parentheses refer to the outcome for the corresponding period in the preceding year with respect to earnings and cash flow and to the closing balance in the preceding financial year with respect to the balance sheet.

Source: Company information.

Thank you

