

# FUTURE PROOF HEALTHCARE

A sustainable healthcare for a new generation

Presentation Q1(22)

Jonas Jarvius, CEO

Anders Lundin, CFO/IR



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# Q-linea 1<sup>st</sup> quarter



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

179 employees & consultants at quarter end

First commercial customer for ASTar

Strong list of commercial opportunities

Very successful ECCMID conference

FDA awards ASTar with “breakthrough device” designation

Continued commercial discussions regarding Podler

Long sales cycles and limiting capacity to perform ASTar evaluations but positive customer feedback indicates approx. 20 ASTar sold during 2022

**Lead product ASTar®**



**Q-LINEA**

# Why is improved infectious disease diagnostics important?

## Sepsis

**Leading cause of death** in U.S. hospitals<sup>1)</sup>  
#1 hospitalization cost in the US with over \$24bn yearly<sup>3)</sup>

Kills >500,000 people yearly in the EU and US<sup>2)</sup>  
Every 3 seconds someone dies of sepsis worldwide

~50% of all patients receive inappropriate treatment  
~20% dies before current diagnostic provide results

**Rapid diagnostics could reduce mortality with up to 40%<sup>4)</sup>**

## AMR

Antimicrobial Resistance

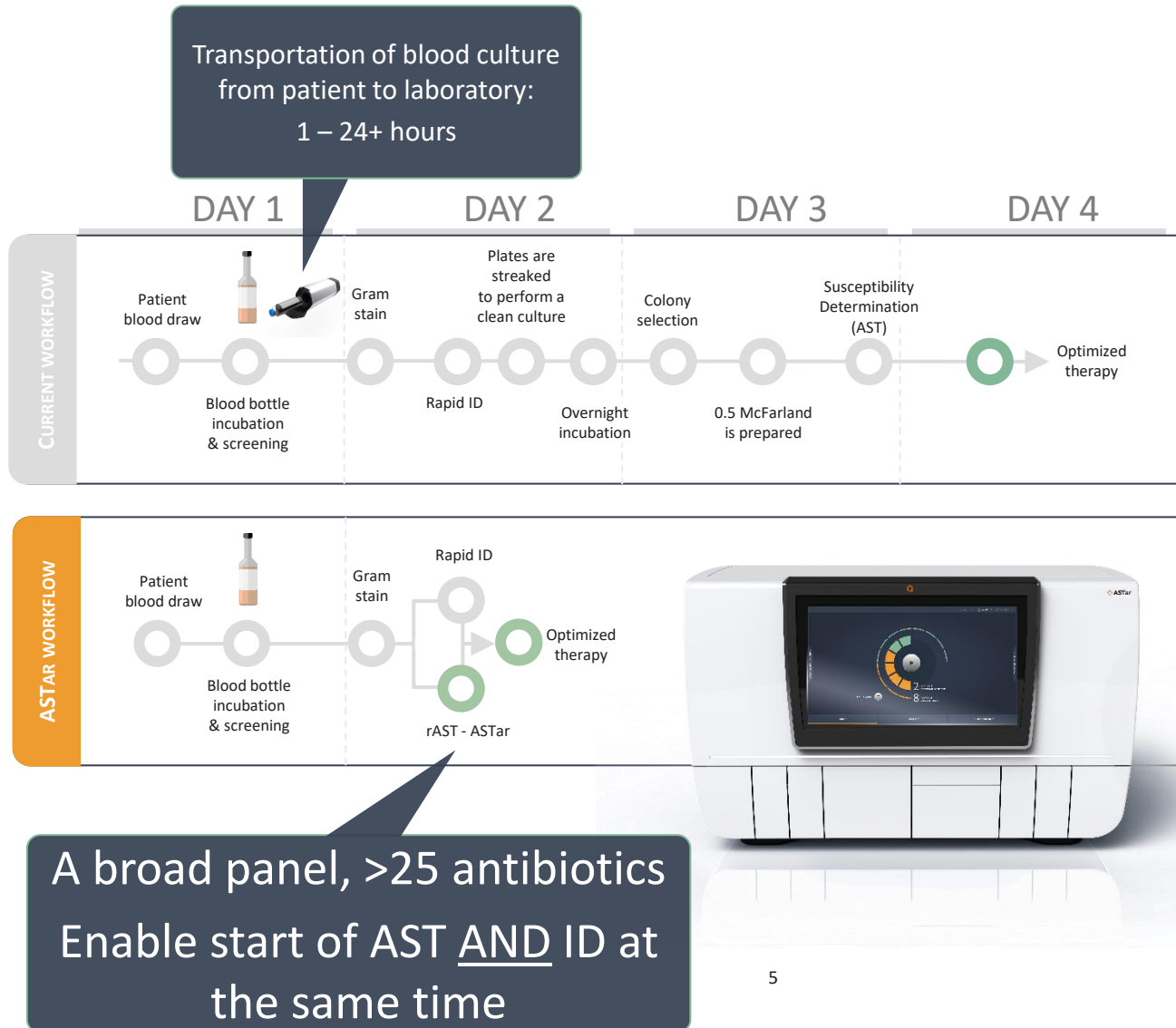
Has been presented as  
**“The biggest threat to mankind”**

**Rapid diagnostics would reduce unnecessary prescription**  
>65 % of all prescribed antibiotics for respiratory issues are unnecessary<sup>5)</sup>

Deaths due to AMR<sup>5)</sup>  
In 2016, ~700 000 died  
**In 2050, 10 000 000 are expected to die if we do not act now**

Source: 1. JAMA. 2014;312(1):90-92. 2. Clinical Infectious Diseases ciy342, <https://doi.org/10.1093/cid/ciy342>, Fleischmann et al, Am J Respir Crit Care Med. 2016 Feb 1;193(3):259-72, Company estimates 3. <http://www.hcup-us.ahrq.gov/reports/statbriefs/sb204-Most-Expensive-Hospital-Conditions.pdf>. 4. Patel et al, J Clin Microbiol. 2017 Jan; 55(1): 60–67., ECCMID 2017, poster OS1033, Andreassen et al. Cost-effectiveness of MALDI-TOF and rapid antimicrobial susceptibility testing for high-risk patients, Huang et al. Clin Infect Dis. 2013 Nov; 57(9): 1237-45. 5. Tackling drug-resistant infections: Final report and recommendations. Review on Antimicrobial Resistance. Web. 2016

# Rapid AST & a broad antimicrobial panel matters: ASTar can provide up to 48 hours faster actionable results



Time to  
**Actionable**  
results is  
what  
matters for  
septic  
patients

# Health economic benefits of 24 hour faster diagnostics

## Lower mortality

Up to 40%  
lower mortality rates<sup>1)</sup>

## Less pressure for resistance and superinfections

Up to 25%  
reduction of *C. difficile*  
infections<sup>2)</sup>

## Cost savings

~\$2,500 – \$20,000  
cost savings per patient<sup>3)</sup>



ASTar can provide **up to 48 hours** faster diagnostics

Source: 1) Patel et al, J Clin Microbiol. 2017 Jan; 55(1): 60–67., ECCMID 2017, poster OS1033, Andreassen et al. Cost-effectiveness of MALDI-TOF and rapid antimicrobial susceptibility testing for high-risk patients, Huang et al. Clin Infect Dis. 2013 Nov; 57(9): 1237-45. 2) Fridkin et al, MMWR, 2014;63(9), 194-200. 3) Perez et al, Arch Pathol Lab Med 137:1247-1254, 2013, Perez et al J Infect. 2014 Sep;69(3):216-25, 2014, Bauer et al Clin Infect Dis 51:1074-1080, 2010. ) Patel et al, J Clin Microbiol. 2017 Jan; 55(1): 60–67.

# ASTar – a platform designed to save lifetimes

## Developed together with our future customers

### Easy to use

- **Fully automated**
- ~2 min hands-on time
- Load-and go workflow

### Fast

- Results in ~6 hours
- **High throughput**
- 12 simultaneous samples



### Comprehensive

- **Large antibiotic panel**
- Long concentration ranges
- Fastidious and non-fastidious bacteria
- Support additional samples (*e.g.* urine)

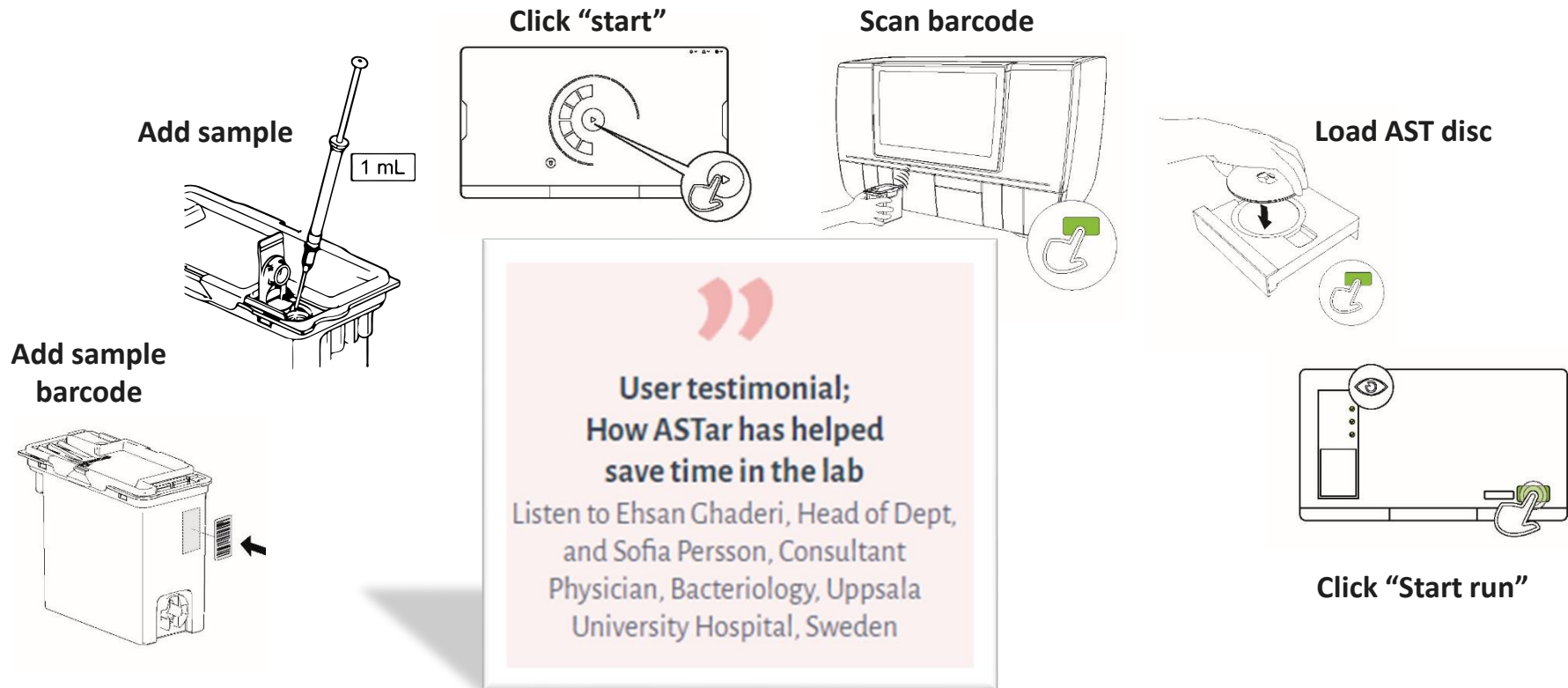
### Accurate

- **True MIC results**
- High reproducibility

# Easy to use

ASTar enables anyone at the lab to load sample anytime and enables lab personnel to do more in less time

User friendly  
& 24/7 availability






Source: Company information and webpage

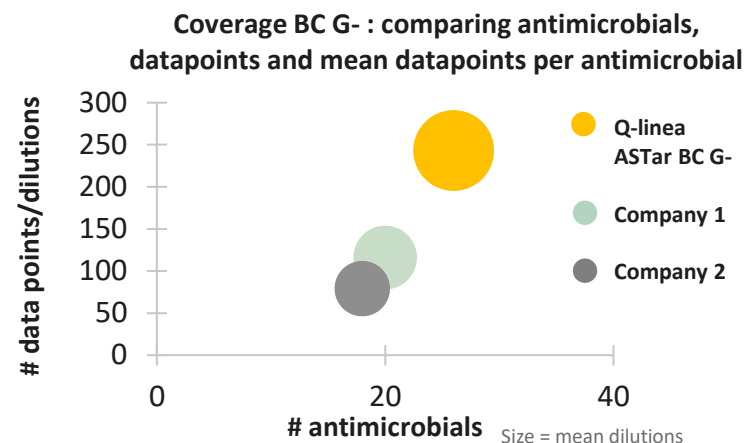
# ASTar provides excellent performance

Broad panel  
enabling  
actionable results

Excellent and accurate data from the CE-IVD clinical study

FDA and ISO requirements <sup>1,2)</sup>		
Essential agreement = Same MIC value as reference		
FDA	ISO	Q-LINEA 
89.9%	90%	94.7% <sup>3</sup>
Categorical agreement = Correct treatment recommendation		
FDA	ISO	Q-LINEA 
89.9%	90%	97.6% <sup>3</sup>
Reproducibility		
FDA	ISO	Q-LINEA 
95%	95%	99.6% <sup>3</sup>

The ASTar® Instrument and ASTar® BC G- Kit offer the **broadest combination of antimicrobials and dilution ranges** in a single analysis for Gram-negative bacteria <sup>6</sup>. The analysis also **delivers true MIC results**.



Source: 1) ISO 20776-2, Clinical laboratory testing and in vitro diagnostic test systems — Susceptibility testing of infectious agents and evaluation of performance of antimicrobial susceptibility test devices: - Part 2: Evaluation of performance of antimicrobial susceptibility test devices 2) Guidance for Industry and FDA Class II Special Controls Guidance Document: Antimicrobial Susceptibility Test (AST) Systems, August 28, 2009, FDA document number 631.3) Company results from CE-IVD clinical study for BC G-, Gram negative antibiotic panel 2020-05-04 6) Based on commercially available systems market overview May 2021

# High throughput and flexible solution

Our ambition was the most user friendly and capable system

High throughput & flexible

Up to 12 patient samples in parallel



=



Fully automatic    Semi automatic



Consumables stored at room temp and a small insert at -20°C.

Compatible with small and large (e.g. urine) sample volumes, and to run isolates separately

# Key highlights first quarter

The first commercial customer

**After a successful evaluation during 2021 a UK hospital became our first commercial customer.**

**There is a strong interest for ASTar and the sales prospects funnel is growing**

**Evaluation cycle is around 6 weeks to be followed by tender and quotations**

Current estimate is approximate 9 months for the sales cycle

- In line with other companies in the field
- We are investigating possibilities to shorten the sales cycle

**Since rapid AST is a new field customer will evaluate before a purchase**

There is currently a limited capacity to perform evaluation at our Partner

We look forward to an increased capacity build up during 2022

Some residual effects of the Corona pandemic

Overall, we estimate approx. 20 sales of ASTar during 2022 and look very positive to the future based on interest so far.

# Key highlights first quarter

ASTar is coming closer to the US market

**Q-linea's ASTar classified as a breakthrough device by the FDA  
& we are in the final step of preparing the 510k submission**



# Key highlights after period end

ECCMID was a total success

**The interest in ASTar and other Q-linea products in developing was very strong**

Both the Q-linea and Thermo Fisher Scientific booth were fully occupied with demonstrations of ASTar

A strong list of leads for both companies to follow up after ECCMID

Positive response on our development pipeline for ASTar

- Gram positive panel (including both fastidious & non-fastidious bacteria)

- Isolate testing using only the AST-disc

Podler went viral with a huge interest.

- “Why have this not been developed before”, was a common comment

# Key highlights after period end

ECCMID was a total success



# The effects of the Corona pandemic on Q-linea

## Moving back to normal operation

Finally, we are now all moving back to the new normal after the pandemic

### **Future possible effects of the Corona pandemic**

Depending on the development of the pandemic the primary risk is reduced access to customers and to perform customer evaluations

Shortage of components are still a risk, but Q-linea has provided long term orders of components to minimize the problem

Expense levels and financing strategy linked to possible delays in company activities.

**We will follow the development carefully and although we see a positive development it is not over yet with new strains that may cause future escalation.**

# Income statement first quarter

Net sales in the fourth quarter amounted to SEK 5.8 million (0.0).

Goods that have been expensed in the first quarter amounted SEK -12.0 (-1.5) million.

Operating result totalled SEK -71.8 million (-63.8).

The company reported a loss after tax of SEK -71.9 million (-63.2).

Earnings per share, before and after dilution amounted to SEK -2.46 (-2.34).

*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 the end of first quarter

Cash and cash equivalents amounted to SEK 15.4 million (15.1)

Short-term investments in fixed-income funds SEK 106,1 million (91,2) and the current portion of non-current assets (listed bonds) SEK 40.6 million (59.7).

Non-current assets, listed bonds SEK 128.2 million (181.8).

Inventories amounted SEK 21.9 million (28.6), includes a write-off of total SEK -5,0 (-4.7) million.

Source: Company information.

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.

# Cash flow statement first quarter

Cash flow from operating activities SEK -51.7 million (-56.1).

Decrease in cash outflow from operating activities mainly due to favourable changes in the working capital compared to the same quarter last year.

Cash flow from investing activities SEK 52.0 million (58.5).

Net divestment of Short-term interest funds and listed bonds. Investments in mainly production equipment amounted SEK 5.8 (0.8) million

Cash flow from financing activities SEK -40 thousand (-80).

Repayment of loans

Cash and cash equivalents, Short term investments and listed bonds at the end of second quarter amounted **SEK 290.2 million** (347.8). The Board's assessment is that the existing working capital, as of 31 March 2022, **is sufficient to cover the Company's needs for at least the next 12 months.**

Source: Company information.

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.

# Looking forward to an exciting continuation of 2022



Q-linea wants to contribute to a healthier society by future-proofing a new generation of healthcare professionals, labs and hospitals.

## Thank you