

THE BOARD OF DIRECTORS' REPORT IN RELATION TO A RELATED PARTY TRANSACTION

As a report according to chapter 16 a, section 7, of the Swedish Companies Act, the board of directors of Q-linea AB (publ) (the "**Company**") may state the following.

Background

On 29 May 2024, the Company announced that the majority shareholder Nexttobe AB had offered the Company a loan facility of SEK 60,000,000.

The Company and Nexttobe AB are considered to be related parties since Nexttobe AB owns approximately 53,52 percent of the shares in the Company, which means that the rules in chapter 16 a of the Swedish Companies Act on certain related party transactions need to be taken into account. According to these rules, the general meeting's approval is required for related party transactions that exceed SEK 1 million and 1% of the Company's market value at the time of the transaction. In the case of loan agreements, the value of the transactions is calculated based on the loan interest rate (and any set-up fee). Against this background, the facility is presented for approval at the annual general meeting.

Description of terms

The Company's intention is to sign a loan facility agreement with Nexttobe AB, which gives Nexttobe AB the right to charge reasonable market interest rates of loans taken out within the facility. The intention is that the following conditions shall apply to all loans disbursed under the facility:

- The loan facility amounts to maximum SEK 60,000,000, plus the loans that have been taken and are outstanding under the Existing Facility as of the date of the annual general meeting (see description and definition below).
- The interest is variable and charged with Swestr 3M + 4% units. However, interest will not in any case be lower than 6 %. The interest is calculated and paid quarterly in arrears.
- The facility shall be used as secondary financing where priority will be given, for example, to share issues, investments, asset sales, etc.
- Loan draw-downs can be made until 31 March 2025.
- Loans run until 30 June 2026, when they shall be repaid. The loans are amortization-free during the loan period. However, the Company has the right to amortize any amount during the term. If the loan is repaid early, accrued interest at the time of repayment shall also be paid by the Company.

Given the terms above, loans under the facility may exceed the thresholds for significant related party transactions according to the Swedish Companies Act, and the conditions must thus be approved by the Company's general meeting. The board considers these conditions to be market-based and reasonable.

Previously approved loan facility and its relation to the currently proposed facility

At the annual general meeting on 13 June 2023, a loan facility from Nexttobe AB of SEK 200,000,000 was approved, which expires on 30 June 2024 (the "**Existing Facility**"). At the beginning of the financial year, SEK 41,500,000 remained to be used from the Existing Facility. As of the date of this notice, a loan of SEK 15,000,000 is outstanding under the Existing Facility (in case additional loans are paid out during the notice period, this will be reported at the annual general meeting at the latest). The loans that are outstanding on the day of the annual general meeting within the scope of the Existing Facility are proposed to be transferred into the now proposed facility, which thus means that the now proposed facility may exceed SEK 60,000,000.

The extended facility, together with the existing facility of SEK 41,500,000, can amount to a maximum of SEK 101,500,000 when fully utilized.

The board's assessment

The board of directors believes that the conclusion of the loan facility agreement is in the interest of the shareholders. Finally, the board's assessment is that the agreement is in line with market conditions and that the agreement contains customary terms and conditions.

Chairman of the board Erika Kjellberg Eriksson, who is also chairman of the board of Nexttobe AB, has not participated in the board's handling and decisions on matters relating to the loan facility.

Uppsala in June 2024
Q-linea AB (publ)
The board of directors