Annual Report 2024

Q-LINEA

Contents

2024 in brief

Q-linea develops groundbreaking infection diagnostics that benefit patients, the healthcare sector and society

Q1

- The Company was awarded a public tender for rapid AST instruments and consumables issued by Fondazione PTV in Italy.
- Q-linea successfully finished the clinical trials required to add the drug Meropenem-Vaborbactam to its existing ASTar panel.
- The Company announced that Stuart Gander would take over as CEO of Q-linea and that Anders Ljunggren would take office as Managing Director of Q-linea AB in Sweden on 1 March 2024.
- Q-linea initiated a cost-saving programme with anticipated savings of SEK 50 million annually.
- Q-linea created a separate subsidiary for Podler.

Q2

- Q-linea received US FDA 510(k) clearance for the ASTar® System on 26 April.
- Q-linea applied for a NTAP code for the US market.
- Q-linea announced that the technology behind Podler has been valued at SEK 70 million. The valuation is based on a report carried out by an external analysis company.
- The company was offered an increased and extended loan facility by its main owner Nexttobe. Total facility, when utilized, amounts to SEK 101,500,000. The loan facility runs up until 30 June 2026.

Q3

- The Company participated in its first public tender in Belgium.
- Two American hospitals presented ASTar data in line with good results shown in several European studies.
- CMS granted New Technology Add-on Payment (NTAP) for ASTar with a reimbursement of USD 97.50 per eligible patient.
- Q-linea expanded its operation to Romania and the Middle East through two new distribution agreements.

Q4

- Q-linea announces changes in the management team and further expands the commercial team in the US.
- Large U.S. reference laboratory completes evaluation of the ASTar system and the first clinical evaluation of ASTar begins at a cancer center in the United States supported by National Cancer Institute (NCI).
- Two commercial evaluations in the UK are completed.
- The Company receives a request for a contract from a prominent hospital in Milan and participates in a multi-center procurement in Italy.
- Q-linea resolves to carry out a rights issue of approximately SEK 225 million in Januart and enters into an agreement for a bridge loan facility of approximately SEK 40 million.

After the end of the period

- The company publishes a company and market update with the main message that 30 – 40 instruments are expected to be contracted by the end of 2025 and that another 60 – 90 instruments are placed in 2026.
- The company signs its first two agreements with customers in the United States.
- Q-linea signs a framework agreement with a large national American reference laboratory.
- The company wins the first tender in Belgium and wins another tender in Italy.
- Q-linea announces the outcome of the rights issue, subscribed to 90.5 percent, corresponding to approximately SEK 204 million before transaction costs. In total, the Group received cash of approximately SEK 93 million after transaction costs, set-off of loans and repayment of bridge loans.
- The company announces that the first clinical evaluation in the Gulf Cooperation Council region of ASTar has been initiated at Sheikh Khalifa Medical City, Abu Dhabi (UAE).
- Q-linea publishes a communiqué from the Extraordinary General Meeting on April 3 where a decision was made to reduce the Company's share capital with the primary purpose of enabling a discount in the future exercise of warrants of series TO1.

Q-linea, sepsis and ASTar in brief

Q-linea in brief

Q-linea is a world-class leader in developing rapid Antimicrobial Susceptibility Testing (AST) technologies used in the treatment of bloodstream infections and sepsis. Hospitals use ASTar® to significantly reduce the time to optimal antimicrobial therapy and ensure that patients receive the correct treatment sooner. We help create sustainable healthcare, now and in the future, and safeguard the effectiveness of antibiotics for generations to come. Q-linea is headquartered in Uppsala, Sweden and has regional offices in Italy and the US, as well as a network of partners in Europe and the Middle East.

Sepsis in brief

Sepsis is a life-threatening condition where the host's immune system overreacts to an infection, causing damage to the body's tissues and organs[1]. Bacterial Bloodstream Infections (BSIs) are a common cause of sepsis. The underlying infection must be treated as soon as possible to minimise harm. Research has shown that each hour of delayed appropriate antimicrobial therapy reduces a patient's chances of survival and increases the risk of long-term complications[2]. Treatment success depends on optimising antimicrobial therapies with guidance from AST.

About ASTar – ASTar enables a sought-after paradigm shift

ASTar is a fully automated, phenotypic rapid AST system that delivers actionable results faster than traditional AST methods. The ASTar Instrument and ASTar BC G- Kit test the susceptibility of Gram-negative bacteria, including fastidious species[3], against a broad spectrum of antibiotics, and deliver a comprehensive report of detailed treatment recommendations clinicians use to optimise patient treatments.

Our history and future

Q-linea was founded in **2008** by scientists from the Rudbeck Laboratory at Uppsala University, together with Olink AB and Uppsala University's holding company, UUAB. The Company initially focused on biosecurity applications using proprietary technology for molecular identification of bacteria and viruses.

In **2012**, Q-linea entered the in vitro infection diagnostics business with innovative technologies for rapid and sensitive analyses of nucleic acids and proteins. A partnership with risk capital firm Nexttobe ensured long-term financing and technological progress.

In the following years, bacterial identification from positive blood cultures using technologies like mass spectrometry revolutionised the field of infection diagnostics. This led to the development of ASTar, a fully automated rapid AST system that tests directly from positive blood cultures, complementing rapid ID systems.

Q-linea was listed on the stock exchange in **2018**, and ASTar was launched in Europe in **2021**. In **2024**, ASTar received FDA approval and was launched in the US. During this time, multiple clinical and sales partnerships were established worldwide.

The ease of use and power offered by ASTar remains unmatched in the field. Future developments of the system will include the analysis of isolates and expansion of the antimicrobial panel.

We continue to support healthcare professionals and their patients, and strive to redefine the gold standard for rapid susceptibility testing to improve the care of patients with serious infections.

Footnotes—see References on page 84.

Employees

Q-linea has a dedicated team with extensive knowledge and experience from various disciplines. At year-end, the Company had 94 (127) employees, of whom 41 (53) were women and 53 (74) were men, as well as 4 (3) consultants. Seven employees are based in the US and three employees are based in Italy for commercial activities. Two consultants are based in the US. Q-linea focuses on strategic partnerships for technical evaluation and providing additional expertise, as well as market expansion. The Company has state-of-the-art facilities at two locations in Uppsala.

Vision

Q-linea helps to save lives by ensuring antibiotics continue to be an effective treatment for future generations.

Mission

Q-linea develops and delivers innovative solutions for healthcare providers, enabling them to diagnose and treat infectious diseases in the shortest possible time. The Company's solutions help healthcare providers worldwide to reduce the use of antibiotics by providing optimal treatment information for each patient.

Business concept

Q-linea develops and delivers solutions for healthcare providers, enabling them to accurately diagnose and treat infectious diseases in the shortest possible time.

Strategy

Q-linea has built up robust competence and infrastructure in order to develop and supply integrated diagnostics systems. Sales are made directly and via partners, with the majority of income expected to come from sales of consumables.

Commercialisation strategy

During 2024, Q-linea has broadened and deepened its commercial engagement with the market. FDA clearance in April was pivotal to enabling the full marketing of the ASTar platform in the US, and the company continues to build its commercial team for direct sales and marketing in the largest global market. Q-linea has segmented the thousands of US labs to focus initially on the most promising candidates for ASTar early adoption which skew towards larger, academic hospitals, integrated delivery networks and regional and national reference laboratories. Collectively this first wave of target customers comprises 25% of all US blood stream infection patient testing. Once traction is gained in the US market, the company will continue to expand the commercial team and broaden its market outreach to target the 'next 1,000 labs' that comprise 60% of US volumes and have the patient volumes to support ASTar testing.

In parallel, the company has been active in strengthening its presence in the EMEA region. Earlier investments in direct sales in Italy have begun to bear fruit with the first three commercial placements of ASTar in Europe being in Italy. Q-linea continues to work with existing partners across the Nordics and Western Europe to build and convert a pipeline of interested users. Additionally, we are executing on our strategy to 'follow the patient' into the markets with highest AMR need with distribution partnerships in Eastern Europe and the Gulf states that are expected to generate sales during 2025.

A platform for growth

2024 was a significant year for Q-linea following a general theme of transition from a development-oriented company to one focused on commercialising our flagship ASTar® platform

Opening the key US market

Our most important development during the year was the commercial launch in the US market which represents over 50% of the global opportunity by value. Following FDA clearance in April we rapidly engaged with the top 300 hospitals and labs in the country to introduce ASTar. This targeted approach has yielded a sizeable pipeline of interested customers with a calendar of planned evaluations through early 2025. Confirmation of NTAP funding (USD 97.50 per patient, available for Medicare patients in US hospitals) from the federal agency CMS, which is unique to ASTar, bolsters the economic proposition for ASTar which is already the leading technical solution for rapid antibiotic susceptibility test (AST) on the market. Early demand has been strong and Q-linea has steadily built up our commercial team in the US to meet the market. Contracting timelines can be unpredictable, but we welcomed our first US commercial sale in early January, just nine months after FDA clearance.

Supporting evidence of clinical benefits

In our field, clinical impact is the ultimate determinant of value, and we were pleased to see a steady cadence of clinical evidence emerging from our co-sponsored trials in Italy, Belgium and the US which all mutually reinforced the core insight that ASTar can reduce time-to-result by 30 hours or more. In particular, our investment in the four-site LIFETIMES health economics and outcomes research (HEOR) study is a pioneer in our field. We look forward to complementing the initial findings presented at AMCLI and ESCMID in 2024 with further insights on the economic benefits of ASTar emerging from the second phase in 2025. Q-linea has been an active thought leader in the rapid AST space with poster and podium presentations across the major global and regional conferences.

First clinical patients treated in Europe

The first commercial installation of ASTar was completed in Q1 2024 and has been generating clinical results for patients in Rome ever since. Two additional sites have since been added in Italy with more anticipated soon. Italy is the fastest-moving country in Europe owing to the high clinical burden of AMR and we anticipate other major European markets to follow as rapid AST demonstrates its clinical and economic impact.

Establishing the next avenues for growth

Our new agreements with partners in the Middle East and Eastern Europe have moved quickly and are already building up customer interest with expected results in 2025. We also streamlined our development pipeline, concentrating resources into several high-impact projects for delivery in 2024 and early 2025. Q-linea will continue to be at the forefront of innovation in AST with new drugs and sample types under development and are informing our priorities based on the surge of customer input received on the back of our in-market engagements. The field remains highly dynamic, and we are pleased to see the positive response from customers to our current platform and planned innovation funnel.

Strengthening the organisation

Following the theme of transition, we conducted a successful cost-cutting program during the first part of the year which reduced development and overhead costs. A portion of the savings were reinvested into commercial capacity for a net cost reduction of approx. 40 MSEK annually. Our leadership team has evolved considerably during the year.

Financing

We concluded the year with a well-subscribed rights issue which in combination with a directed issue raised approximately 216 MSEK in new equity before transaction costs. This provides us with resources needed to continue pressing our commercial advantage in the market. I would like to especially thank all the employees who left during 2024 who have made major contributions to Q-linea over the years. We have likewise welcomed new members of the team who join with fresh ideas and a shared yearning to bring ASTar to patients during 2025.

Uppsala, 27 February 2025

Stuart Gander, CEO

The field remains highly dynamic, and we are pleased to see the positive response from customers to our current platform and planned innovation funnel.

Stuart Gander, CEO

Sepsis is an overreaction by the immune system

Sepsis is a complex life-threatening condition where the body's immune system overreacts to an infection. Without prompt treatment, this progressively toxic inflammation can cause severe organ damage and death.

Any infection can cause sepsis, but bacterial Bloodstream Infections (BSIs or bacteraemia) are a common cause, as bacteria spreading through the body can affect multiple organs quickly and simultaneously.

Every year, sepsis affects around 50 million people worldwide and causes 11 million sepsis-related deaths. This makes sepsis responsible for 1 in 5 of all global deaths, more than breast, lung, and prostate cancer combined. Nearly half of all sepsis cases are in children under the age of five[1].

Rapid and accurate diagnosis and treatment are crucial for patient outcomes as every hour of delay in appropriate therapy greatly increases the risk of complications and death. Septic shock is a severe complication marked by dangerously low blood pressure and metabolic abnormalities – 40 % of patients with septic shock die[2]. Many sepsis survivors are left with physical and psychological complications that severely impact their quality of life.

Antimicrobial Susceptibility Testing (AST) results help refine therapy through tailored adjustments. E.g., antibiotic escalation, de-escalation, and dosage adjustment. Unfortunately, conventional AST methods can take upwards of 48 hours during a time when every hour is crucial. Sepsis is the most expensive disease to treat in the United States, averaging $32,000 per patient and exceeding $60 billion annually[3-4].

ASTar – our futureproof AST system

ASTar is our rapid AST solution. A fully automated system for rapid AST based on broth microdilution (BMD) that requires only two minutes of hands-on time.

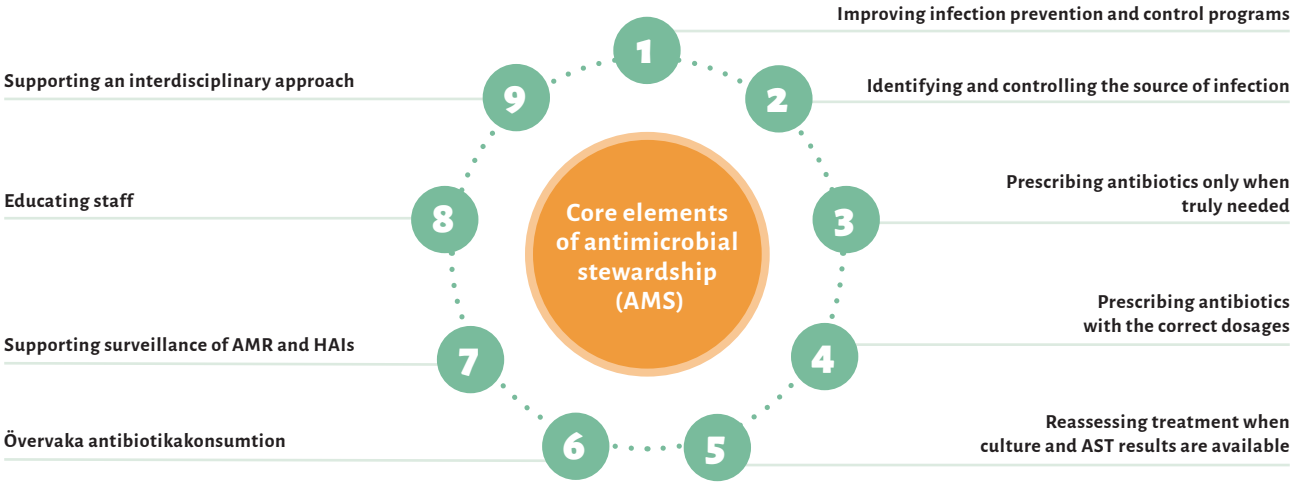
The initial application of ASTar is the analysis of Gram-negative bacteria from positive blood cultures from patients suspected of having a BSI or sepsis. ASTar can be used alongside rapid bacterial ID systems, together to meet the need for early therapy optimisation. Actionable AST reports are delivered in approximately six hours, enabling antibiotic adjustments up to 48 hours earlier than traditional technologies, so patients can receive tailored, optimal therapies sooner[5].

The instrument software is kept up to date with the latest clinical breakpoints, and the AST testing disc is designed to allow for future expansion with new antibiotics. This ensures that ASTar is ready to meet future needs in infectious disease diagnostics and remains an invaluable tool for AST and antimicrobial stewardship programs.

Antimicrobial resistance – a global health crisis

Antimicrobial resistance (AMR) is the process by which pathogens stop responding to antimicrobial treatments that previously worked. A common infection could escalate into something much more serious – posing not only concerns for the individual but also societal risks. AMR is a global health crisis affecting millions.

Examples of strategies used to reduce the spread of antimicrobial resistance



Footnotes – see References on page 84..

There are an estimated 5 million global deaths associated with bacterial AMR every year and AMR is predicted to become the leading cause of global death by the year 2050. 1 in 5 deaths from AMR are in children under the age of five1,2.

Many species of bacteria are intrinsically resistant to certain types of antibiotics, and most can develop resistance to antibiotic treatments when under selective pressure. These bacteria are much more challenging to treat, lengthening hospital stays, raising medical costs, and increasing patient mortality.

Treating resistant infections requires the use of more potent antimicrobials with no guarantee further resistance will not emerge. With every new development of resistance, the tug-of-war between effective and ineffective treatments is reset.

Combating AMR with AST

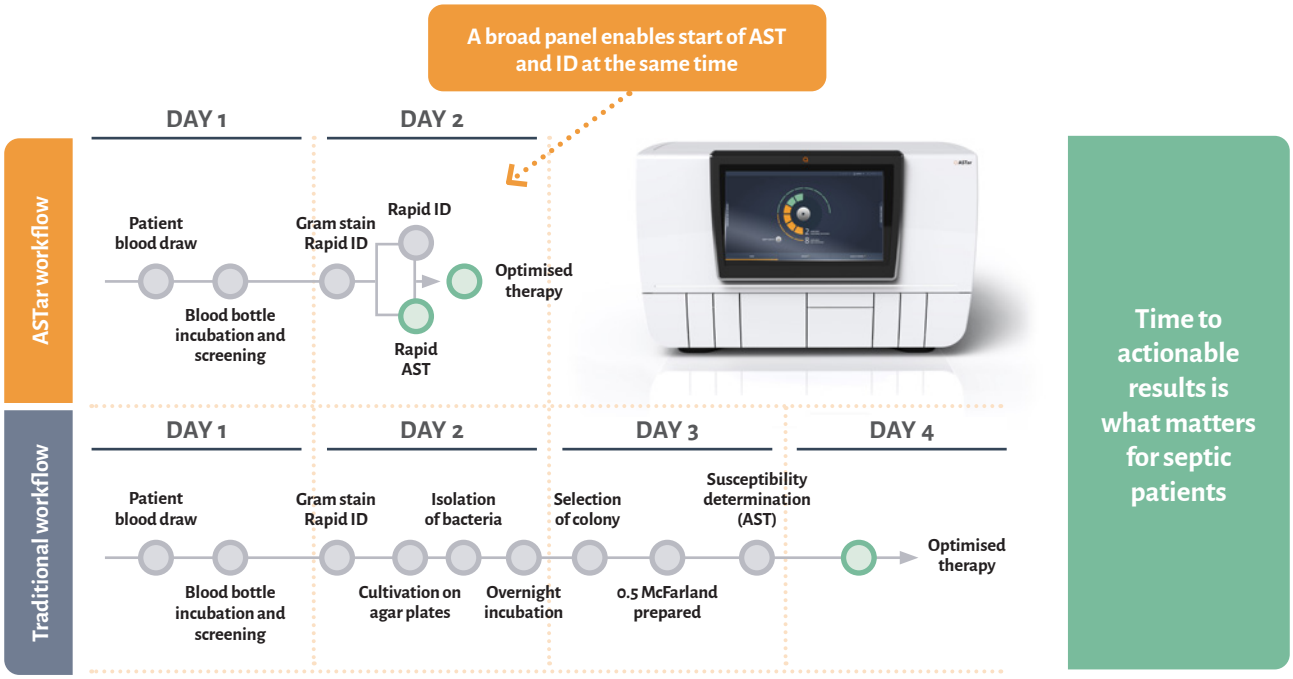
Addressing AMR requires a coordinated stewardship effort to promote responsible antimicrobial use and investment in rapid diagnostics. Faster AST technologies can shorten the time to optimal patient treatment and help prevent the emergence of individual and societal AMR by minimising the use of broad-spectrum antibiotics. This improves patient outcomes and helps preserve the effectiveness of existing antibiotics.

AST technologies must be easy to update and expand based on the ever-evolving requirements set by AMR and clinical demand. Drug panels and pathogen coverage should be readily adaptable, a feature ASTar provides.

Large laboratories have unmet needs

There is a vast need for rapid treatment recommendations in cases of infectious diseases, a need that is not being met in the market today.

Results up to 48 hours faster



To meet the daily sample throughput at a large laboratory, a system should handle 10–30 positive blood cultures per day. In addition, blood cultures may signal positive during the night, which means that a system needs high peak capacity. 24/7 laboratories have a need for random access to be able to quickly start and run a sample any time it signals positive.

ASTar is easy to use and fully automated, with an intuitive and user-friendly interface, so that it is quick and easy to start and to obtain results. ASTar can analyse up to 12 samples simultaneously and offers continuous random access. ASTar can be run in parallel with any rapid pathogen ID-solution. Input of pathogen ID is needed to create the final results report.

“ASTar has proven to be a game-changer in our laboratory”

Prof. Cartesio D'Agostini, Policlinico Tor Vergata, Rome, Italy

What was your first encounter with Q-linea and ASTar?

My first encounter with Q-linea and ASTar was at ECCMID 2022 in Lisbon. I immediately recognized the potential of the instrument. In the following years, I stayed in touch with the sales network, and as soon as the opportunity arose, a tender was initiated to acquire an instrument for rapid antimicrobial susceptibility testing. It was crucial to choose a system with the ease of use that ASTar offers.

You've had some hands-on time evaluating ASTar: Can you tell us a bit about the study?

The ASTar system was quickly integrated into our routine workflow, and during the initial months of use, we conducted a comprehensive evaluation of its performance compared to our standard of care. The results have been incredibly promising, exceeding our expectations and demonstrating the system's reliability and efficiency in rapid antimicrobial susceptibility testing. We're thrilled to share that these findings will be presented at the national AMCLI congress in Rimini in March 2025. This represents an exciting milestone for us, as ASTar has proven to be a game-changer in our laboratory, enhancing both our diagnostic capabilities and overall efficiency.

Why was it important to implement rapid AST?

Implementing rapid AST was crucial due to its significant impact on patient management and antimicrobial stewardship. Rapid results mean we can provide targeted therapy much sooner, improving patient outcomes and reducing the risks associated with inappropriate or delayed treatment. From an antimicrobial stewardship perspective, it plays a pivotal role in combating resistance by minimizing the misuse of broad-spectrum antibiotics. This not only benefits individual patients but also contributes to public health by preserving the efficacy of existing antimicrobials. In today's healthcare landscape, having an instrument like ASTar is more than an advancement, it's a necessity.

Which features of ASTar are most appreciated by the lab and the clinical staff?

The ease of use is certainly one of the most appreciated features of ASTar, as it allowed us to quickly integrate the methodology into our routine workflow. This simplicity has been a game-changer for our team, ensuring smooth implementation and minimal training requirements. Additionally, the reliability and high concordance of the results with standard methods have been highly valued by both the laboratory staff and clinicians. These features provide confidence in the system's accuracy, ultimately supporting better clinical decision and enhancing overall patient care.

How has ASTar helped the hospital?

ASTar has significantly helped the hospital by reducing turnaround times for test results, which in turn has shortened patient hospital stays. This will bring tangible benefits both for patients, who receive faster and more targeted treatment, and for the hospital, by optimizing resource utilization and reducing overall costs.

Do you believe that ASTar can impact patient outcomes?

Absolutely, I believe ASTar has the potential to impact patient outcomes. By delivering rapid and reliable results, it enables earlier and more precise adjustments to antimicrobial therapies. This can lead to faster recovery times, reduced complications, and overall improved patient care. Furthermore, the contribution to antimicrobial stewardship helps combat resistance, ensuring that patients receive the most effective treatment while preserving the efficacy of antibiotics for future use. The combination of these factors underscores ASTar's ability to make a substantial difference in patient outcomes.

Thank you for sharing your insights about working with Q-linea and using the ASTar System, is there anything else you would like to add?

Thank you! I would just like to add that the implementation of the Gram-positive panel will be a key step in further expanding the use of ASTar. It will allow us to address a broader range of clinical needs, enhancing its value as a comprehensive tool for rapid antimicrobial susceptibility testing. We're excited about the potential this addition brings for improving diagnostics and patient care even further.

ASTar was developed for high sample throughput, and it offers the ability to handle peaks in the sample flow.

ASTar Instrument

ASTar is a fully automated instrument providing accurate and reproducible sample preparation followed by imaging of bacteria in the presence of select concentrations of antibiotics using a high-quality optical system. Input of Bacterial ID information is necessary to obtain results and access expert rules that help guide treatment decisions.

ASTar BC G- Consumable Kit

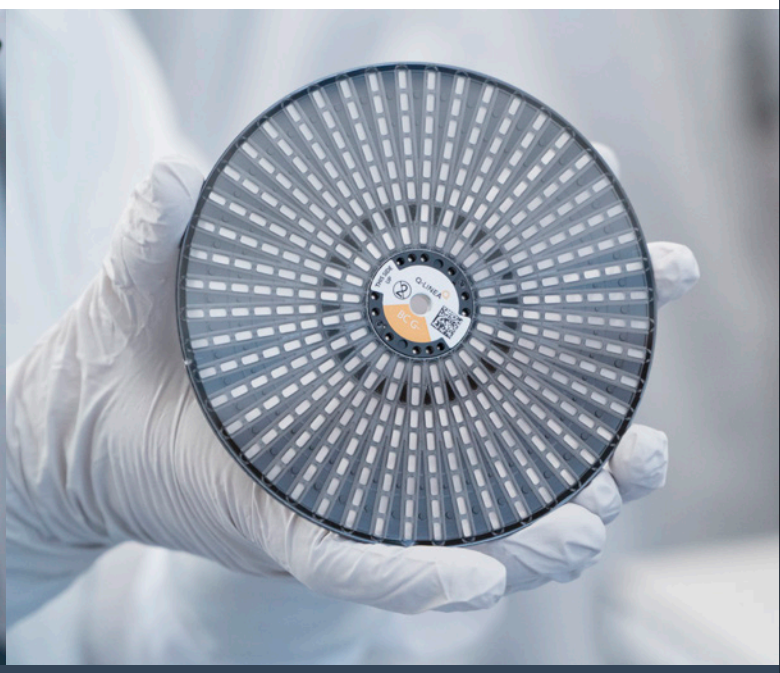
ASTar BC G- kit has two parts: a sample preparation cartridge and an AST disc. A frozen insert containing reagents is added to the cartridge before use.

The Cartridge

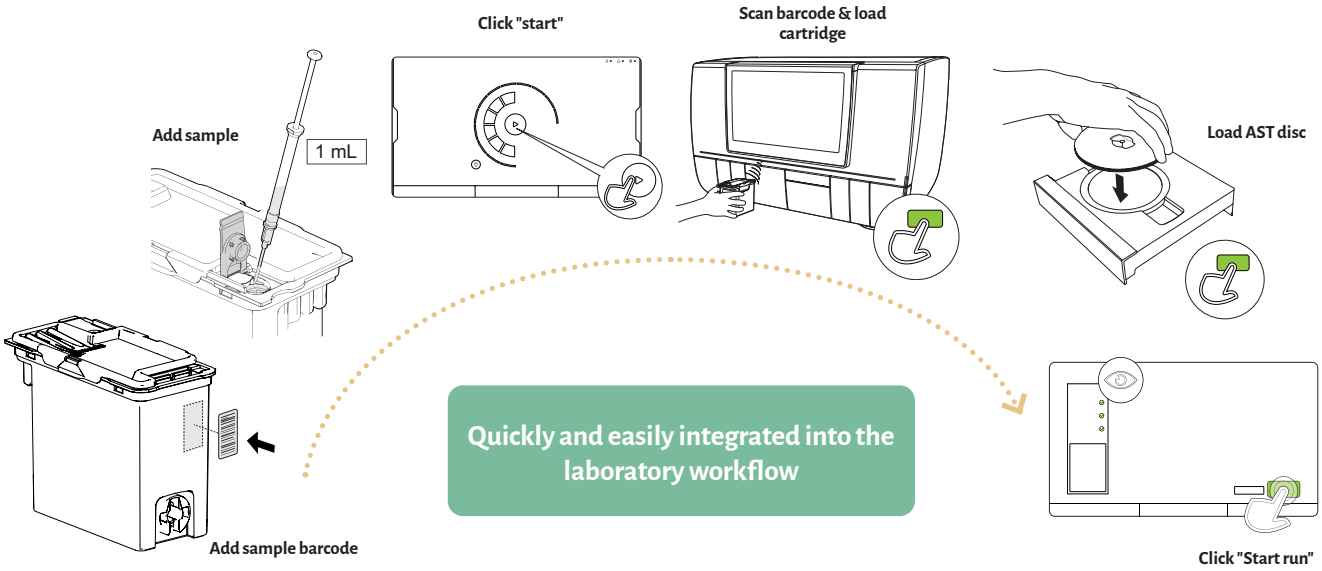
The cartridge contains all reagents and disposable articles needed for sample preparation, concentration determination, dilution and growth medium adaptation.

The AST disc

The AST disc is used for concentration determination and susceptibility testing. It contains more than 330 culturing chambers, allowing for a comprehensive antibiotic panel with many two-fold dilution steps for each antibiotic. Susceptibility testing from a broader panel gives a more complete result and reduces the need for further time-consuming tests.



Anyone in the lab can start ASTar, anytime



Add positive blood culture and load consumables

The user transfers the blood sample from the blood culture bottle to a position in the sample preparation cartridge, scans the patient barcode on the cartridge and places the cartridge and the AST disc/panel in the instrument. All steps take place automatically from that point.

Fully automated sample preparation and susceptibility testing

The instrument's ability to handle different organisms simultaneously saves time and allows analysis without knowing the bacterial ID. The AST disc, loaded with bacteria and antibiotics, is placed in a temperature-controlled part of the instrument. The culture chambers are read by an optical detection system, and an image analysis algorithm quantifies the bacterial biomass over time. MIC is determined using an algorithm that also takes the bacterial ID into account, and the bacteria is classified as susceptible (S), susceptible, increased exposure (I) or resistant (R)

ASTar System FDA cleared in 2024

In April 2024, Q-linea announced that the ASTar Instrument and ASTar BC G- Consumable Kit had been granted 510(k) market clearance by the U.S. Food and Drug Administration (FDA). The FDA categorises clinical laboratory tests by their complexity based on seven criteria in the CLIA regulations. The criteria focus of personnel and laboratory processes, for example, level of automation aof the operational steps. The majority of FDA cleared rapid AST systems are categorised as high complexity. ASTar is categorised as a moderate complexity system.

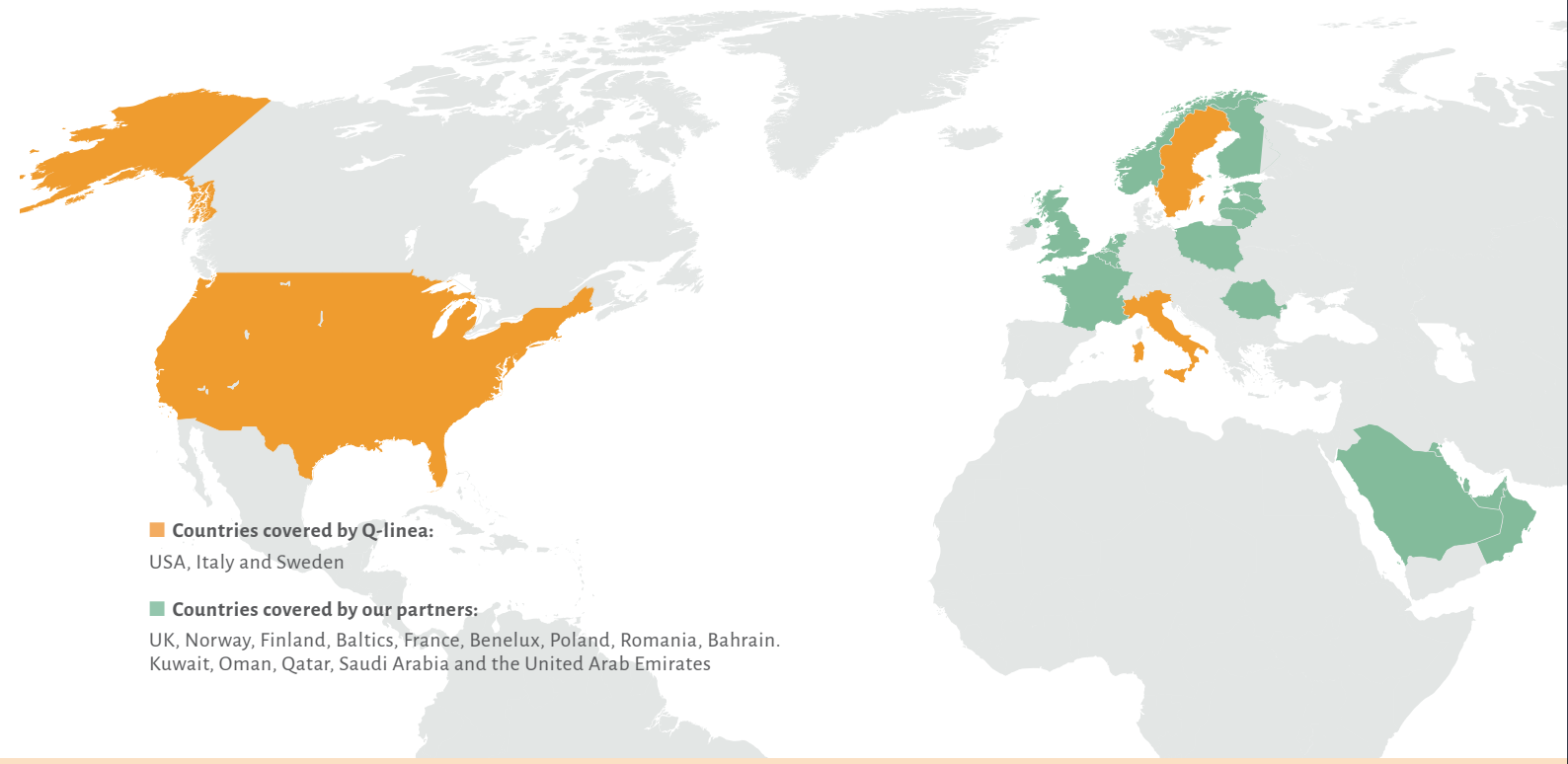
ASTar Instrument and ASTar BC G- Kit (consumables and analysis software) were first CE-marked according to the directive 98/79/EC for in-vitro diagnostic medical devices in May 2021. Q-linea implemented all applicable IVDR requirements and CE-marked ASTar instrument according to IVDR in May 2022. ASTar BC G- Kit was CE-IVDR marked in 2023. The certification was issued by Q-linea's notified body TÜV SÜD.

Q-linea's expansion into the world market

Our first commercial placement of ASTar in 2024 came from Italy. An ASTar system was installed at the Policlinico Tor Vergata University of Rome. The company continued the geographical expansion with a focus on countries and regions that are actively working to address the challenge of antibiotic resistance. As a result, we partnered with Mecro System in Romania and the AMICO Group in the Middle East.

Romania is one of the countries with the highest number of infections with antibiotic-resistant bacteria in EU. According to the European Centre for Disease Prevention and Control (ECDC), the high rate of antibiotic consumption and the widespread use of last-line broad-spectrum antibiotics is particularly worrying[1]. The country is now implementing a national strategy plan for the prevention and limitation of healthcare-associated infections and combating antibiotic resistance. Similarly, the GCC countries have developed a joint strategic AMR plan[2], where one of the elements is ensuring access to microbial identification and antimicrobial susceptibility tests, and the timely and relevant reporting of results.

In April 2024, Q-linea announced that ASTar instrument and ASTar BC G- Consumable Kit had been granted 510(k) market clearance by the U.S. Food and Drug Administration (FDA). According to the Centers for Disease Control and Prevention, at least 1.7 million adults in the United States develop sepsis each year and nearly 270,000 die as a result. Several ASTar evaluations had been started prior to the approval and performance and results were as expected in line with what had previously been shown in several European studies.



Countries covered by Q-linea:
USA, Italy and Sweden

Countries covered by our partners:
UK, Norway, Finland, Baltics, France, Benelux, Poland, Romania, Bahrain. Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates

The only rapid AST system granted New Technology Add-on Payment (NTAP)

The US Centers for Medicare & Medicaid Services (CMS) offers manufacturers the ability to apply for an NTAP code, providing additional payment to hospitals above the standard Medicare Severity Diagnosis-Related Group (MS-DRG) payment amount.

In August 2024, CMS announced that ASTar System had been awarded NTAP funding. The NTAP reimbursement will be available to US hospitals for Medicare patients in the amount of USD 97.50 per eligible patient. The funding will be effective for three years, from October 2024 through September 2027. Cases involving the use of the ASTar system that are eligible for NTAP will be identified by a unique code.

“I do believe that ASTar has a high potential to positively impact clinical care”

Rebecca Yee, PhD, D(ABMM), M(ASCP), Chief of Microbiology, Assistant Professor of Pathology, George Washington University, Washington D.C., USA

What was your first encounter with Q-linea and ASTar?

I first encountered Q-linea and ASTar at a scientific conference focused on infectious diseases. It was a fantastic opportunity to see their innovation in action. I was able to meet their knowledgeable team, who provided valuable insights into the technology and its applications, and I even got a hands-on demonstration of the instrument, which showcased its capabilities and ease of use.

You've had some hands-on time evaluating ASTar: Can you tell us a bit about the study?

Our study is to evaluate the performance and clinical impact of ASTar for utility in our hospital in a metropolitan city. We compared the ASTar to our standard of care method which is the MicroScan Walkaway platform. For performance, we compared the rates of categorical and essential agreement between the two platforms and the time to actionable results, as defined as the time from positive blood culture to availability of AST report. To determine the impact that ASTar has on clinical care, our antimicrobials stewardship team, consisting of an infectious disease physician and infectious disease-trained pharmacist, reviewed the AST report generated by ASTar to propose follow-up hypothetical clinical decisions.

How does ASTar differ from your existing systems or routines?

The conventional workflow for positive blood cultures begins with the detection of microbial growth in automated blood culture systems, indicated by a flagged positive bottle. We then perform Gram-stains, subcultures, and run a rapid PCR panel for identification and genotypic susceptibility testing with results within 2 hours. Unlike ASTar, which is a rapid phenotypic test that contains a wide diverse panel of antibiotics, genotypical susceptibility platforms only contain a very limited number of genetic markers for antimicrobial resistance. Antibiotic resistant mechanisms for Gram-negative organisms are complex and as such, we still need to perform conventional phenotypic antimicrobial susceptibility testing which takes another 24 hours after a pure isolated colony is obtained. Another advantage of ASTar is that comprehensive phenotypic susceptibility testing can be performed directly from positive blood culture bottles without the need to isolate pure colonies, a process that can further delay care. We currently do not have rapid phenotypic susceptibility in-house and ASTar has the potential to fill in the gap.

After using ASTar, what are your conclusions?

Our study demonstrated ASTar's excellent performance with essential agreement of >90% for all antimicrobials tested using a panel of diverse Gram-negative organisms including multidrug-resistant organisms. Compared to our existing workflow, ASTar enables results within 11 h from positive blood cultures, which is 36 hours faster. Our preliminary analysis of hypothetical clinical impact revealed that ~90% of the cases would have resulted in antimicrobial change consisting of de-escalation, escalation, route of administration adjustment, target source optimization and dose adjustment. Potential clinical impacts were exposure to fewer antibiotics, fever side effects and decreased length of stay. In all cases, vancomycin, an antibiotic for Gram-positive organisms, was stopped. As a laboratory leader, not only do I care about the performance of new technology but also, the ease-of-use for my laboratory staff. All the lab users agreed that the ASTar system is easy to use with a very simple one-step transfer, simple and clear user interface, and consumables that are reasonably-sized.

Do you believe that ASTar can impact patient outcomes?

It is imperative to promptly initiate patients on appropriate empirical antimicrobial therapy, as prolonged delays in receiving adequate therapy have been shown to correlate with higher mortality rates. That said, yes, I do believe that ASTar has high potential to positively impact clinical care. With ASTar's rapid turnaround time, clinicians will be able to receive a full antibiotic susceptibility report at least a day earlier than traditional methods. ASTar can then improve antimicrobial stewardship and decrease the time to optimal therapy in the form of escalation or de-escalation of antibiotics. Patients may also lower their risk of side effects from treatment of broad-spectrum antibiotics or empiric therapy. Implementation of ASTar also has the potential to lower healthcare costs by decreasing the length of hospital stay.

“Partnership with Q-linea aligns exactly with AMICO's IVD commitment to deliver impactful technology to the health-care market, specifically to sepsis management teams”

Sherif Harydi, Business Development Director, AMICO Group

Can you tell us about AMICO Group?

AMICO is a leading regional healthcare commercial corporation and IVD distributor with a strong presence across the entire Middle East region – 13 countries, so far. The company has been in the region for decades now – more than forty years – and AMICO has been dedicated to bringing innovation and diagnostic solutions to healthcare providers, enabling them to deliver exceptional patient care. Our mission, specifically in In vitro diagnostics (IVD), is to bridge the gap between cutting-edge technologies and the diverse need for healthcare systems in the Middle East region.

How did you first encounter Q-linea and the ASTar System?

I personally first learned about Q-linea and the ASTar System through my continuous search for innovations that address the critical gap in diagnostics and patient management, specifically for sepsis. Sepsis is always high on the radar for ID doctors and clinical microbiologists, and having sepsis solutions like ASTar is going to change the whole patient management scenario in their hospitals. The real potential of ASTar is to significantly improve antimicrobial stewardship and accelerate targeted therapies, and this is how it caught my attention. Partnership with Q-linea aligns exactly with AMICO's IVD commitment to deliver impactful technology to the healthcare market, specifically to sepsis management teams.

What are your plans for introducing ASTar in the Middle East?

Our work has a three-phased approach. The first phase is to build awareness and educate healthcare professionals about the benefits of rapid AST and its role in patient care and combating Antimicrobial Resistance (AMR). The second phase is to promote adoption by identifying key leadership hospitals and reference laboratories and showcasing to them ASTar's capabilities through pilot programs and partnerships. Lastly, we will push market expansion by collaborating with big institutions, governmental bodies and the private sector to integrate ASTar into their AMR programs and action plans. This will ensure the delivery of precise and rapid AST and make it available across the entire region.

What's your view on the necessity of ASTar in the Middle East?

The Middle East in general has significant challenges with AMR. Firstly, because it is a very diverse region with a lot of international travel. For example, in Dubai, we have more than 200 nationalities living and travelling from every direction on the globe. Secondly, significant challenges are driven by the high rates of antimicrobial misuse, limited diagnostics infra-structure, and the growing burden of Healthcare-Associated Infections (HAI). So, the ASTar system will address this urgent need by providing rapid and accurate AST, and this capability can transform how clinicians in the region will approach patient care, enabling timely, targeted therapies and, of course, the ultimate goal of reducing the risk of AMR proliferation.

How do you feel ASTar could help hospitals and patients

ASTar can revolutionise patient care in many ways. If we talk about hospitals, it enhances infection control programs, guides precise antimicrobial prescription, reduces broad-spectrum antibiotic use or misuse, and supports compliance with AMR stewardship programs. We have been hearing about AMR stewardship programs for decades now, but we don't really see their proper implementation or ownership. We think ASTar will be a great help to achieve that. For patients, by delivering rapid results, ASTar can help ensure timely and effective treatment to improve clinical outcomes, minimise complications, and reduce hospital stay. The ASTar System's efficiency and reliability can alleviate the strain on healthcare resources and benefit the overall healthcare system.

Which aspects of rapid AST systems are most valuable for the future? How does ASTar meet these needs?

For me, the answer is simple: any successful diagnostic has an ideal combination of speed, accuracy, and ease of use. The speed, delivering actionable results within a few hours, is going

The real potential of ASTar is to significantly improve antimicrobial stewardship and accelerate targeted therapies, and this is how it caught my attention.

Sherif Harydi,
Business Development Director, AMICO Group

to facilitate early and precise treatment decisions, which is very important. The second element is accuracy, you need to have reliable data and reliable results to drive the antimicrobial therapies. The last is ease of use, you shouldn't need somebody with a PhD to be able to run the test. This all comes together in ASTar – excelling in all these three areas where we can deliver fast and accurate results while still being easy to use.

Thank you for sharing your insights about partnering with Q-linea and selling the ASTar System, is there anything else you would like to add?

We are so excited here, and the team feels the same way. Many colleagues at Q-linea know that we are just starting our IVD journey under the AMICO umbrella, and when we talk about sepsis management tools, advancements, and innovation, we grab the attention of the board of directors here at AMICO. They express their willingness and support for cooperation in that direction, believing that this will bring high value to the whole offering of AMICO, not only the IVD division. We are excited to bring ASTar to the Middle East, knowing the potential and knowing what it can deliver differently in terms of patient care and AMR management. At AMICO, we remain committed to fostering this partnership, and we look forward to collaborating and collaborating with you and all stakeholders to create a successful and healthier future for everyone.

LIFETIMES - a Health Economics study sponsored by Q-linea

The LIFETIMES study is an important part of our clinical strategy to demonstrate ASTar's safety and value in a clinical setting and investigate its health and economic impact during the treatment of Intensive Care Unit (ICU) patients with bloodstream infections and sepsis.

The study focuses on AST for Gram-negative bacteria, including fastidious bacteria, directly from positive blood cultures, and is being conducted at several sites across Italy, a country with a high prevalence of antimicrobial resistance.

We aim to show that ASTar improves Quality-Adjusted Life Years (QALYs) for patients, helps combat antibiotic resistance and improve infection control measures, reduces hospital costs, and streamlines laboratory and clinical workflows. HEOR studies are important in this process, enabling decision-makers to evaluate how implementing a new system can benefit their existing routines and improve patient outcomes[1].

LIFETIMES is a prospective study, meaning clinicians are using ASTar results in a real-world setting to adjust the treatments given to their patients.

In June 2023, we were proud to announce that the first patient had been enrolled in this multi-centre study, and in March 2024, we presented interim results for the first time at the AMCLI congress in Italy.

Preliminary results demonstrated ASTar can reduce the time to optimal antibiotic therapy by over 30 hours, which could potentially improve the quality of patient care and reduce their overall length of stay in the ICU and hospital. Empiric antibiotic therapies could be adjusted sooner, potentially saving costs and preventing the emergence of antimicrobial resistance.

For healthcare professionals, ASTar lessened the burden of laboratory and clinical workflows, streamlining the treatment process and enabling doctors to act sooner and with greater confidence – at least one day earlier when compared to their current methods. The average cost of an ICU patient in the ICU is $32,000[2], and ongoing cost-utility analysis will discern if ASTar can reduce this amount through expedited and improved care and earlier patient discharge. If so, this would generate substantial savings for hospitals.

We will be sharing the full results from this study in a peer-reviewed publication.

Evaluations of ASTar with successful results

Several other external evaluations of ASTar were performed in 2024. Results from these studies were presented at multiple conferences worldwide. This included evaluations at several sites across the US, a key geographic market expected to see widespread adoption of rapid AST technologies in the coming years. In these evaluations, positive blood cultures from septic patients were tested using ASTar, and performance and theoretical patient outcomes were compared to those of the routine AST methods used in each hospital.

In mid-2024, we hosted a webinar on www.360dx.com/, inviting two study sites to share their data.

Recorded presentation from a workshop held at the AMCLI Congress, March 2024

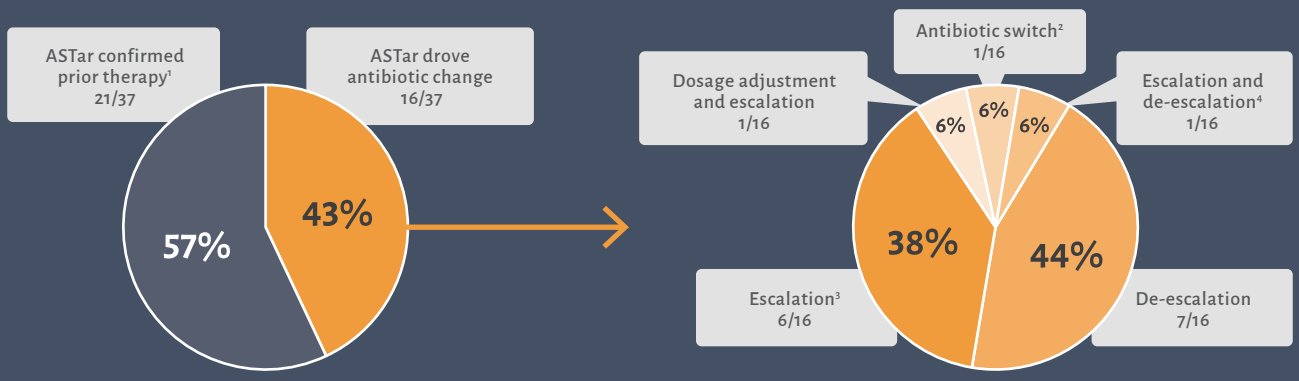
Title: **LIFETIMES – Risultati preliminari di uno studio multcentrico di Health Economics** (English subtitles)

Prof. Maurizio Sanguinetti, Universitá Cattolica del Sacro Cuore, Rome, Italy.

Preliminary results from the LIFETIMES study

In 2024 we presented preliminary data from the LIFETIMES study at multiple congresses worldwide. We are please to share some of this preliminary clinical data here, showcasing how ASTar has already made an impact during BSI patient care.

Clinical impact and treatment changes facilitated by ASTar



1. In three cases the patients died before clinican could act upon ASTar results

2. Due to anaphylactic shock to empiric therapy
3. In one case, ASTar outperformed genotypic results (AmpC)
4. De-escalation of Pip-tazo to Cefepime, escalation by addition of Gentamicin

What do these changes mean for clinicians and patients?

Sooner confirmation of prior therapy

Initial therapy was confirmed as appropriate for the patient and their infection.

- Earlier AST results save time, money, and resources in the hospital
- Reduces unnecessary antibiotic use and prevents patient complications that could results from prolonged infection or treatment

Escalation

Addition of a new antibiotic or switch to a broader-spectrum antibiotic.

- Can prevent resistance due to ineffective treatment, ensuring the patient is cleared of the infection and preserving antibiotic efficacy

De-escalation

Narrowing of antibiotic spectrum or discontinuation of one or more antibiotics.

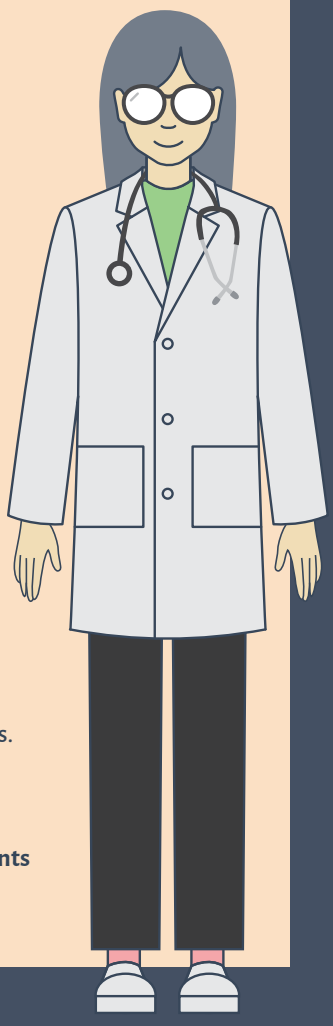
- Minimises exposure to broad-spectrum antibiotics and reduces resistance risk
- Patient is less likely to experience antibiotic toxicity or other adverse events
- Can preserve the efficacy of carbapenems and other high-value antibiotics
- Monetary savings from fewer antibiotics used

Dosage adjustment

Prior antibiotic therapy was correct, but dosage must be adjusted for optimal effectiveness.

- Reduces resistance development or other adverse events in the patient
- Can contribute to lower treatment costs

Sooner appropriate, targeted therapies can lead to faster recovery, benefiting both patients and hospitals, and contributing to improved Antimicrobial Stewardship.



Sustainability is an integral part of Q-linea's vision

Developing tools for improved diagnosis of bacterial infectious diseases, particularly serious illnesses such as sepsis, where incorrect treatment or treatment with effective antibiotics administered too late can have fatal consequences, means working toward a sustainable world. Q-linea's vision is to help ensure that antibiotics continue to be an effective treatment for future generations. This gives sustainability an even broader significance..

In 2024, Q-linea continued its work in the three areas of governance, environmental and social responsibility (ESG). The work was conducted by an interdepartmental group led by the Managing Director Anders Ljunggren.

Corporate governance

An important objective for Q-linea's governance is better documentation of the Company's sub-suppliers. This work continued in 2024, and the processes for this purpose and how suppliers are to be monitored and evaluated are continually being refined. Q-linea has a Supplier Code of Conduct that all its sub-suppliers are expected to comply with. It is available on Q-linea's website.

Environment

Q-linea is adamant about preserving and protecting the environment in all parts of its business. The Company seeks to minimize its direct and indirect negative environmental impact and to continuously lessen its environmental impact by maintaining sound work procedures and using environmentally friendly technology. The company's environmental policy includes an effort to implement and maintain an environmental management system in accordance with ISO 14001 to conduct environmental work in a structured manner. Q-linea has implemented a multi-process environmental management system where most of the requirements of ISO 14001 are covered but has not yet planned any certification of the environmental management system..

The Company's environmental responsibility can be described in the following four areas:

Production

In its own production operations, Q-linea recycles waste and residual products via Ragn- Sells, which is ISO 14001 certified. It also purchases packaging from manufacturers that are ISO 14001 certified.

Q-linea shall:

- ✔ Comply with applicable environmental protection laws and regulations at local, national, and international levels.
- ✔ Engage in safe, resource-efficient and environmentally friendly production and development.
- ✔ Use natural resources effectively. Q-linea currently purchases green electricity, meaning electricity that comes from renewable energy sources.
- ✔ Lower energy consumption and emission of greenhouse gases in every part of the organisation, both during development and manufacturing of components and during future use of the systems.
- ✔ Consider environmental criteria when selecting suppliers.

The product

Q-linea seeks to ensure that all the components in its products are recyclable. However, consumables on users' premises must be regarded as infectious waste and are currently destroyed for the purpose of infectious disease control, primarily through incineration. This also applies to items that have come into contact with antibiotics, which are incinerated to prevent the release of the antibiotics into the environment. However, Q-linea is evaluating alternatives.

Transports

Q-linea shall consider environmental criteria when selecting suppliers and utilise electric transport where possible. Electric trucks have not yet been implemented widely, and Q-linea has chosen carriers that are ISO 14001 certified as its preferred alternative.

Travel

Q-linea shall consider environmental criteria when selecting suppliers and seek to communicate digitally while continuously evaluating various environmentally friendly travel alternatives. During 2024, we continued using digital communication, which gives employees flexibility in where they work when appropriate

Q-linea's overall sustainability goals are set out in the company's vision. This is complemented by important programs and measures for the company's environmental and social responsibility.

with respect to the operation. Q-linea has also continued to utilise the option for employees to participate in large trade fairs and conferences digitally to give more employees the opportunity to engage in continuing education and to stay up to date in their field without needing to travel to these conferences.

Social responsibility

Social responsibility is one of three areas where Q-linea concentrated its sustainability efforts during the year. Q-linea's philosophy is that all employees are equally valuable and should have the same opportunities regardless of individual differences. In fact, Q-linea believes that these differences improve its capacity to develop and change and are an asset to the organisation. The Company's diversity efforts focus on eliminating discrimination and instead valuing and cultivating diversity. Two of the six members of Q-linea's Board of Directors are women, including the Chairperson. Q-linea continually reviews its processes to ensure that they function properly in terms of taking diversity into consideration when hiring employees and consultants. In 2024, Q-linea implemented initiatives to make the development of existing employees more structured and active.

Some important objectives are to:

- ✔ Achieve a high level of dedication to the Company's operations and vision.
- ✔ Be an attractive employer for current and future employees.
- ✔ Support diversity.
- ✔ Offer environmental training courses when relevant.

Interaction with academia is an important part of Q-linea's social responsibility. Q-linea interacts a great deal with Uppsala University. In recent years, the company has received students who have completed their education at Q-linea with a degree project. In addition, Q-linea regularly receives study visits from the university's undergraduate and postgraduate programs.

The Q-linea share

Q-linea AB (publ) is a Swedish public limited liability company whose share has been listed on Nasdaq Stockholm since 7 December 2018.

Market capitalisation and trading

The Q-linea share has been listed on Nasdaq Stockholm since 7 December 2018. The Company's market capitalisation at year-end amounted to SEK 434 million (434). The share is part of the Small Cap segment. The Company is classified as a health - care company. The listing enables the Company to execute its long-term strategy by broadening its ownership base, thereby contributing to increased awareness of the Company and its operations and creating access to the Swedish and international capital markets.

Share capital and number of shares

The Company's share capital at year-end amounted to SEK 5,858,318.60 (5,858,318.60), distributed between 117,166,372 (117,166,372) shares. Of the total of 117,166,372 shares outstanding at year-end, 328,472 were treasury shares. Each share carries one vote per share and the quotient value per share is SEK 0.05.

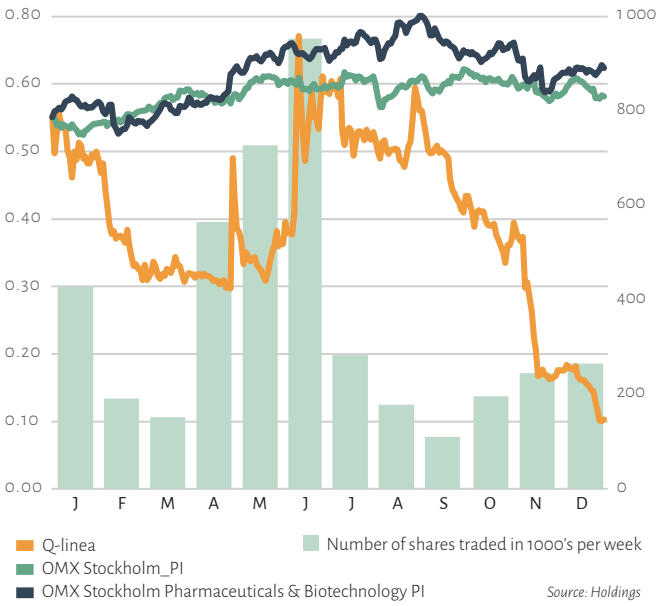
Share capital trend

	Number of shares, thousand	Share capital, SEK thousand
Opening balance at 1 January 2023	**29 538**	**1 477**
Rights issue in July 2023	87 628	4 381
Closing balance 31 December 2023	**117 166**	**5 858**
Opening balance at 1 January 2024	117 166	5 858
Closing balance 31 december 2024	**117 166**	**5 858**

Share turnover

In 2024, a total of 621.1 million (65.9) shares were traded at a value of SEK 273 million (341). An average of 2,474,634 (263,543) Q-linea shares were traded each day.

Share price trend and turnover



Shareholder information

Q-linea communicates with its shareholders and the public through several channels. Information disclosed through press releases, interim reports and annual reports is published on the Company's website: www.qlinea.com. Material from presentations of interim reports can also be downloaded from the website by journalists, investors, analysts and other stakeholders. Q-linea's website is the primary channel for the annual report and copies will not be sent to shareholders unless expressly requested.

Shareholders at 31 December 2024[1)]

	Number of shares	Number of shares and votes
Nexttobe AB	62,712,440	53.52%
Fjärde AP-fonden	8,721,770	7.44%
Investment AB Öresund	7,603,922	6.49%
Nordnet Pensionsförsäkring	5,477,538	4.68%
Ulf Landegren	1,703,004	1.45%
Mats Nilsson	1,030,654	0.88%
Avanza Pension	778,519	0.66%
SEB-Stiftelsen	715,000	0.61%
Handelsbanken Fonder	680,029	0.58%
Aktie Ansvar Sverige	675,000	0.58%
SEB Investment Management	601,720	0.51%
Hans Malm	568,000	0.48%
Cancerfonden - Riksföreningen Mot Cancer	566,699	0.48%
Thorvald Hall	550,066	0.47%
Daniel Redén	504,716	0.43%
Jonas Jarvius	485,857	0.41%
Johan Stenberg	473,509	0.40%
Guntis Brands	470,007	0.40%
Christian Lindström	426,570	0.36%
FCG Fonder	399,453	0.34%
Holdings, 20 largest shareholders	**95,144,473**	**81.20%**
Other shareholders	22,021,899	18.80%
Total number of shares	**117,166,372**	**100%**

[1)] Ownership may refer to personal ownership or ownership through a company.
Source: Monitor

Financial objectives

Until the establishment of ASTar in the US and European markets, Q-linea's objective will be for the Company to be in a strong financial position in order to ensure that its product development and launch programmes and its expansion of production can proceed according to plan. Q-linea will continue to focus on the launch of ASTar.

Dividends and dividend policy

Available financial resources are reinvested in the operations to finance the Company's short-term and long-term strategies. The Board's intention is thus not to propose the payment of any dividends to shareholders before Q-linea generates long-term sustainable profitability.

Any future dividends and their amount will be determined based on the Company's long-term growth, earnings trend and capital requirements, taking into account targets and strategies applicable at any time. Any dividends proposed are to be carefully considered against the targets, scope and risk of the operations..

Share-based incentive programmes

At the end of 2024, Q-linea had two share-based incentive programmes in the form of employee share option programmes. One performance-based incentive programme (LTIP 2021) ended towards the end of the year and the performance share rights expired since the performance targets were not met. These programmes are described in detail in the Corporate Governance Report, in the section "Share-based incentive programmes" on pages 48–50 as well as in Note 9.

Analysts

These analysts regularly follow Q-linea's performance:

ABG Sundal Collier

- **Sten Gustafsson:** sten.gustafsson@abgsc.se

Redeye

- **Johan Unnerus:** johan.unnerus@redeye.se

Board of Directors' Report

The Board of Directors and Managing Director of Q-linea AB, corporate registration number 556729-0217, with its registered office in Uppsala, Sweden, hereby submit the annual report for 2024 financial year.

Operations

Q-linea develops innovative solutions for improved infectious disease diagnostics through the manufacturing of instruments and consumables that benefit patients, healthcare providers and society. Q-linea's solutions enable healthcare providers to diagnose and treat infectious diseases in the shortest possible time.

The Company's leading product, ASTar, is a fully automated instrument for rapid susceptibility testing of positive blood cultures that provides results in about six hours. ASTar is expected to shorten the time it takes to identify a suitable antibiotic treatment for patients with sepsis by up to 40 hours. The method has substantial potential to save lives, reduce hospital costs, avoid unnecessary antibiotic treatment and slow the development of resistant bacteria.

In addition to ASTar, Q-linea has also developed a portable blood culture unit called Podler. The Podler technology could enable a crucial step in blood culturing for patients with blood infections, of which sepsis is the most serious condition. Podler is a handheld autonomous device for incubating and detecting growth in blood bottles. The technology makes it possible to make use of valuable transportation time that is wasted with traditional methods. Using the transportation time can enable much faster response times for patients with blood infections and ensure that equal care is provided to all patients with serious infections. The Board of Directors has decided to develop the Podler technology in a separate subsidiary, so that Q-linea can focus on the Company's core product, ASTar.

Q-linea was founded in 2008 by scientists from the Rudbeck Laboratory at Uppsala University, together with Olink AB and Uppsala University's holding company, UUAB, and is now a Group with subsidiaries in the US and Italy, while the Parent Company conducts its operations in Uppsala. In addition to management functions, the Parent Company's activities mainly comprise development and production.

Significant events during the financial year

At the beginning of the year, Q-linea had employees in Sweden, Italy and the US as well as partners in the UK, France, Belgium, the Netherlands, Norway, Finland, Estonia, Lithuania and Poland. Q-linea signed two new partner agreements during the year: one with Mecro Srl. for the Romanian market and one with Amico Group covering the GCC region.

In April, the FDA granted the ASTar system 510 (k) market approval, allowing its launch in hospitals and laboratories in the US, and in May the company could announce that an evaluation contract had been signed with a reference laboratory.

In August, the US Centers for Medicare and Medicaid Services (CMS) announced that Q-linea's ASTar system had been granted NTAP financing. Remuneration will amount to USD 97.50 per eligible Medicare patient in US hospitals and the funding will run for three years, from October 2024 until September 2027.

In October, a US reference laboratory completed its analytical evaluation of the ASTar instrument and the Gram-negative panel, and a US National Cancer Institute-designated cancer centre started its clinical evaluation.

In May, Q-linea announced that the Podler technology had been transferred to a separate subsidiary and valued at SEK 70 million, resulting in a corresponding improvement in the Parent Company's equity.

In January, the Company won its first public tender in Italy for rapid AST. The ASTar system was selected as the preferred system based on the highest score between technical and pricing criteria. Q-linea received another commercial order in Italy in June and a third in November.

In May, Q-linea received an extended loan facility from the Company's principal owner, Nexttobe. The extended loan facility of SEK 60,000,000, together with the existing facility of SEK 41,500,000, can amount to a maximum of SEK 101,500,000 on full utilisation.

The Board resolved in November to conduct a rights issue to raise approximately SEK 225,000,000 and to enter into an agreement for a bridging loan facility to secure the Company's financial needs until the completion of the rights issue. Underwriting from external investors and existing shareholders and the subscription undertaking from Nexttobe, the Company's largest owner, covered approximately 80% of the issue. An extraordinary general meeting in December approved the Board's decision to issue new shares and warrants with preferential rights for existing shareholders and authorised the Board to, with deviation from shareholder preferential rights,

to resolve on the issue of shares and warrants as compensation to those who had entered into guarantee commitments in the rights issue.

Product development

ASTar kit products

Development of the Company's upcoming kit products continued during the year. The development strategy is based on the components for coming products being largely identical with those of the gram-negative product, which will enable greater synergies in production and storage.

The Company has also refined its own process and production line for dispensing, drying and quality control of antibiotics in the AST disc. The new process significantly reduces production costs, increases production capacity and enables more flexible production planning. Given the generic nature of the equipment and process, they can also be used for all other products going forward.

In 2024, the Company's product for analysis of gram-negative bacteria received regulatory approval from the FDA (510(k) clearance). A new project aimed at developing an improved version of the US version of the product also began during the year.

The CE-marked product was improved through the addition of the drug Meropenem-Vaborbactam. It has been possible to coordinate the clinical trials with the Company's trials in the US, which meant that resources could be used efficiently. Meropenem-Vaborbactam is a combination drug of a Carbapenem and a beta-lactamase inhibitor with enhanced activity against gram-negative organisms.

ASTar Instrument

During the year, the Company continued to work on improvements to update the hardware components in the instrument and to make it more robust. The work aims to ensure compatibility with new hardware components and to simplify or reduce the need for service measures for the instrument.

Regulatory studies

Following market approval in the US, Q-linea has started a project to expand the product panel. The Company initiated a dialogue with the FDA in this regard and received feedback on plans to begin a new clinical study with a planned start in 2025.

Podler

The development of Podler, Q-linea's portable blood culture technology, was given lower priority during the year in order to focus on building value with the ASTar platform. The Board has continued to explore different options to determine the best way to commercialise the technology, and discussions with potential partners and investors are ongoing.

The Annual General Meeting

In addition to the matters normally addressed, the Annual General Meeting in June 2024 voted to re-elect Erika Kjellberg Eriksson, Hans Johansson, Mario Gualano, Finn Sander Albrechtsen and Karin Fischer and to elect Jonas Jarvius as a new director. Erika Kjellberg Eriksson was re-elected Chairperson of the Board and Mario Gualano was re-elected as Deputy Chairperson.

As proposed by the Nomination Committee, the Annual General Meeting resolved to appoint the registered accounting firm Öhrlings PricewaterhouseCoopers AB as the Company's auditors.

The Annual General Meeting also resolved, as proposed by the Board of Directors, to authorise the Board, on one or more occasions during the period until the next Annual General Meeting, to decide to increase the Company's share capital by a maximum of 20% of the Company's registered share capital at the time the authorisation is exercised for the first time. The Board may decide to issue shares, warrants and/or convertibles by disapplying the preferential rights of the shareholders and/or with payment through contribution in kind, by offset or on terms in accordance with Chapter 2, Section 5, Paragraph 2, Subsections 1-3 and 5 of the Swedish Companies Act.

Issues in accordance with this authorisation are to be on market terms. It was also resolved, in accordance with the Board's proposal, to introduce an employee share option programme ("Employee Share Option Programme 2024/2027"), to be conditional on participants entering into an option agreement with the Company. The Board also resolved to wind up the existing employee share option programmes 2021/2024 and 2022/2025 and to cancel the underlying warrants, which required approval from participants. Employee Share Option Programme 2023/2026 was never implemented, as the value of the programme decreased substantially after the rights issue conducted after the 2023 General Meeting.

The Annual General Meeting also approved the Board's proposal to expand the loan facility from the Company's principal owner, Nexttobe AB, by SEK 60,000,000. Nexttobe AB is considered a related party since it owns approximately 53.52% of the shares in the Company. The total loan facility from the Company's principal owner, Nexttobe AB, thus amounts to SEK 101,500,000 and extends until 30 June 2026 at the latest.

Financing

The loan commitment from the Company's principal owner, Nexttobe AB, that amounted to SEK 41,500,000 at the beginning of the year was expanded by SEK 60,000,000 at the Annual General Meeting. As of 31 December 2024, SEK 99,500,000 of the loan commitment had been utilised.

On 5 November 2024, the Board resolved to conduct a rights issue with preferential rights for the Company's existing shareholders and to enter into an agreement for a bridging loan facility of approximately SEK 40,000,000 to secure the Company's financial needs until the completion of the rights issue. An extraordinary general meeting on 6 December approved the Board's decision. Assuming that the issue is fully subscribed for, the Company will raise approximately SEK 225,000,000 before issue costs. The Company can also raise additional capital in conjunction with the exercise of warrants issued under the rights issue. Subscription and guarantee commitments amounted to approximately 80% or SEK 180,000,000. As of 31 December, the entire bridging loan facility had been utilised, corresponding to SEK 40,000,000.

Significant events after the end of the financial year

- The first US customer signed a commercial contract and negotiations continued with a major reference laboratory.
- The Company announced the outcome of the rights issue, which was 90.5% subscribed, corresponding to approximately SEK 204 million before transaction costs, and conducted a directed issue at a value of approximately SEK 13 million to underwriters in connection with the completed rights issue.
- The Company won its first public tender in Belgium and received a second contract in the US.
- Q-linea convened an extraordinary general meeting with a proposal to reduce the Company's share capital by SEK 177,931,523.84 by allocating it to unrestricted equity.
- A framework agreement was signed with a large US reference laboratory.
- The Company published a company and market update.

Research and development

The Company's ongoing development of its core product, ASTar, a fully integrated and automated system for rapid susceptibility testing of bacteria in clinical samples, continued successfully during the year. The Company develops both consumables and instruments as well as related software. The first consumable on the that can be used with the ASTar instrument on the market is aimed at sepsis (blood poisoning) and today we have a product for analysis of gram-negative bacteria from samples taken from patients with suspected sepsis that has been approved for clinical use.

Sepsis is a critical condition that occurs when the immune system overreacts to an infection. This reaction can be extremely serious, impacting most of the body's organs, potentially resulting in permanent organ damage or death.

An important step in the Company's product development in 2024 was receiving regulatory approval from the FDA (510(k) clearance) for the ASTar platform and the product for analysis of gram-negative bacteria. The Company also continued to develop additional applications for the ASTar platform and to carry out improvements and updates to make the hardware components in the instrument more robust.

Multi-year overview

Amounts in SEK thousand	2024	2023	2022	2021	2020
Income statement					
Net sales	2,362	4,440	12,788	9,335	243
Operating result (EBIT)	-213,641	-230,587	-262,247	-232,033	-221,543
EBITDA	-195,878	-213,066	-246,961	-219,844	-215,442

	2024	2023	2022	2021	2020
Financial position					
Total assets	147,990	231,976	229,916	484,460	412,233
Cash and cash equivalents, short-term and long-term investments	25,664	81,895	72,878	346,713	331,256
Equity	-27,456	189,636	163,190	430,454	380,197
Equity/assets ratio, %	-19	82	71	89	92
Debt/equity ratio, %	-415	neg	neg	neg	neg

For definitions of performance measures, refer to Note 27 "Definitions of performance measures". The figures for the years 2021, 2022, 2023 and 2024 pertain to the Group, while 2020 refers to the Parent Company (as the Group consisted only of the Parent Company during this year), see the section "Financial reporting" below.

At the end of 2024, Q-linea's IP portfolio comprised 17 different patent families and three registered design families, with a total of 130 patent applications and registered designs in various geographies. In total, at the end of 2024, Q-linea had 77 patents granted in various geographies. The patents granted comprise those that describe aspects of ASTar as well as patents that relate to potential future products such as a portable blood culture system.

Production and supply chain

The Company has production, inventories, logistics and quality control of its consumables at its production premises on Palmbladsgatan in Uppsala. Production largely takes place in ISO 8-compliant clean rooms. Deployment and quality control of the Company's ASTar diagnostic instruments also takes place at the production premises.

The following significant events and sub-targets were achieved in 2024:

- Continued development of methods and equipment for filling and drying antibiotics. The plan is for them to enter operation in 2025.
- Development of processes to meet future demand.
- Continued optimisation of the production process to minimise the risk of production errors.

Commercialisation

The Company continued to methodically build up a strong network of partners in Europe and the Middle East. During the year, two new agreements were signed with distribution partners: Amico Group, covering the GCC countries, and San Mecro Systems in the Romanian market. The Company is now represented through distribution partners in the UK, France, Benelux, Poland, Norway, Finland, the Baltic countries, Romania and the GCC countries as well as through its own subsidiaries in Italy and the US.

In April, the US Food and Drug Administration (FDA) granted 510(k) approval for the Company's ASTar system, enabling its launch in hospitals and laboratories in the US.

In August, the US Centers for Medicare and Medicaid Services (CMS) announced that Q-linea's ASTar system had been granted new technology add-on payment (NTAP) financing. The reimbursement will amount to USD 97.50 per eligible Medicare patient in US hospitals and will run for three years, from October 2024 until September 2027. Patient cases involving the use of ASTar that are eligible for remuneration will be identified using a unique NTAP code.

Financial reporting

Q-linea has become a corporate group, with Q-linea AB as the Parent Company, and is preparing consolidated financial statements according to IFRS for the third time, in addition to the Parent Company annual report. In addition to the subsidiaries Q-linea Inc (2022) and Q-linea Srl (2023), Q-linea AB established the subsidiary NexttoQ AB during the year as the receptacle for the Podler technology.

Income, expenses and earnings

Net sales for the full year totalled SEK 2,362 thousand (4,440), down SEK 2,078 thousand as a result of fewer instrument sales in 2024. Sales comprised ASTar instruments and associated consumables.

Other operating income for the full year amounted to SEK 3,423 thousand (2,183), an increase of SEK 1,241 thousand, and mainly pertained to the sale of customer-specific prototypes to external customers.

Changes in inventories of products in progress, semi-finished goods and finished goods amounted to SEK -9,431 thousand (2,341) for the full year, mainly due to increased deliveries of Q-linea's products to customers and potential customers. Costs for raw materials and consumables as well as goods for resale for the year totalled SEK -4,044 thousand (-5,786).

The margins for ASTar will gradually improve as volumes increase and the product mix shifts towards a higher share of consumables. The efficiency-enhancement projects under way in the manufacturing division will also contribute to improved margins.

Other external costs totalled SEK -49,985 thousand (-64,083), a decrease of SEK 14,098 thousand. This change was largely attributable to the cost-saving programme carried out by the company, which included a decrease in the number consultants compared with the preceding year.

Personnel costs amounted to SEK -136,593 thousand (-150,643), down SEK 14,050 thousand compared with the preceding year. This was mainly due to the cost-saving programme carried out in 2024. The dissolution of costs in previous periods for employee share option programme and costs for the remaining employee share option programmes amounted to SEK 309 thousand (3,248) for the full year.

Costs for depreciation, amortisation and impairment of tangible and intangible assets amounted to SEK -17,763 thousand (-17,521). This cost increase was primarily attributable to ASTar instruments used in clinical studies, which are now being depreciated.

Other operating expenses amounted to SEK -1,610 thousand (-1,519) for the year and pertained primarily to exchange-rate losses. The operating result totalled SEK -213,641 thousand (-230,587) for the full year, a year-on-year improvement of SEK 16,946 thousand. This improved result was mainly attributable to reduced costs for consultants linked to the reorganisations completed in 2023 and 2024.

The result from financial items totalled SEK -3,230 thousand (1,221) for the full year and primarily pertained to interest costs on loans from the Company's principal owner, Nexttobe AB. No tax was recognised for 2024 or 2023. The result for the year totalled SEK -216,871 thousand (-229,366).

Financial position

Cash and cash equivalents at the end of the financial year totalled SEK 25,664 thousand (81,895). Q-linea's policy is that cash and cash equivalents that will not be used in the daily operations over the coming 12 months are to be invested in fixed-income funds and listed corporate bonds. Q-linea follows an investment policy approved by the Board of Directors. It contains, for example, rules on the management and investment of cash and cash equivalents. The average maximum fixed-interest period permitted is five years for the long-term bonds and investments are made in securities with an investment grade rating or equivalent. Q-linea's short-term investments totalled SEK 0 thousand (0) at year-end.

Financial assets totalled SEK 4,202 thousand (4,146) on the balance sheet date, an increase of SEK 56 thousand compared with 2023.

Other financial assets mainly consisted of participations in EMPE Diagnostics AB amounting to SEK 4,095 thousand (4,095) at the end of the year. Q-linea's holding comprises 23,400 shares, corresponding to 4.97% of the capital and votes.

At the end of the year, equity amounted to SEK -27,456 thousand (189,636), the equity/assets ratio to -19% (82) and the debt/equity ratio to -415% (-43).

Cash flow and investments

Cash flow from operating activities for the full year amounted to SEK -182,495 thousand (-228,521). The change is attributable to an improved operating result.

Cash flow from investing activities for the full year amounted to SEK -5,043 thousand (-7,766), of which SEK -4,991 thousand (-7,766) refers to investments in tangible assets.

Q-linea divested short-term investments amounting to SEK 0 thousand (80,000).

Cash flow from financing activities for the year amounted to SEK 131,273 thousand (245,408).

Future financing and development

Q-linea's first product, ASTar, has been approved for sale in Europe and, following the FDA's approval on 26 April, in the US. However, the Company is yet to generate any positive cash flow and is thus continually engaged in pursuing other financing options. This process includes holding discussions with potential partners for the licensing of distribution and sales rights, negotiations with new and existing investors, financiers and lenders.

On 5 November, the Company announced a rights issue of approximately SEK 225 million, where guarantees had been received for approximately 81% or SEK 183 million. The rights issue was completed in January and was 90.5% subscribed, corresponding to approximately SEK 204 million before issue costs. The underwriters of the issue also decided to invest their guarantee fee instead of receiving it, meaning that the total outcome amounted to approximately SEK 216 million before issue costs. In addition to this first portion, the issue includes a warrant portion with a subscription period in May. This portion is not guaranteed but entails a right for shareholders to subscribe for shares at a discounted price (30% discount on the average price for a period in April). In the event of full utilisation at a subscription price corresponding to the subscription price per share in the Rights Issue, the Company will receive an additional SEK 108 million before issue costs.

As of 31 December 2024, Q-linea's available cash and cash equivalents totalled SEK 25.6 million. The liquidity injection from the first portion of the issue amounted to approximately SEK 143 million. This is the amount remaining after the deduction, from the gross amount of approximately SEK 216 million, of costs of SEK 50 million for off-setting loans, estimated transaction costs of approximately SEK 10 million and approximately SEK 13 million for off-setting guarantee fees. Two bridging loans totalling approximately SEK 50 million are also to be repaid out of this SEK 143 million, meaning approximately SEK 93 million will remain after they have been repaid.

The Board does not consider the available cash and cash equivalents and the liquidity injection from the first portion of the rights issue of SEK 93 million to be sufficient to cover the liquidity needed for the Company to conduct its planned operations for the next 12 months. Should the second, non-guaranteed, portion of the rights issue provide at least SEK 80 million in liquidity, the Board considers this additional injection to cover the liquidity needed for the Company to continue its planned operations for the next 12 months.

In light of the work being done to pursue potential financing options, the Board considers Q-linea's prospects to finance its operations to be favourable.

If the efforts to secure the necessary financing are not successful, this may affect the Group's ability to implement the current business plan and also constitute a significant source of uncertainty regarding the Group's continued operations.

Employees

Q-linea believes that all employees and job applicants should be treated equally. All individuals are equally valuable and should have the same opportunities regardless of individual differences. In fact, Q-linea believes that these differences improve its capacity to develop and change and are an asset to the organisation.

The Company's diversity efforts focus on eliminating discrimination and instead valuing and cultivating diversity. Q-linea has processes to ensure that they function properly in terms of taking diversity into consideration when hiring employees and consultants.

Q-linea had 94 (127) employees at year-end, 41 (53) of whom are women. The number of consultants at year-end was 4 (3), 1 (1) of whom was a woman. The average number of employees during the financial year was 102 (142).

Total salaries, remuneration and social security contributions

amounted to SEK 126,904 thousand (141,035). For information concerning remuneration of the Board of Directors, Managing Director and other senior executives, refer to Note 9.

The share and shareholders

The Company's three largest owners at year-end were Nexttobe AB, the Fourth Swedish National Pension Fund and Investment AB Öresund. A list of the 20 largest owners and a diagram with more information concerning the share are presented in the section "The Q-linea share" on pages 22–23.

Legal considerations

Q-linea is not, and has not been during the past 12 months, a party to any legal proceedings or arbitration proceedings. Nor has Q-linea been informed of any claims that could result in the Company becoming a party to such proceedings.

Sustainability and environment

Q-linea's vision is to save lives and help ensure that antibiotics continue to be an effective treatment for future generations. This gives sustainability an even broader significance.

Specifically, in 2024 Q-linea continued its review of the Company in the three areas of environment, social responsibility and governance. The review was conducted by an interdepartmental group led by the Company's Managing Director Anders Ljungren. First, the project's procedures and level of ambition were defined, and in summer 2021 a gap analysis was performed that resulted in several objectives for 2022–2024.

The basis of strategic and everyday activities is Q-linea's Code of Conduct. The Code is based on the principles of the UN Global Compact, to which Q-linea became a signatory in 2018. Consequently, the Company supports the fundamental principles on human rights, labour, environment and anti-corruption. As part of its sustainability efforts, Q-linea participates, for example, in the Uppsala: 2030 network, a local programme that helps companies define their sustainability goals and then make them actionable.

Another objective for Q-linea's governance is better documentation of the Company's sub-suppliers. For information on the Company's sustainability agenda, see pages 20–21.

Significant risk factors

Risk management is carried out by company management in consultation with the Managing Director and Board of Directors in accordance with the guidelines established by the Board. The risk function includes the identification, evaluation and hedging of financial risks. Effective risk assessments help to align Q-linea's business opportunities and earnings with the requirements of the shareholders and other stakeholders with respect to stable, long-term value growth and control. The company's financial risks and risk management are described in Note 4.

Research and development risks

Q-linea's future growth depends on its ability to develop new products and to further develop and commercialise its existing products. Research and development of diagnostic instruments through to approval is a highly risky, complicated, time-consuming and capital-intensive process. The vast number of circumstances and rules involved means that there is a risk of delays and failure. Q-linea's future success rests on its ability to develop new products, enter into partnerships and successfully develop its own projects through to market launch and sale.

Research and development is a time-consuming and resource-intensive process and, like many other research and development companies, Q-linea may become dependent on external financing of its projects in the core area of in vitro diagnostics. Q-linea now has the first ASTar product approved for sale in Europe and the US. However, the Company is yet to generate any positive cash flow.

Intellectual property protection and patent risks

Although Q-linea has patent protection for its technology, the area of medical technology is nevertheless associated with a number of risks related to intellectual property rights and patents. There is a risk that product development will lead to a product that is impossible to patent,

that current or future patent applications may not result in patents being approved, that approved patents may not provide sufficient protection, that other patents could supersede the Company's own patents, and that Q-linea will use substances, methods or procedures that are patented or patent pending by another party. There is also a risk that competitors could infringe on the Company's patent rights. To date, Q-linea has not been involved in any disputes pertaining to patents or trademarks.

Patents and other intellectual property rights, such as trademarks, are a core asset of the Company's operations and the value of the Company is largely dependent on the ability to obtain and defend patents as well as the ability to protect other intellectual property rights and specific knowledge of the Company's operations. However, the legal position regarding patents for companies in the Company's industry, including the Company, is generally uncertain and comprises complex medical, legal and technical assessments that may result in uncertainty regarding validity, scope and priority regarding a certain patent.

There is a risk that existing and/or future patent portfolios and other intellectual property rights held by the Company will not provide the Company with complete commercial protection.

Even if patents are granted, there is a risk that the protective scope of the patent will be insufficient and that competitors or similar technologies will sidestep the patent. There is also a risk that it will not be possible to maintain the patents granted or that they may become restricted. If the Company does not

obtain patents for its technologies or if the patents are cancelled (for example, due to the discovery of a predicate technology), a third party with the necessary know-how could use the technology without compensating the Company. In addition, a patent has a limited lifetime and the Company's industry is characterised by a high pace of change and innovation, and accordingly, the Company's patents and patent applications could rapidly become unattractive from a commercialisation perspective.

Given that the technology is well protected by patents and know-how, the Company considers the probability of the risk occurring, wholly or partially, to be low and considers the effect of the risk, if realised, to be moderate.

Production risks

The ASTar instrument is produced by an international contract manufacturer with a subsidiary in Sweden as well as global production capacity. This global contract manufacturer has the ability to move production to other regions if this should prove to be desirable. Consumables are produced primarily in-house in rented production premises in Uppsala, while some production steps are handled by contract manufacturers, primarily in Sweden and Germany. Damage to the production facility and associated logistics chains caused, for example, by fire, breakdown, weather conditions, labour conflicts or natural disasters can have negative consequences, partly in the form of direct damage to the production facility and partly in the form of interruptions that slow the production of ASTar or consumables, entailing a risk that the Company will struggle to fulfil its obligations to customers.

Increased raw material or transport costs and incorrect delivery forecasts could also have a negative impact on production and result in bottlenecks in the processes, which in turn could affect the Company's ability to fulfil its obligations to customers. There is also a risk of delivery errors or non-delivery on the part of current or future suppliers for the manufacture of instruments as well as a risk that one or more of the Company's current or future suppliers may choose to discontinue cooperation with the Company (for example, if a supplier is bought out by a competitor of the Company), or that the price of their goods or services may change significantly. The Company has currently not ensured that there are alternative suppliers ("second sources") for all of the Company's components and products, which means that the impact could be significant if delivery errors or non-delivery were to occur, or if prices were to change significantly.

If the product volumes increase, large inventory levels may also be needed to meet demand. The production facilities have the capacity to increase production capacity on relatively short notice. Dependence on external production capacity may increase the risk that deliveries are delayed or do not occur, but this risk is considered limited. The Company has staff dedicated to monitoring how well suppliers are meeting their commitments in terms of both quality and delivery times. As the Company has taken a long-term approach to building production capacity and has collaborated with production partners for a long time, the Company considers the probability of the risk occurring, wholly or partially, to be low and considers the effect of the risk, if realised, to be moderate.

Clinical study risks

Before a medical device can be launched in the market, clinical studies must be conducted. Demands on such studies vary among different geographic markets. Clinical studies are costly and time-consuming, and they are associated with risks such as difficulties in finding clinical partners and in collecting sufficient quantities of patient samples, study costs that exceed the budget and shortcomings by clinical partners as they conduct the study.

There is also a risk of delays in clinical studies. Such delays may arise for a number of reasons, including difficulties in reaching agreements at acceptable terms with clinical partners, delays in receiving ethics approval and difficulties in adding new clinical partners when this is deemed necessary or a clinical partner chooses to discontinue participation in the study.

If delays arise due to circumstances that are difficult or impossible for the Company to control, or if the actions required to continue the studies are considered too expensive or complicated in relation to the scope or objectives of the studies, there is a risk that the studies will be delayed or discontinued.

If the desired results of the clinical study are not achieved, this may result in not receiving market approval, which may in turn delay or obstruct the Company's ability to develop, market and sell the product in question; or it may lead to limited approval, which means that further studies are required in the parts of the study that were not approved. At all stages of development, the Company may discontinue development of its planned products based on its review of available clinical data, estimated costs for continued development, market considerations or other factors. If any of these risks should materialise, this could adversely impact the Company's operations, financial position and earnings.

Risks associated with product approval

The Company is obligated to fulfil regulatory requirements, including receiving regulatory approval according to applicable legislation and regulations, before it can market and sell its products in each market. The process for receiving regulatory approval for medical devices can be long, extensive and uncertain.

Since May 2021, ASTar holds CE-IVD certification, which is required in the EU for the marketing and sale of medical devices (including in vitro diagnostic products). The new In Vitro Diagnostics Regulation (IVDR), which became effective in Europe in 2022, has introduced significantly expanded regulatory requirements for diagnostic medical devices, and the instrument

was granted CE marking in accordance with the IVDR in May 2022. In April 2023, the Company's consumables and analytical software were also granted CE marking in accordance with the IVDR, which have a higher risk classification and must therefore need to be reviewed by a notified body. The Company's notified body TÜV SÜD reviewed the product documentation and quality systems in accordance with the IVDR in 2022, and IVDR certification was obtained in February 2023. In 2023, TÜV SÜD also conducted an annual review according to ISO 13485 and the IVDR with good results.

To receive market approval in the US, a regulatory application containing information including the results of completed clinical studies is required. In the US, the FDA examines both the study protocol and the results of the study. Which requirements apply for the clinical study depends primarily on the required type of classification and regulatory application. After a dialogue with the Company, the FDA confirmed the Company's interpretation that it should use the 510(k) regulatory application mechanism. In a 510(k), the applicant company shows that the new product is of "substantial equivalence" with a comparable predicate device in terms of use, technical properties and performance testing. This means the Company's product will be compared with a product already cleared by the FDA. In 2023, the Company held a continuous dialogue with the FDA, which has probably been facilitated by ASTar's designation as a breakthrough device. In 2023, the Company conducted extended testing and supplemented its ongoing 510(k) application based on feedback from the FDA.

The Company is furthermore obligated to meet local regulatory requirements and other relevant markets. The approval process for medical devices varies between different countries and healthcare systems, which means that it can be difficult for the Company to predict the amount of resources that may be required in terms of time and cost to receive product approvals, particularly for the potential launch of products outside Europe and the US (which are the Company's intended main markets for ASTar). If the Company fails to receive approval for ASTar or future products in relevant markets (in time or at all), or fails to maintain such approvals, marketing and sales of ASTar and potential future products may be delayed or may not take place in certain markets, which could have a significant adverse impact on the Company's operations, financial position and results.

Even after market approval has been obtained, the approved medical devices are continuously evaluated by the Company and the relevant authorities and there is a risk that an approved product may be recalled from the market by regulatory authorities or upon the Company's initiative, for example, for safety reasons, defects in the design or manufacture or defective components.

Recalls or other follow-up actions (such as repair of instruments or communications to relevant healthcare personnel) may demand financial resources and senior management's time, result in damage to relationships with regulatory authorities and result in a loss of market share to competitors.

The regulations to which the Company is subject are complex and have become increasingly demanding over time. In addition to regulations that are specific to in vitro diagnostics products, the Company may also be subject to other applicable regulations in relevant markets, such as environmental regulations. The Company may be negatively affected by changes to government policies or legislation. Strict or amended government policies or legislation in relevant markets may delay, reduce or prevent sales or lead to higher costs. Possible changes to regulations run the risk of not being implemented time or correctly, which may expose the Company to regulatory actions and sanctions or other legal liability.

Given that the Company has undergone ISO-13485 certification, has received CE-IVD approval for its current products (ASTar Instrument and ASTar BC G-) and has been assessed as meeting all the requirements of the new stricter IVDR, and that it has submitted an application for market approval in the US in the form of a 510(k) application to the FDA, and also that the Company has good internal regulatory competence, the Company considers the probability of the risk occurring, wholly or partially, to be low but considers the effect of the risk, if realised, to be high. If any of these risks should materialise, this could adversely impact the Company's operations, financial position and earnings.

Market risks

The Company operates in a global and competitive market that is subject to rapid changes and technological development. A large number of companies are active in the research and development of products that could compete with the Company's products. Some of the Company's competitors have substantial financial resources and these competitors may also have a higher manufacturing and distribution capacity as well as better prospects for selling and marketing their products than the Company does. In addition, the Company's competitors may develop products that are more effective, safer and less expensive than the Company's products.

Research and development in other companies – alongside changes in complementary technology – could lead to the Company's products becoming outdated. Competitors, some of whom have considerable financial and other resources, could overtake the Company in terms of developing products and obtaining official approval, or succeed in developing a product that is more effective and more financially viable. Moreover, the development of products must satisfy clinical praxis and meet patient expectations. There is thus a risk that the Company will be unable to sustain its position in the face of competition. If competing products were to gain market shares or reach the market faster than Q-linea's products, the future value of Q-linea's product and project portfolio could be lower than originally expected.

As the Company regularly analyses the market with regard to competitors and as the Company's first product was developed in close collaboration with end customers, the Company considers that the probability of the risk occurring, wholly or partially, to be low and considers the effect of the risk, if realised, to be moderate.

If any of these risks should materialise, this could adversely impact the Company's operations, financial position and earnings.

Lack of market acceptance

There is a risk that a product that has been approved for marketing and sales may not achieve the desired level of market acceptance from physicians, hospitals, laboratories, healthcare payers and the medical profession in general, which could prevent the Company from generating income or achieving profitability.

Market acceptance of the Company's current and future products by physicians, hospitals, laboratories, healthcare payers and patients will depend on a number of factors that in many cases are beyond the Company's control, including: the clinical indications for which each product is approved, acceptance by physicians, hospitals, laboratories and healthcare payers that the product comprises a safe and effective analysis method, relative user-friendliness, simple administration and other perceived benefits compared with competing analysis methods, the cost of the product and its use in relation to alternative products, the extent to which the product has been approved for procurement by hospital laboratories, whether the product, in accordance with guidelines, has been named as a preferred method for the establishment of treatment preparations for the relevant diagnosis, and restrictions and warnings that are found on the product's approved labelling.

Market acceptance is also dependent on the possibility of adequate reimbursement for the product and related consumables from third parties, such as insurance companies and other healthcare payers. In many countries, reimbursement for ASTar, related consumables and/or any future products is dependent on obtaining a reimbursement code for the procedure and product or on the existence of reimbursement codes for similar products that may be applied. The Company believes that there are reimbursement codes that can be applied to ASTar in both Europe and the US. If this assessment proves to be incorrect or if existing reimbursement codes are not considered to provide adequate reimbursement, new reimbursement codes may be required to achieve the desired market acceptance for ASTar. Obtaining a reimbursement code can be a lengthy process (months to years) and there is a risk that it may not be possible to obtain a satisfactory code. After a new reimbursement code has been obtained, healthcare payers (meaning national healthcare systems or health insurance companies) have to agree to provide coverage for the procedures that use the product related to the code. If laboratories, hospitals and other healthcare facilities do not receive sufficient reimbursement for treatments that are carried out using the Company's products, this could result in declining interest in the Company's products and a loss of sales.

Securing adequate or attractive reimbursement often requires a successful outcome from health economics studies, which are clinical studies designed to demonstrate the cost effectiveness of a product or procedure. There is no assurance that such studies will demonstrate the cost effectiveness of ASTar or other products from the Company, which could adversely impact the Company's operations, financial position and earnings.

Many countries, including a number of EU countries, are increasingly relying on health technology assessment (HTA) to make policy decisions on pricing and reimbursement and to establish best practice on the basis of evidence-based guidelines. HTA refers to the systematic evaluation of the properties, effects and/or impact of health technology. It is a multidisciplinary process to evaluate the social, economic, organisational and ethical issues associated with a health project or health technology. The application of HTA to medical devices is challenging. HTA is a data-driven process and many HTA agencies adopt a strict adherence to the hierarchy of evidence, demanding that technologies are supported by evidence from robust, controlled studies. For many medical devices, such evidence is often limited or unavailable at the time of launch, which may lead to restrictions in market acceptance.

The Company cannot predict what healthcare programmes and regulations will ultimately be implemented in the EU and its member states, in the US (at federal and/or state level) and other target markets or the effect of any future legislation or regulations. However, these types of provisions could materially change the way healthcare is delivered and financed, and may have a material impact on numerous aspects of the Company's business.

In Sweden, like other markets, the Company's products will also be subject to public procurement whereby the Company will compete on the basis of a combination of price and function. Depending on how the calls for tenders in the procurement processes are formulated and which requirements are specified, this could impact the prices of Q-linea's products and thus the Company's earnings. Such procurements often take place once a year or every second year, which could entail changes to price levels on specific occasions.

Furthermore, the Company's efforts to train and make healthcare providers aware of the benefits of the products in comparison with other technologies and processes could fail. Insufficient measures in this regard could lead to the incorrect use of the products, which in turn, could result in unsatisfactory results for patients, injury to patients, incorrect treatment (which could impact price and reimbursement levels), negative

publicity and/or legal action. Negative media reporting may prevent broad acceptance of the products, which increases the risk of unexpected results in the market. A lack of market acceptance from laboratories and other relevant healthcare players could impact the Company's reputation and general demand for the Company's products and hinder the commercial success of the current and future products.

Based on feedback from customers and institutions that have evaluated ASTar, the Company considers the probability of the risk occurring, wholly or partially, to be low and considers the effect of the risk, if realised, to be high.

Ability to manage growth

The Company is in an expansion phase with approved products in Europe, and the Company's ability to manage growth is crucial to its future success. Among other objectives, the Company is aiming to expand its own sales organisations in the US and other relevant countries in order to accelerate its market penetration. The Company's intended markets could thereby grow considerably by way of a rapid increase in demand for the Company's products, which would place major demands on the Company's management and operational and financial capacity as well as the ability of the Company's suppliers to increase the pace of delivery of finished products (or components included in products). In pace with this, the Company's operations would also need to expand by way of an increased personnel and the implementation of efficient planning and management processes to effectively implement the business plan in a rapidly developing market.

If the Company and its suppliers do not succeed in managing increased capacity requirements, this could lead to the Company's prospective customers selecting competing products instead, which could have an adverse impact on the Company's operations, financial position and earnings.

The Company considers the risk that it will not have the ability to manage growth to be low and considers the effect of the risk, if realised, to be moderate.

Key employees and recruitment

Q-linea's success is largely dependent upon its key employees and qualified staff and the extensive expertise and experience held by these individuals in the Company's area of operation. If Q-linea were to lose key employees and/or was unable to recruit additional qualified staff at the necessary pace in order to meet its future needs, this could delay or interrupt the development of the operations. There is a risk that it may be impossible to conduct recruitment on satisfactory terms as a result of the competition for labour with other companies in the industry, universities and other institutions.

The Company aims to reduce the risk of losing key employees by creating and maintaining a positive work environment with good working conditions. Q-linea is mainly located in Uppsala, a town that is home to a wealth of people with the skills needed in the industry, which provides the Company with ample recruitment possibilities.

The Company considers the probability of the risk occurring to be low and considers the effect of the risk, if realised, to be moderate.

Foreign subsidiaries

Q-linea AB has two foreign subsidiaries, one in the US and one in Italy. Operating through foreign subsidiaries means operating in a foreign jurisdiction, which may deviate to varying degrees from Swedish legislation, jurisprudence and tradition, and which may therefore be more difficult and expensive for Q-linea to navigate (and where it may therefore be more difficult for Q-linea to operate). It also means that, to a greater or lesser extent, parts of the Group's assets are allocated to the foreign subsidiaries and these assets are generally denominated in foreign currency. Overall, this means that there is a risk of a higher cost of legal protection, an increased risk that control over assets will be reduced or lost, and a risk that assets will lose value due to changes in exchange rates. The Company considers the probability that risks associated with establishing operations in foreign subsidiaries will occur, wholly or partially, to be low and considers the effect of the risk, if realised, to be moderate.

Proposed appropriation of accumulated loss

The following accumulated loss is at the disposal of the Annual General Meeting:

	SEK
Share premium reserve	1,482,783
Retained earnings	-1,291,076
Result for the year	-193,297
Total	**-1,591**

The Board proposes that the loss be appropriated as follows: SEK -1,591 thousand to be carried forward. The Board proposes to the Annual General Meeting that no dividend be paid for 2024. For more information concerning the Company's earnings and financial position, refer to the following income statement and balance sheet as well as the statement of comprehensive income and related notes.

Unless otherwise stated, all amounts in the financial statements and accompanying notes are presented in thousands of kronor (SEK thousand).

Corporate Governance Report

Q-linea AB (publ) ("Q-linea" or "the Company") is a Swedish public limited liability company whose shares have been listed on Nasdaq Stockholm's Main Market since December 2018. Q-linea's corporate governance is guided by the Swedish Companies Act, the Company's Articles of Association, Nasdaq's Issuer Rules, the Swedish Corporate Governance Code ("the Code"), the Rules of Fair Practice for the stock exchange and other applicable provisions and recommendations and internal governing documents. These internal governing documents mainly consist of the Board's rules of procedure, instructions for the Managing Director and instructions for financial reporting. In addition, Q-linea also has several policy documents and manuals containing rules, recommendations and principles, which provide guidance for the Company's operations and its employees.

The diagram below provides an overview of Q-linea's corporate governance structure.

Compliance with the Swedish Corporate Governance Code ("the Code")

Q-linea has applied the Code since 7 December 2018, and has undertaken to follow corporate governance best practices wherever possible. The Company did not deviate from any of the rules stipulated in the Code in 2024. In addition, Q-linea was not subject to a ruling by Nasdaq Stockholm's Disciplinary Committee or statement from the Securities Council.

Shareholders

Q-linea's shares are listed on Nasdaq Stockholm. The Company's share capital at 31 December 2024 amounted to SEK 5,858,318.60, distributed between 117,166,372 shares, of which 117,166,372 were ordinary shares and 0 were Class C shares. The shares' quotient value is SEK 0.05. Of these 117,166,372 shares, 328,472 are treasury shares held by the Company. As of 31 December 2024, Nexttobe AB was the only shareholder whose holding in Q-linea represented at least one tenth of the voting rights for all shares in the Company. Nexttobe AB accounted for 53.52% (53.52) of the shares and votes in the Company at year-end and the Company's 20 largest owners are presented in the section "The Q-linea share" on pages 22–23.

General meeting of shareholders

Shareholders exercise their influence in the Company at the Annual General Meeting, or at an extraordinary general meeting where appropriate. Every shareholder who is entered in the shareholder register kept by Euroclear and recorded in a CSD register or CSD account on the record date of the general meeting is entitled to participate personally or vote by proxy.

The general meeting may resolve on any issues related to the Company that do not fall expressly under another corporate body's exclusive competence according to the Swedish Companies Act or Articles of Association.

The Annual General Meeting is held annually within six months of the end of the financial year. The Chairperson of the Annual General Meeting is to be nominated by the Nomination Committee and elected by the Meeting. The business of the Annual General Meeting includes election of the Company's directors and auditors, adoption of the Company's balance sheet and income statement, resolving on allocations of the Company's profit or loss in accordance with the adopted balance sheet, and resolving on whether the directors and the Managing Director should be discharged from liability. The Annual General Meeting also resolves on the fees payable to the directors and the Company's auditors. During the Annual General Meeting, shareholders are also given the opportunity to pose questions to the Board of Directors, management and auditors. Each ordinary share carries one vote, and each Class C share carries one-tenth of one vote. Q-linea's Articles of Association include no restrictions on the number of votes each shareholder may cast at a general meeting.

The Board may also decide to convene an extraordinary general meeting should it determine that a general meeting is required before the next Annual General Meeting. The Board may also convene an extraordinary general meeting should an auditor or shareholder holding more than 10% of the Company's shares submit a written request that a meeting be convened to address a specific matter.

Notice of a meeting should also be published in Post- och Inrikes Tidningar (Official Swedish Gazette) and on the Company's website.

Information that notice has been given will be announced in Svenska Dagbladet on the date of issuing the notice. Notice of an ordinary or extraordinary general meeting at which amendments to the Articles of Association will be addressed must be issued no earlier than six weeks and no later than four weeks prior to the general meeting. Notice of other extraordi-

nary general meetings must be issued no earlier than six weeks and no later than three weeks prior to the general meeting. The minutes of the meeting are to be available on the Company's website within two weeks of the general meeting.

2024 Annual General Meeting

In addition to standard matters, the following resolutions were passed at the Annual General Meeting on 28 June 2024:

- To re-elect directors Erika Kjellberg Eriksson, Hans Johansson, Karin Fischer, Finn Sander Albrechtsen and Mario Gualano, and to elect Jonas Jarvius as a new director. Erika Kjellberg Eriksson was re-elected as Board Chairperson.
- To appoint the registered accounting firm Öhrling PricewaterhouseCoopers AB as auditor.
- To introduce a new employee share option programme ("Employee Share Option Programme 2024/2027") for the Company's employees.
- To authorise the Board of Directors, on one or more occasions during the period until the next Annual General Meeting, to decide to increase the Company's share capital by a maximum of SEK 1,171,663.72. In accordance with this authorisation, the Board may decide to issue shares, warrants and/or convertibles by disapplying the preferential rights of the shareholders and/or with payment through contribution in kind, by offset or on terms in accordance with Chapter 2, Section 5, Paragraph 2, Subsections 1-3 and 5 of the Swedish Companies Act. Issues in accordance with this authorisation are to be on market terms.
- To approve the terms of the expanded loan facility from the Company's principal owner, Nexttobe AB. After expanding the loan facility, the total amounts to SEK 101,500,000.

2025 Annual General Meeting

Q-linea's 2025 Annual General Meeting will be held at 3:00 p.m. on Thursday, 26 June 2025. The meeting is currently planned to be held at Hubben Konferens (Uppsala Science Park Room 3+4), Dag Hammarskjölds väg 38 in Uppsala, Sweden. Shareholders who wish to have a matter addressed by the Annual General Meeting must submit a request to the Board in writing not later than 9 May 2025.

The Board may be reached by mail at: Board of Directors, Q-linea AB, Dag Hammarskjölds väg 52A, SE-752 37 Uppsala, Sweden or by e-mail at: contact@Q-linea.com. For more information, see Q-linea's website at www.Q-linea.com.

Nomination Committee

The Nomination Committee's duties include the preparation and drafting of proposals for the election of directors, the Board's Chairperson, the general meeting's Chairperson and auditors. The Nomination Committee is also to recommend the fees payable to directors and auditors. On 28 June 2024, the Annual General Meeting adopted instructions and rules of procedure for the Nomination Committee, whereby the Nomination Committee would consist of three members.

The Nomination Committee is appointed, on behalf of the general meeting, by the Board's Chairperson contacting the three largest shareholders according to Euroclear's transcript of the shareholder register on 1 September 2024, each of whom has the right to appoint one member of the Nomination Committee. Should any of the three largest shareholders not wish to appoint a member of the Nomination Committee, the fourth-largest shareholder will be approached, and so forth, until the Nomination Committee consists of three members.

The members of the Nomination Committee must be announced on the Company's website no later than six months prior to the Annual General Meeting. The term of office for members appointed to the Nomination Committee continues until a new Nomination Committee is appointed. No fees shall be paid to the members for their work on the Nomination Committee. The Nomination Committee shall appoint one of its own members to chair the committee. Neither the Chairperson of the Board nor any other director may chair the Nomination Committee.

The Nomination Committee must submit proposals for resolutions on the following issues for the 2025 Annual General Meeting:

a) Election of Chairperson for the Meeting,
b) Determination of the number of directors,
c) Determination of fees and other remuneration payable to the Board and its committees, divided between the chairpersons and other members,
d) Determination of audit fees,
e) Election of directors and Chairperson of the Board,
f) Election of auditors, and
g) Principles for the Nomination Committee's composition and work prior to the 2026 Annual General Meeting.

Ahead of the 2025 Annual General Meeting and until a new Nomination Committee is appointed, the Company's Nomination Committee consists of Erika Kjellberg Eriksson (Nexttobe AB), Ulf Landegren (Landegren Gene Technology AB) and Öystein Engebretsen (Investment AB Öresund). Öystein Engebretsen is Chairperson of the Nomination Committee.

Shareholders who wish to contact the Nomination Committee may do so in writing at: Nomination Committee,

Q-linea AB, Dag Hammarskjölds väg 52A, SE-752 37 Uppsala, Sweden or by e-mail at: contact@Q-linea.com.

Board of Directors

Duties of the Board of Directors

The Board is ultimately accountable for the Company's organisation and management of the Company's operations, which should be carried out in the best interests of the Company and all of its shareholders. The Board's main duties include the management of strategic issues related to the business, financing, establishments, growth, results and financial position, and continuously assessing the Company's financial situation. The Board is also to ensure that effective systems are in place for monitoring and controlling the Company's operations and that the information disclosed by the Company is characterised by openness, and is accurate, relevant and reliable.

Composition of the Board

According to Q-linea's Articles of Association, the Board is to consist of not less than three and not more than ten directors, with no deputy directors. The Articles of Association do not contain any provisions on appointing or dismissing directors. The directors are normally elected annually at the Annual General Meeting for the period until the end of the next Annual General Meeting, but additional directors may also be elected during the year at an extraordinary general meeting. The Board considers Hans Johansson, Karin Fischer, Finn Sander Albrechtsen, Jonas Jarvius and Mario Gualano to be independent of the Company, its management and major shareholders.

Board Chairperson

The Chairperson of the Board is responsible for leading the Board's work and for ensuring that it is carried out efficiently and that the Board fulfils its obligations and commitments. Through contact with the Managing Director, the Chairperson shall receive regular updates of the information required to follow the Company's position, financial planning and development. In addition, the Chairperson is to consult with the Managing Director in regard to strategic issues and ensure that the Board's decisions are implemented effectively. The Chairperson is responsible for contact with the shareholders in regard to ownership matters and for conveying the views of the shareholders to the Board.

The Annual General Meeting elects the Chairperson of the Board.

Board procedures

The Board follows written rules of procedure that are revised annually and adopted by the statutory Board meeting after the Annual General Meeting. The rules of procedure regulate the Board's procedures and duties, the Company's decision-making process, the Board's meeting procedure, the Chairperson's duties and the division of duties between the Board and the Managing Director. The instructions for financial reporting and for the Managing Director are also adopted at the statutory Board meeting.

Board committees

Audit Committee

The Board's Audit Committee is to consist of at least three members, of whom one is the Chairperson. The committee's work is conducted in accordance with instructions adopted by the Board. The Audit Committee is primarily responsible for monitoring the Company's financial position, the effectiveness of the Company's internal control, the internal audit function and risk management, remaining informed about the audit of the annual report, and reviewing and monitoring the objectivity and independence of the auditor. The Audit Committee is also to present recommendations to the Nomination Committee regarding the election and remuneration of the Company's auditor, and keep in touch with the Company's auditor on a continuing basis. All meetings of the Audit Committee are to be recorded in minutes, which are presented to the Board together with a verbal debriefing to support the Board's decision-making processes.

Since the 2024 Annual General Meeting, the Audit Committee comprises Erika Kjellberg Eriksson (Chairperson), Jonas Jarvius and Karin Fischer.

Remuneration Committee

The Board's Remuneration Committee is to consist of at least two members, of whom one is the Chairperson. The

Work of the Board

			Independent in relation to		Attendance (total number of meetings)		
Name	Position	Director since	The Company and management	Major shareholders	Board meetings	Audit Committee	Remuneration Committee
Erika Kjellberg Eriksson [2]	Chairperson	Director since 2012, Chairperson since 2018	Yes	No	17(19)	**5(5)**	**1(1)**
Mario Gualano	Deputy Chairperson	Director since 2020, Deputy Chairperson since 2023	Yes	Yes	16(19)		
Mats Nilsson	Director	Director since 2008, Chairperson 2008–2013	No	Yes	9(9)		
Karin Fischer	Director	Director since 2018	Yes	Yes	19(19)	**5(5)**	
Finn Sander Albrechtsen	Director	Director since 2023	Yes	Yes	19(19)		**1(1)**
Nina Korfu-Pedersen	Director	Director since 2023	Yes	Yes	5(9)	**3(3)**	
Jonas Jarvius [1]	Director	Director since 2024	Yes	Yes	10(10)	**2(2)**	
Hans Johansson	Director	Director since 2018	Yes	Yes	19(19)		
Total					**19**	**5**	**1**

1) Jonas Jarvius was elected as a new director at the 2023 Annual General Meeting and replaced Nina Korfu-Pedersen on the Audit Committee
2) Did not participate in two meetings where the conditions of the loan from Nextobe were discussed so as not to risk a conflict of interest

committee's work is conducted in accordance with the rules of procedure adopted by the Board. The Remuneration Committee is primarily responsible for preparing matters related to remuneration and other terms of employment for the Managing Director and other senior executives. The Remuneration Committee is also to monitor and evaluate variable pay plans for company management (both ongoing and those completed during the year), and monitor and evaluate the application of the remuneration guidelines for senior executives approved by the Annual General Meeting. All meetings of the Remuneration Committee are to be recorded in minutes, which are presented to the Board together with a verbal debriefing to support the Board's decision-making processes.

The Remuneration Committee comprises Finn Sander Albrechten (Chairperson) and Erika Kjellberg Eriksson.

Remuneration of the Board of Directors

The remuneration of the directors elected by the Annual General Meeting is determined by the Annual General Meeting. The Annual General Meeting on 28 June 2024 resolved that an annual fee of SEK 450,000 should be paid to the Board's Chairperson, SEK 337,500 to the Deputy Chairperson of the Board and an annual fee of SEK 225,000 to each of the other directors. The meeting further resolved that an annual fee of SEK 40,000 should be paid to the Chairperson of the Remuneration Committee and an annual fee of SEK 20,000 to each member of the Remuneration Committee as well as an annual fee of SEK 90,000 to the Chairperson of the Audit Committee and an annual fee of SEK 45,000 to each member of the Audit Committee. Erika Kjellberg Eriksson announced that she is not to be paid a fee if she is elected in accordance with the Nomination Committee's recommendation.

For the 2023 and 2024 financial years, remuneration was paid according to the table in Note 9.

Work of the Board in 2024

In 2024, the Board of Directors held 19 meetings at which minutes were taken. The participation of individual directors at these meetings is shown in the table on page 45. All meetings held during the year followed an approved agenda, which was provided to the directors before the Board meetings together with documentation for each agenda item.

Scheduled Board meetings normally last for half a day in order to provide time for presentations and discussion. A designated lawyer served as the secretary at the majority of the Board meetings. The CEO, Managing Director and CFO participate in Board meetings. Matters including the current business situation, earnings and financial position and the outlook for the rest of the year are reviewed at each scheduled Board meeting. Members of the Company's management team may be co-opted to the Board and may perform a review of a current strategic matter. Reports on the work of the committees are also typically addressed at each Board meeting via the Chairperson of each committee.

During 2024, the Board's work largely focused on:

- Commercialisation of ASTar and consumables.
- Cost-saving measures.
- Strategy and analysis of the operating environment.
- Financial performance, optimisation of the Company's capital structure.
- Financial reporting and internal control.
- Collaborations and partnerships.

Evaluation of Board work

The Board evaluates its work through an annual Board evaluation, as set out in the Board's rules of procedure. During the past year, the evaluation was carried out in the form of a questionnaire based on previous years' reviews. The results were generally positive and have been discussed by the Board. The results have also been shared with the Nomination Committee and contributed to its work.

Managing Director and other senior executives

Duties of the Managing Director and other members of company management

The Managing Director is appointed by the Board and is responsible for the Company's day-to-day management in accordance with the Board's guidelines and instructions. The Managing Director is responsible for keeping the Board informed about the Company's performance and reporting significant deviations from established business plans and about events with a major impact on the Company's performance and operations, and for providing the Board with relevant decision support in regard to, for example, establishments, investments and other strategic issues. Company management, headed by CEO Stuart Gander, consists of people in charge of Q-linea's key business areas.

Remuneration of the Managing Director and senior executives

The remuneration paid to senior executives is composed of basic salary, variable pay, share-based remuneration, pension provisions and other benefits. The remuneration paid to the Managing Director and senior executives for the 2024 financial year is specified in the table below. All amounts are in SEK thousand.

Remuneration of the CEO and senior executives

SEK thousand	CEO Stuart Gander	Other senior executives	Total
Fixed salary	2,943	22,163	25,106
Variable pay	–	563	563
Benefits	388	–	388
Other remuneration	–	–	–
Share-based remuneration	–	–	–
Subtotal	**3,331**	**22,726**	**26,057**
Pension	55	3,302	3,357
Total	**3,386**	**26,028**	**29,414**

The Board of Directors' proposal for guidelines for executive remuneration

Under the Swedish Companies Act, the Annual General Meeting is to resolve on remuneration guidelines for the Managing Director and other senior executives. The Annual General Meeting on 28 June 2024 adopted guidelines with essentially the following content: The guidelines for executive remuneration shall apply until the 2029 Annual General Meeting, unless circumstances arise that entail that the guidelines need to be revised at an earlier point in time.

Scope and application of the guidelines

These guidelines encompass Q-linea's Managing Director and the member of Q-linea's management team at any time. If a director of the Company performs work for the Company alongside their Board assignment, these guidelines shall be applied to any remuneration paid to the director for such work.

The guidelines are forward-looking, meaning they are applicable to remuneration agreed, and amendments to remuneration already agreed, after adoption of the guidelines by the 2024 Annual General Meeting. Remuneration equates to the transfer of securities and awarding rights to acquire securities from the Company in the future.

The remuneration resolved by the general meeting, for example, share and share-price incentive programmes, is not encompassed by these guidelines.

The guidelines' promotion of the Company's business strategy, long-term interests and sustainability

Remuneration paid is to motivate company management to implement the Company's business strategy and thus safeguard the Company's long-term interests in a sustainable manner. The criteria for variable pay are to be structured so that they can be linked to this end.

The Company's business strategies are:

Regulatory strategy: Carry out necessary regulatory activities for the launch of the ASTar instrument and consumables in the US and other key geographies. The first product focuses on sepsis diagnostics.

Commercial strategy: The Company intends to address key markets directly through local subsidiaries while also entering into distribution agreements to achieve broader and faster market penetration. Initially, the focus will be on key geographies in Europe and the US market. Q-linea entered into two new distribution agreements during the year, meaning that our distribution partners cover the following markets: France, the UK, Benelux, Norway, Finland, the Baltic countries, Poland, Romania (new) and the GCC countries (the United Arab Emirates, Saudi Arabia, Kuwait, Qatar, Bahrain and Oman). The Company already has its own operations in Italy and the US. Sales are to comprise instruments and consumables, the latter of which are expected to account for the majority of the potential income. When collaborating with distributors on service, the distributor will handle all first-hand service while Q-linea will provide expert knowledge to deal with more complex issues. Following the decision from the Board of Directors of Q-linea, the Company placed the technology behind Podler in a separate subsidiary to enable Q-linea to focus on ASTar and at the same time maximise the business opportunities for Podler.

Health economics strategy: The Company will continue to focus on the clinical and financial benefits of implementing rapid AST for a hospital by carrying out health economics studies and smaller studies centred on demonstrating clinical benefit. The aim is to use the study results as sales support.

Operational strategy: Continue to build up Q-linea's infrastructure to ensure its development and production capacity.

Product development strategy: Continue to develop new applications, primarily focusing on the ASTar platform.

Intellectual property rights strategy: Continue to develop and maintain a broad and relevant intellectual property portfolio.

Service and support strategy: Continue to build a free-standing service organisation with a focus on expert service, and continue to develop the Company's applications specialists to participate in and follow up on customer visits.

For further information about the Company's business strategy, visit: www.Q-linea.com/sv/om-oss/business-concept-and-strategy

The aim of the remuneration package to company management is to motivate, retain and reward qualified personnel for their contributions to achieving the Company's business strategy, long-term interests and sustainability.

Incentive programmes comprising share and share-price-based remuneration are resolved by the general meeting and are not included in these guidelines. However, existing incentive programmes are described below in order to provide a complete picture of the Company's total remuneration package for company management.

Various forms of remuneration

The remuneration offered is to be on market terms and consist of fixed salary, variable cash remuneration, pension benefits and other benefits. Fixed salary is to be individual for each senior executive and based on the executive's areas of responsibility and experience, and is to be reviewed every year. The division between fixed salary and any variable cash remuneration is to be proportionate to the executive's responsibilities and authorities.

Variable cash remuneration requires that the executive meet criteria that can be measured during the period of one year. The ceiling for variable cash salary is a maximum of 40% for the Managing Director and a maximum of 30% for other senior executives of the total fixed cash salary during the target fulfilment period measured. Variable cash remuneration shall

not qualify for pension benefits unless required by mandatory collective agreement provisions. The Board is able to limit or refrain from making a variable payment should such payment be deemed unreasonable and inconsistent with the Company's responsibilities in general towards its shareholders, if particularly difficult economic circumstances were to prevail. The Board shall also have the possibility, under applicable law or contractual provisions, subject to the restrictions that may apply under law or contract, to in whole or in part reclaim variable pay paid on incorrect grounds (claw-back).

Pension benefits are to be post-employment defined-contribution pension plans. For defined-contribution pension plans, Q-linea shall pay contributions to publicly or privately administered pension insurance plans on a compulsory, contractual or voluntary basis. The Company has different pension levels for various categories of employees and ages. Pension premiums for premium defined pension shall amount to not more than 25% of the senior executive's annual fixed salary.

The following pension levels apply for the 2024 financial year:

Age and category	Provision
Up to age 25	No provision
Between the age of 25 and 35	6.5%
Above age 35	12.5%
Member of OMG/SDG[1)]	+2.5%
Manager with more than ten employees	+5%
Managing Director and management team	maximum of 25%

1) OMG – Operational Management Group, SDG – Strategic Development Group

Other benefits may include occupational health services, occupational group life assurance, health and medical insurance and other similar benefits. Other benefits may not exceed 3% of the senior executive's annual fixed salary.

In the commercial organisation (with the main focus on sales), a remuneration structure will be applied with a fixed salary and a commission-based component. It is up to the CEO to determine the specific form of the model/terms, which must however comply with industry standards and be optimised to create attractive incentives for relevant employees.

Consultancy fees are to be on market terms. If consultancy services are performed by one of the Company's directors, this director is not entitled to participate in the Board's (or the Remuneration Committee's) discussions regarding remuneration of such consultancy services.

Information on criteria and conditions for payment of variable pay

Short-term incentive (STI) programmes

The choice of criteria (STI targets) for future years' STI that form the basis of payment of variable pay is to be adopted every year by the Board to ensure that the criteria are aligned with the Company's business plan. These STI targets can be set both individually and collectively and are to be structured in such a manner that they promote the Company's business plan. These criteria may be linked to, for example, the Company achieving certain targets under the framework of its commercialisation plans, the Company initiating or concluding certain steps or the Company signing certain agreements. The outcome is to be compared with the established targets after the end of the measurement period. The outcome of the current year's STI programme is to be discussed at the end of the year by the Board and the Managing Director (after being prepared by the Remuneration Committee). The Board then makes a decision on the outcome without the presence of the Managing Director or CFO.

For the 2024 financial year, the Company decided to discontinue its short-term incentive programme, meaning that no variable remuneration based on this programme will be paid.

Long-term incentive (LTI) programmes

Employee Share Option Programme 2024/27

The Annual General Meeting on 28 June 2024 resolved that a long-term incentive programme (Employee Share Option Programme 2024/27) would be implemented in the form of a performance share-based programme. The rights to receive performance shares were allotted free of charge in autumn 2024. The programme measures performance over a three-year period and the performance targets are linked to various operational sub-targets during the same period. The targets include such areas as product development, product approval and commercialisation, which are aligned with the Company's business strategies. The performance share rights are earned as the performance targets are met. Rights that had previously been granted in employee share option programmes 2021/2024 and 2022/2025 were waived in order to be granted rights for this programme, which means that Employee Share Option Programme 2024/2027 is the only remaining program as Employee Share Option Programme 2023/2026 was never distributed.

Termination of employment and severance pay

The notice period for the Managing Director and other senior executives may not exceed six months if notice of termination of employment is made by the Company. Fixed cash salary during the period of notice and any severance pay may together not exceed an amount equivalent to the Managing Director's or the senior executives' fixed cash salary for one year. The period of notice may not exceed six months without any right to severance pay when termination is made by the executive.

Additionally, remuneration may be paid for non-compete undertakings. Such remuneration shall compensate for loss of income. The remuneration paid by the Company shall amount to not more than 80% of the previous monthly income at the time of termination of employment, and is paid for a maximum of six (6) months after the end of employment.

Salaries and employment conditions for employees not members of company management

In the preparation of these remuneration guidelines, salary and employment conditions for employees of the Company have been taken into account by including information on the employees' total income, the components of the remuneration and increase and growth rate over time, in the Remuneration Committee's and the Board's basis of decision when evaluating whether the guidelines and the limitations set out herein are reasonable. The development of the gap between the remuneration to executives and remuneration to other employees will be disclosed in the remuneration report that will be prepared for paid and current remunerations encompassed by these guidelines.

The decision-making process to determine, review and implement the guidelines

The Board has established a Remuneration Committee, whose tasks include preparing the Board's decision to propose remuneration principles, remuneration and other employment conditions for company management. The Remuneration Committee is also to monitor and evaluate variable pay plans for company management both ongoing and those completed during the year. The committee shall also monitor and evaluate the application of the guidelines for executive remuneration that the general meeting is to resolve on according to law, as well as the current remuneration structures and compensation levels in the Company.

The Board shall prepare a proposal for new guidelines at least every fourth year and submit it to the general meeting. The guidelines shall be in force until new guidelines are adopted by the general meeting.

The Managing Director and other members of company management do not participate in the Board's processing of and resolutions regarding remuneration-related matters in so far as they are affected by such matters.

Derogation from the guidelines

The Board may temporarily resolve to derogate from the guidelines if in a specific case there is special cause for the derogation and a derogation is necessary to serve the Company's long-term interests, including its sustainability, or to ensure the Company's financial viability.

Description of material changes to the guidelines

The guidelines that the Annual General Meeting adopted in 2024 apply until the 2028 Annual General Meeting. No changes have been made to the guidelines.

Share-based remuneration programmes

Employee share option programme 2024 (Employee Share Option Programme 2024/2027)

The Company's Annual General Meeting on 28 June 2024 resolved to introduce an employee share option programme for the Company's employees. Employee Share Option Programme 2024/2027 is to comprise a maximum of 6,534,000 employee share options. Employee share options are to be offered free of charge to individuals employed by the Company as of 1 July 2024.

The number of options per individual per category is shown below.

I. CEO 2,343,000
II. Managing Director: 200,000
III. Management team: 170,000
IV. Other employees: 30,000

Each employee share option shall entitle the holder, on the achievement of certain strategic and operational goals set by the Board in advance and connected to significant events in the Company's development, and after a three-year vesting period, to acquire one (1) new common share in the Company at an exercise price corresponding to 110% of the volume-weighted average price of the Company's share according to Nasdaq Stockholm's price list during the period ten (10) trading days before 28 June 2024. The exercise price, meaning 110% of the volume-weighted average price for the period, was SEK 4.24. To cover the cash flow effects as a result of any social security contributions arising under this employee share option programme, the Annual General Meeting resolved to carry out a directed issue of a maximum of 2,053,000 warrants to the Company.

Actual number of performance share rights allotted

Category	No. of participants	No. of allotted employee share options per participant	No. of allotted employee share options per category
CEO	1	2,343,000	2,343,000
Managing Director	1	200,000	200,000
Management team	7	170,000	1,190,000
Other employees[1)]	72	30,000	2,600,000
Total	**81**	**–**	**6,333,000**

1) Includes 440,000 extra employee share options allocated to 22 individuals, meaning an extra 20,000 per person.

Audit and control

External auditor

The Nomination Committee's duties include presenting the Annual General Meeting with a proposed resolution on the choice of auditor. Öhrlings PricewaterhouseCoopers AB (PwC) was appointed as the Company's external auditor until the 2025 Annual General Meeting. Authorised Public Accountant Lars Kylberg is Auditor in Charge of the Q-linea audit. The auditor's duties are to review a company's annual financial statements and accounts as well as the management of the Board and the Managing Director. This normally takes place at least twice per year, since at least one interim report, in addition to the annual report, must be reviewed by the auditor.

Remuneration of the auditor

The Annual General Meeting resolves on remuneration of the auditor, based on the Nomination Committee's recommendation. The Annual General Meeting on 28 June 2024 resolved that audit fees are to be approved and paid on an ongoing basis.

Fees paid in 2024 and 2023 are shown in the table below

SEK thousand	2024	2023
PwC, Öhrlings PricewaterhouseCoopers AB		
Audit assignment	1,623	1,409
Audits other than audit assignment		
Tax advisory services	80	87
Other advisory services	114	165
Issue costs	10	212
Total	**1,827**	**1,873**

All of the fees above pertain to remuneration to the audit firm Öhrlings PricewaterhouseCoopers AB and no portion pertains to its network. No remuneration was paid for valuation services.

Authorisations

The 28 June 2024 Annual General Meeting resolved to authorise the Board of Directors, on one or more occasions during the period until the next Annual General Meeting, to decide to increase the Company's share capital by a maximum of 20% of the Company's registered share capital as of the date on which the authorisation is exercised for the first time. According to the issue authorisation, the Board may decide to issue shares, warrants and/or convertibles by disapplying the preferential rights of the shareholders and/or with payment through contribution in kind, by offset or otherwise on terms in accordance with Chapter 2, Section 5, Paragraph 2, Subsections 1-3 and 5 of the Swedish Companies Act.

Other than this, there are no authorisations granted by the general meeting for the Board to resolve on share issues, warrants and/or convertibles or acquisitions of shares.

Internal audit and control

The overall purpose of internal control is to obtain reasonable assurance that the Company's operational strategies and objectives are followed up and that shareholders' investments are protected. Internal control should also determine, with reasonable assurance, that the external financial reporting is reliable and prepared in accordance with generally accepted accounting practices, in compliance with applicable laws and regulations, and in compliance with the rules applicable to listed companies. The Board is ultimately responsible for internal control.

The Swedish Companies Act and Annual Accounts Act require Q-linea to provide information about the key elements of its internal control system and risk management in the Company's Corporate Governance Report.

In order to maintain good internal control, the Board has prepared several governing documents, including rules of procedure for the Board, instructions for the Managing Director, instructions for financial reporting, a financial policy and a communication policy.

The Board evaluates the need to establish a separate internal audit function on an annual basis. The Board has made the assessment that, given the Company's size and the scope of its transactions, as well as the skills in the field possessed by the Board and the Board's meeting with its auditors, there is no reason to establish a formal internal audit function. The Board has established an Audit Committee that is primarily responsible for monitoring and quality-assuring the Company's financial statements, keeping in touch with the Company's external auditor on a continuous basis, monitoring the effectiveness of the Company's internal control over financial reporting, and reviewing and monitoring the objectivity and independence of the auditor. Within the Board, the Audit Committee is also responsible for monitoring and managing risks that could have a material adverse effect on the Company's business.

The ongoing responsibility for internal control and risk management has been delegated to the Company's Managing Director who is to report back the Board on a regular basis in accordance with the prescribed instructions.

Internal control and risk management are continuously monitored and evaluated through internal and external controls and evaluations of the Company's governing documents.

In addition to the internal control system described above, there is also an internal activity-specific control of R&D-related data, and quality management comprising systematic monitoring and evaluation of the Company's development and manufacturing processes and products.

Directors

Q-linea's Board comprises a combination of entrepreneurs, inventors and people with industrial experience who represent the Company's largest shareholders and provide active support to management. The Board of Directors consists of six ordinary members: Erika Kjellberg Eriksson (Chairperson), Karin Fischer, Hans Johansson, Mario Gualano (Deputy Chairperson), Finn Sander Albrechtsen and Jonas Jarvius. The assignment for all directors applies for the period up until the end of the next Annual General Meeting, which will be held on 26 June 2025. However, any director may withdraw from their assignment before then. A description of the directors, their position, the year in which they were initially elected and whether they are considered independent from the Company and its management, and from major shareholders, is also presented in the table on page 23.

1. Erika Kjellberg Eriksson

Chairperson since 2018, director since 2012

Erika Kjellberg Eriksson has held Board assignments and senior positions in pharmaceutical, biotech and med tech companies for more than 25 years. She has long experience from working in both listed and unlisted companies and extensive Board experience.

Born: 1962

Education: MSc in economics, Uppsala University (1985).

Other ongoing assignments: Erika Kjellberg Eriksson is CEO and Chairperson of Nexttobe AB, Chairperson of Linum AB, Brixton Medical AB, Aros Biotech, Lumina Adhesives AB, Lokon Pharma AB and Tanea Medical AB, and Director of Vivolux AB and Findolon AB.

Holdings in the Company: Erika Kjellberg Eriksson owns 199,000 shares in the Company.

She is independent from the Company and its management, but not from major shareholders.

2. Karin Fischer

Director since 2023

Karin Fischer has more than 15 years of global commercial experience from both strategic and operative positions. She has also been stationed in the US. Karin has worked for companies such as Johnson & Johnson, Getinge, Xvivo Perfusion and RLS Global. She was CEO for more than four years at RLS Global, listed on Nasdaq First North.

Born: 1976

Education: BSc in business administration and economics, University of Aberdeen.

Other ongoing assignments: Karin Fischer is CEO of Biolin Scientific AB, a company within the AddLife group.

Holdings in the Company: Karin Fischer does not own any shares in Q-linea.

She is independent from the Company and its management as well as from major shareholders.

3. Hans Johansson

Director since 2018

Hans Johansson has extensive experience and a broad contact network from his previous roles in the life sciences and diagnostics industry. His previous positions include Vice President Companion Diagnostics at Thermo Fisher's Speciality Diagnostics Group, Vice President Global Marketing and Business Development at Thermo Fisher's Immuno Diagnostics Division, CEO of Pyrosequencing/Personal Chemistry (now Biotage), and Head of Laboratories at Pharmacia Biotechnology AB.

Born: 1954

Education: MSc in chemical engineering.

Other ongoing assignments: Hans Johansson is Chairperson of Myrtila AB and a director of Immunovia AB (publ).

Holdings in the Company: Hans Johansson owns 23,528 shares in Q-linea.

He is independent from the Company and its management as well as from major shareholders.

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4. Mario Gualano

Director since 2021

Mario Gualano is currently CEO of BBI Group Ltd and has more than 25 years of commercial, technical and operational experience in the microbiology and diagnostics industries, including 15 years in international leadership roles with Thermo Fisher Scientific. During his time with Thermo Fisher Scientific, he led Thermo Fisher Scientific's Specialty Diagnostics Group in APAC and, most recently, was the President of the Microbiology division.

Born: 1969

Education: PhD in Microbiology and Immuno-diagnostics and an MBA from Henley Management College.

Other ongoing assignments: Strategic advisor at BBI Solutions Ltd.

Holdings in the Company: Mario Gualano does not own any shares in Q-linea.

He is independent from the Company and its management as well as from major shareholders.

5. Jonas Jarvius

Director since 2024

Jonas Jarvius has over 20 years of experience in research and development in molecular medicine and molecular biology detection He has co-founded several companies and is one of the founders of Q-linea. Jonas was CEO of the Company from 2008 to 2024. For many years, he has been active in leading positions in various biotech companies and has been responsible for projects concerning, for example, molecular identification for security applications as well as manufacturing and development of medical devices. He also has experience with ISO-13485 certification, a quality management standard for medical devices. In addition, he has been involved in several biotech start-ups.

Born: 1971

Education: PhD in molecular medicine, Uppsala University (2006); MSc in medical science, Uppsala University (1999).

Jonas Jarvius is CEO of Biofrost Biosysems, Inc. and director of Umbrella Science AB.

Other ongoing assignments: Jonas Jarvius is CEO of Biofrost Biosysems, Inc. and director of Umbrella Science AB.

Holdings in the Company: Jonas Jarvius owns 485,857 shares in the Company.

He is independent from the Company and its management as well as from major shareholders.

6. Finn Sander Albrechtsen

Director since 2023

Finn Sander Albrechtsen is currently Head of Global R&D at SSI Diagnostica Group and has more than 16 years of international leadership experience from the life sciences and diagnostics industry in companies such as Dako, Agilent Technologies and Thermo Fisher.

Born: 1967

Education: MSc Pharm, Uppsala University (1972).

Other ongoing assignments: Finn Sander Albrechtsen is a director of Panacea Diagnostica Ltd.

Holdings in the Company: Finn Sander Albrechtsen owns 100,000 shares in the Company.

He is independent from the Company and its management as well as from major shareholders.

Senior executives

The Company's management team comprises 8 individuals. Stuart Gander is Chief Executive Officer (CEO), Anders Ljunggren Managing Director of Q-linea AB. Other senior executives in the Company are Jim Kathrein (VP US Commercial Operations), Franco Pellegrini (VP Sales EMEA), Christer Samuelsson (Chief Financial Officer/CFO, Investor Relations), Jonas Melin (Director Product Development), Karl Sköld (Director Contract Development), Henrik Jacobson (Chief Operating Officer) and Victoria Lerneryd (Manager QA/RA).

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1. Stuart Gander

Employed by the Company since March 2024 as CEO.

Stuart Gander has worked in the healthcare industry since 2006, advising companies across all sectors while serving with the Boston Consulting Group, where he was Managing Director & Partner. He specialised in medical technologies, working across a wide variety of sectors with an emphasis on medical diagnostics. He has experience working in most major healthcare markets around the world, having lived in nearly equal measure in Europe and North America. Prior to joining Q-linea, he was a member of the executive team at StatLab, a US-based leader in histology, where he held a variety of leadership roles in operations, sales and marketing, R&D and managing its international subsidiaries.

Born: 1978

Education: Queen's University School of Commerce (now Smith), Kingston, Canada (2000).

Other ongoing assignments: Stuart Gander has no other current assignments.

Holdings in the Company: Stuart Gander owns 200,000 shares in the Company and 2,343,000 employee share options in the Company.

2. Anders Ljunggren

Employed by the Company since March 2022 as Manager Project Management Office. Managing Director of Q-linea AB since March 2024.

Anders Ljunggren has 15 years of experience in engineering project management, having worked at innovative R&D companies in industries like medical devices, industrial applications, consumer electronics, and space technology. He has a track record of successfully managing B2B and in-house development projects, utilising cross-functional team management skills and a deep understanding of product development.

Born: 1981

Education: MSc in materials engineering, Uppsala University (2007).

Other ongoing assignments: Anders Ljunggren is the owner of Coego Consulting AB and Introspecton AB.

Holdings in the Company: Anders Ljunggren owns 12,300 shares and 200,000 employee share options in the Company.

3. Jim Kathrein

Employed by the Company since 2023 as VP US Commercial Operations

Jim Kathrein has more than 25 years of global commercial experience in the healthcare administration, clinical and anatomic pathology industries and in industrial market segments focused on infectious diseases and innovative technologies. In previous roles, Jim has led Business Administration, Sales, Marketing, Commercial Operations, Customer Service and Support, both in the US and internationally. In his previous role, he served as VP of US Sales for BioFire Dx, a subsidiary of bioMerieux. Jim is a retired veteran serving as an MSC Healthcare Administrator in the USAF.

Born: 1962

Education: BSc in Business Administration and Occupational Education, Wayland Baptist University (1989); AS, Medical Technologist, Midwestern State University (1987).

Other ongoing assignments: Jim Kathrein has no other current assignments.

Holdings in the Company: Jim Kathrein holds no shares and 170,000 employee share options in the Company.

4. Franco Pellegrini

Employed by the Company as VP Sales EMEA since 2023

Born: 1968

Franco Pellegrini has more than 20 years of commercial experience in different healthcare segments, including cardiac surgery, radiology and ultrasound, minimally invasive surgery and microbiology in both Europe and the US.

Education: Law Degree, University of Milan, Italy (1992).

Other ongoing assignments: Franco Pellegrini has no other current assignments.

Holdings in the Company: Franco Pellegrini does not own any shares in Q-linea. He owns 170,000 employee share options in the Company.

5. Christer Samuelsson

Employed by the Company as CFO and Investor Relations since May 2023

Christer Samuelsson has 20 years of experience as CFO and other executive positions in various industries at both listed and unlisted companies as well as ten years of experience from the financial sector.

Born: 1962

Education: MSc in economics, Uppsala University (1987).

Other ongoing assignments: Christer Samuelsson has no other current assignments.

Holdings in the Company: Christer Samuelsson owns 50,000 shares in the Company and 170,000 employee share options in the Company.

6. Henrik Jacobson

Employed by the Company as Production Manager since 2021 and Chief Operating Officer since 2022

Henrik has more than 25 years' experience in executive positions, mainly in operations and production. He helped create the convenience food concept and co-founded Gooh, a company where he was responsible for building up the production and logistics operations. This gave him valuable experience in creating and scaling up the factory and organisation. Henrik has also served as Production Director at Lantmännen Cerealia and CEO of Swedish Meat's subsidiary Esca Food Solutions.

Born: 1969

Education: MSc in Industrial Economics, Linköping University (1995).

Other ongoing assignments: Director of Jacobson Energi AB, Skånings Åsaka Vind AB and Vida Vind AB.

Holdings in the Company: Henrik Jacobson owns 10,800 shares and 170,000 employee share options in the Company.

7. Jonas Melin

Director Product Development since 2017

Jonas Melin has extensive R&D experience and a deep understanding of technical and regulatory issues. He has experience in project management and has successfully led projects from development to regulatory approval. His previous positions include Project Manager for Meritas D-Dimer test, Troponin test and BNP test and Head of Technical Development of Meritas troponin I.

Born: 1976

Education: PhD in engineering science, Uppsala University (2006); MSc in technical biology, Linköping University (2002).

Other ongoing assignments: Jonas Melin is a director of Melin Science AB.

Holdings in the Company: Jonas Melin owns 1,764 shares and 170,000 employee share options in the Company.

8. Karl Sköld

Employed by the Company as Director Contract Development since 2018

Karl Sköld has a background as a researcher in molecular biology and pharmaceutical life sciences at Uppsala University. From 2007 to 2016, he was active as the founder, director and Research Director of Denator AB, a company that develops and sells systems for the heat stabilisation of clinical samples. He is also a co-founder of Maurten AB, a company that develops energy and nutritional products for athletes and the healthcare industry. In 2017, he became CEO of Umbrella Science AB, whose operations were acquired by Q-linea in the summer of 2018.

Born: 1974

Education: PhD in pharmaceutical bioscience, Uppsala University (2006).

Other ongoing assignments: Karl Sköld is a director of Hardcover AB and a deputy director of Laminaria Group AB and Maurten AB.

Holdings in the Company: Karl Sköld owns 2,500 shares and 170,000 employee share options in the Company.

9. Victoria Lerneryd

Employed by the Company as Manager QA/RA since 2021

Victoria Lerneryd has over 12 years' experience in quality assurance and regulatory affairs for medical devices, having worked on development and maintenance of quality management systems, production of regulatory product documentation, and regulatory audits and applications. She previously held positions as Quality Manager at St. Jude Medical and Quality & Regulatory Affairs Manager at Cavidi. These roles included responsibility for compliance with regulatory requirements from product development to production and monitoring of products released to the market.

Born: 1984

Education: MSc in chemical engineering, Uppsala University (2009).

Other ongoing assignments: Victoria Lerneryd has no other current assignments.

Holdings in the Company: Victoria Lerneryd owns 7,585 shares and 170,000 employee share options in the Company.

Consolidated statement of profit and loss

Amounts in SEK thousand	Note	2024	2023
Net sales	5	2,362	4,440
Other operating income	6	3,423	2,183
Changes in inventories of products in progress, semi-finished goods and finished goods		-9,431	2,341
Raw materials and consumables		-4,044	-5,786
Other external costs	7, 8	-49,985	-64,083
Personnel costs	9	-136,593	-150,643
Depreciation/amortisation of tangible and intangible assets	7, 12, 13	-17,763	-17,521
Other operating expenses	6	-1,610	-1,519
Operating result		**-213,641**	**-230,587**
Financial income	10	476	2,790
Financial expenses	10	-3,706	-1,569
Result from financial items		**-3,230**	**1,221**
Result before tax		**-216,871**	**-229,366**
Tax on result for the year	11	–	–
Result for the year		**-216,871**	**-229,366**
Result for the year attributable to:			
Parent Company shareholders		-216,871	-229,366
Non-controlling interests		–	–
Earnings per share before dilution, SEK	18	-1.86	-3.48
Earnings per share after dilution, SEK		-1.86	-3.48

Consolidated statement of comprehensive income

Amounts in SEK thousand	Note	2024	2023
Result for the year		-216,871	-229,366
Other comprehensive income			
Items that may be subsequently reversed in profit or loss:			
Fair value measurement	4	–	–
Translation differences		51	-160
Total comprehensive income		**-216,820**	**-229,526**

Consolidated statement of financial position

Amounts in SEK thousand Note	Note	31 Dec 2024	31 Dec 2023
ASSETS			
Non-current assets			
Tangible assets	12	29,149	34,060
Right-of-use assets	3, 7	12,831	21,528
Goodwill	3, 13	4,889	4,889
Other intangible assets	13	42	126
Financial assets	4	4,202	4,146
Total non-current assets		**51,113**	**64,749**
Current assets			
Inventories	14	33,191	46,527
Accounts receivable	4	627	60
Other receivables	15	34,423	35,711
Prepaid expenses and accrued income	16	2,972	3,034
Short-term investments	3, 4	–	–
Cash and cash equivalents	4	25,664	81,895
Total current assets		**96,877**	**167,227**
TOTAL ASSETS		**147,990**	**231,976**

Consolidated statement of financial position

Amounts in SEK thousand Note	Note	31 Dec 2024	31 Dec 2023
EQUITY AND LIABILITIES			
Equity attributable to Parent Company shareholders			
Share capital	17	5,858	5,858
Reserves		1,312	-745
Other contributed capital		1,482,783	1,483,364
Retained earnings, including result for the year		-1,517,409	-1,298,842
Total equity attributable to Parent Company shareholders		**-27,456**	**189,636**
Equity attributable to non-controlling interests		–	–
Total equity		**-27,456**	**189,636**
Liabilities			
Non-current liabilities			
Non-current lease liabilities	3, 7	5,568	12,905
Loans from owner	4, 21, 22	40,500	–
Total non-current liabilities		**46,068**	**12,905**
Current liabilities			
Loans from owner	4, 21, 22	99,000	–
Accounts payable	4	3,702	5,305
Current lease liabilities	3, 7, 22	6,137	7,659
Current tax liabilities	11		–
Other liabilities	19	3,063	6,805
Accrued expenses and deferred income	20	17,476	9,665
Total current liabilities		**129,378**	**29,435**
Total liabilities		**175,446**	**42,340**
TOTAL EQUITY AND LIABILITIES		**147,990**	**231,976**

Consolidated statement of changes in equity

Amounts in SEK thousand	Note	Equity attributable to Parent Company shareholders [1]				
		Share capital	Other contributed capital	Reserves	Retained earnings, including result for the year	Total equity[1]
Opening balance, 1 Jan 2023		**1,477**	**1,234,972**	**-4**	**-1,073,255**	**163,190**
Result for the year		–	–	–	-229,366	**-229,366**
Other comprehensive income				-742	582	**-160**
Comprehensive income for the year		**–**	**–**	**-742**	**-228,784**	**-229,526**
New share issue		4,381	258,504	–	–	**262,885**
Issue costs		–	-10,111	–	–	**-10,111**
Share-based remuneration programmes	9	–	–	–	3,198	**3,198**
Transactions with shareholders		**4,381**	**248,393**	**0**	**3,198**	**255,972**
Closing balance, 31 Dec 2023		**5,858**	**1,483,364**	**-745**	**-1,298,842**	**189,636**
Opening balance, 1 Jan 2024		**5,858**	**1,483,364**	**-745**	**-1,298,842**	**189,636**
Result for the year		–	–	–	-216,871	**-216,871**
Other comprehensive income				2,057	-2,006	**51**
Comprehensive income for the year		**–**	**–**	**2,057**	**-218,877**	**-216,820**
New share issue		–				
Issue costs		–	-582		–	**-582**
Share-based remuneration programmes	9	–	–	–	309	**309**
Transactions with shareholders		**–**	**-582**	**–**	**309**	**-272**
Closing balance, 31 Dec 2024		**5,858**	**1,482,783**	**1,312**	**-1,517,409**	**-27,456**

1) There are no non-controlling interests.

Consolidated statement of cash flows

Amounts in SEK thousand	Note	2024	2023
Cash flow from operating activities			
Operating result		-213,641	-230,587
Adjustments for non-cash items	22	17,956	20,879
Interest received		476	1,691
Interest paid		-3,398	-1,562
Tax paid		–	–
Cash flow from operating activities before changes in working capital		**-198,607**	**-209,580**
Changes in working capital			
Change in inventories	14	13,527	-4,265
Change in accounts receivable		-572	61
Change in other current receivables		1,109	9,485
Change in other current liabilities		3,687	-7,874
Change in accounts payable		-1,639	-16,227
Changes in working capital		**16,112**	**-18,941**
Cash flow from operating activities		**-182,495**	**-228,521**
Cash flow from investing activities			
Investments in tangible assets	7, 12	-4,991	-8,341
Sale of tangible assets		–	575
Short-term investments		–	-80,000
Divestment of short-term investments		–	80,000
Investments in financial assets		-52	–
Divestment of financial assets		–	–
Cash flow from investing activities		**-5,043**	**-7,766**
Cash flow from financing activities			
New share issue	22	–	262,885
Issue costs	22	-582	-10,111
Loans raised from owner		139,500	87,000
Repayment of lease liabilities	22	-7,645	-7,367
Repayment of loans	22	–	-87,000
Cash flow from financing activities		**131,273**	**245,407**
Cash flow for the year		**-56,265**	**9,120**
Cash and cash equivalents at the beginning of the year		81,895	72,878
Exchange rate difference in cash and cash equivalents		34	-103
Cash and cash equivalents at the end of the year		**25,664**	**81,895**

Parent Company income statement

Amounts in SEK thousand	Note	2024	2023
Operating income			
Net sales external	5	2,007	4,440
Net sales internal		15,503	2,951
Other operating income	6	3,423	2,183
Changes in inventories of products in progress, semi-finished goods and finished goods		-19,376	-480
Raw materials and consumables		-4,038	-5,786
Other external costs	7, 8	-53,065	-70,191
Personnel costs	9	-109,230	-142,352
Depreciation/amortisation of tangible and intangible assets	12, 13	-10,472	-11,093
Other operating expenses	6	-1,488	-1,516
Operating result		**-176,737**	**-221,844**
Revenue from holdings of listed corporate bonds that are non-current assets	10	–	–
Earnings from participations in Group companies		-14,414	–
Other interest income and similar profit items	10	959	2,790
Interest expenses and similar loss items	10	-3,105	-710
Result from financial items		**-16,561**	**2,080**
Result before tax		**-193,297**	**-219,764**
Tax on result for the year	11	–	–
Result for the year		**-193,297**	**-219,764**

Parent Company statement of comprehensive income

Amounts in SEK thousand	Note	2024	2023
Result for the year		-193,297	-219,764
Other comprehensive income		–	–
Items that may be subsequently reversed in profit or loss:		–	–
Fair value measurement	4	–	–
Total comprehensive income		**-193,297**	**-219,764**

Parent Company balance sheet

Amounts in SEK thousand	Note	31 Dec 2024	31 Dec 2023
ASSETS			
Non-current assets			
Intangible assets			
Licences	13	–	–
Technology and customer relationships	13	42	126
Goodwill	3, 13	543	1,630
Total intangible assets		**585**	**1,756**
Tangible assets			
Equipment, tools, fixtures and fittings	12	22,536	31,838
Total tangible assets		**22,536**	**31,838**
Financial assets			
Participations in Group companies	24	101,873	12,966
Other securities held as non-current assets		4,095	4,095
Other non-current receivables	4	52	51
Non-current receivables to Group companies		11,695	–
Total financial assets		**117,715**	**17,112**
Total non-current assets		**140,837**	**50,706**
Current assets			
Inventories	14	28,806	46,225
Current receivables			
Accounts receivable		481	60
Accounts receivable in Group companies		3,513	1,498
Other receivables	15	33,937	35,367
Prepaid expenses and accrued income	16	3,740	4,299
Total current receivables		**41,672**	**41,224**
Short-term investments	3, 4	–	–
Total short-term investments		**0**	**0**
Cash and bank balances		20,553	79,712
Total current assets		**91,031**	**167,161**
TOTAL ASSETS		**231,868**	**217,867**

Parent Company balance sheet

Amounts in SEK thousand	Note	31 Dec 2024	31 Dec 2023
EQUITY AND LIABILITIES			
Restricted equity			
Share capital	17	5,858	5,858
Revaluation reserve		70,000	–
Total restricted equity		**75,858**	**5,858**
Unrestricted equity			
Share premium reserve		1,482,783	1,483,364
Fair value reserve			
Retained earnings		-1,291,076	-1,071,622
Result for the year		-193,297	-219,764
Total unrestricted equity	26	**-1,591**	**191,979**
Total equity		**74,268**	**197,837**
Liabilities			
Non-current liabilities			
Loans from credit institutions	4, 21, 22	40,500	–
Total non-current liabilities		**40,500**	**0**
Current liabilities			
Loans from owner	4, 21, 22	99,000	–
Accounts payable	4	3,023	4,509
Accounts payable in Group companies		28	253
Current tax liabilities	11	–	–
Other liabilities	19	2,562	6,356
Other liabilities in Group companies		25	–
Accrued expenses and deferred income	20	12,462	8,912
Total current liabilities		**117,100**	**20,030**
TOTAL EQUITY AND LIABILITIES		**231,868**	**217,867**

Parent Company statement of changes in equity

Amounts in SEK thousand	Note	Restricted equity		Unrestricted equity			Total equity
		Share capital	Revaluation reserve	Share premium reserve	Retained earnings	Result for the year	
Opening balance, 1 Jan 2023		**1,477**	**–**	**1,234,972**	**-805,316**	**-269,503**	**161,630**
Comprehensive income							
Result for the year		–	–	–	–	-219,764	**-219,764**
Other comprehensive income		–	–	–	–	–	**0**
Appropriation of profits in accordance with AGM decision:							
- Carried forward to unrestricted equity		–	–	–	-269,503	269,503	**0**
Total comprehensive income		**0**	**0**	**0**	**-269,503**	**49,739**	**-219,764**
Transactions with shareholders							
New share issue	9	4,381	–	258,504	–	–	**262,885**
Issue costs		–	–	-10,111	–	–	**-10,111**
Share-based remuneration programmes		–	–	–	3,198	–	**3,198**
Transactions with shareholders		**4,381**	**–**	**248,393**	**3,198**	**0**	**255,972**
Closing balance, 31 Dec 2023		**5,858**	**–**	**1,483,364**	**-1,071,622**	**-219,764**	**197,837**
Opening balance, 1 Jan 2024		**5,858**	**–**	**1,483,364**	**-1,071,622**	**-219,764**	**197,837**
Comprehensive income							
Result for the year		–	–	–	–	-193,297	**-193,297**
Other comprehensive income		–	–	–	–	–	**–**
Revaluation of participations in subsidiaries		–	70,000	–	–	–	**70,000**
Appropriation of profits in accordance with AGM decision:							
- Carried forward to unrestricted equity		–	–	–	-219,764	219,764	0
Total		**0**	**70,000**	**0**	**-219,764**	**26,467**	**-123,297**
Transactions with shareholders							
New share issue	17	–	–	–	–	–	**0**
Issue costs		–	–	-582	–	–	**582**
Share-based remuneration programmes	9	–	–	–	309	–	**309**
Transactions with shareholders		**0**	**0**	**-582**	**309**	**0**	**-272**
Closing balance, 31 Dec 2024		**5,858**	**70,000**	**1,482,783**	**-1,291,076**	**-193,297**	**74,268**

Parent Company statement of cash flows

Amounts in SEK thousand	Note	2024	2023
Cash flow from operating activities			
Operating result		-176,737	-221,844
Adjustments for non-cash items	22	10,992	14,387
Interest received		958	1,691
Interest paid		-3,105	-710
Tax paid		–	–
Cash flow from operating activities before changes in working capital		**-167,891**	**-206,476**
Changes in working capital			
Increase/decrease in inventories	14	17,419	-3,944
Increase/decrease in accounts receivable		-2,437	-1,558
Increase/decrease in other current receivables		1,988	10,198
Increase/decrease in other current liabilities		-654	-8,861
Increase/decrease in accounts payable		-1,486	-17,006
Changes in working capital		**14,831**	**-21,170**
Cash flow from operating activities		**-153,061**	**-227,646**
Cash flow from investing activities			
Investments in Group companies	24	-33,321	-12,702
Investments in tangible assets	12	–	-5,906
Short-term investments		–	-80,000
Divestment of tangible assets		–	575
Divestment of short-term investments		–	80,000
Investments in financial assets		-11,695	–
Divestment of financial assets		–	–
Cash flow from investing activities		**-45,016**	**-18,032**
Cash flow from financing activities			
New share issue	22	–	262,885
Issue costs	22	-582	-10,111
Loans raised		139,500	87,000
Repayment of loans			-87,000
Cash flow from financing activities		**138,918**	**252,774**
Cash flow for the year		**-59,159**	**7,095**
Cash and cash equivalents at the beginning of the year		79,712	72,617
Cash and cash equivalents at the end of the year		**20,553**	**79,712**

Accounting policies and notes

Note 1 General information

Q-linea AB (publ), corporate registration number 556729-0217, is the Parent Company of the Q-linea Group and has its registered office and main operations in Uppsala. The address of the head office is Dag Hammarskjölds väg 52 A, Uppsala, Sweden. Q-linea's shares are listed on Nasdaq Stockholm.

The Company is an innovative infection diagnostics company focusing on the development of instruments and consumables for rapid and reliable infection diagnostics. Q-linea's vision is to help to save lives by ensuring antibiotics continue to be an effective treatment for future generations. Q-linea develops and delivers solutions for healthcare providers, enabling them to diagnose and treat infectious diseases in the shortest possible time. The Company's leading product, ASTar®, is a fully automated instrument for testing antibiotic resistance (AST), which produces a sensitivity profile from a positive blood culture within six hours. For more information, visit www.Q-linea.com.

The Board of Directors approved this annual report for publication on 24 April 2025.

Note 2 Summary of significant accounting policies

1. Third-time adoption of IFRS

Until 29 November 2022, Q-linea AB did not have any subsidiaries and therefore did not prepare consolidated financial statements. This means that the Annual Report for January–December 2021 only covered Q-linea AB. It was prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and International Financial Reporting Standards (IFRS) with the limited scope allowed by the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities.

On 29 November 2022, Q-linea AB founded the US company Q-linea Inc and thereby formed a corporate group. The Italian company Q-linea Srl was formed in 2023, and Q-linea is therefore preparing, in addition to the Parent Company's annual report, consolidated financial statements in accordance with the IFRS issued by the International Accounting Standards Board (IASB) as adopted by the EU for the third year. The comparative figures presented consist of Parent Company figures that have been restated according to IFRS.

2. Basis of preparation of financial statements

Q-linea AB has prepared its consolidated financial statements in accordance with the IFRS issued by the IASB and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) as adopted by the EU. Recommendation RFR 1 Supplementary Financial Reporting Rules for Corporate Groups of the Swedish Financial Reporting Board has also been applied.

Preparing financial statements in accordance with IFRS requires that management make certain judgements in applying accounting policies. The areas that involve a high degree of assessments, that are complex, or areas where assumptions and estimates are of major importance for the consolidated financial statements are described in Note 3 "Significant estimates and judgements". The Parent Company applies the same accounting policies as the Group except in the cases specified in the section "Parent Company accounting policies" below. The differences between the Parent Company and Group policies are due to restrictions on the applicability of IFRS in the Parent Company as a result of the Swedish Annual Accounts Act.

3. Group accounting policies

3.1 New and amended standards

A number of new standards, amendments to standards and interpretations that have been published are effective for financial years beginning after 1 January 2024 and have not been applied in preparing this financial report. These new standards, amendments and interpretations are not expected to have a significant impact on the consolidated financial statements.

3.2 Consolidation

Q-linea AB is the Parent Company of the Q-linea Group and prepares consolidated financial statements covering the Parent Company and all its subsidiaries. Companies over which the Parent Company has control are classified as subsidiaries. Control may derive from the Parent Company owning the majority of the participations in the subsidiary but also from other circumstances. In Q-linea's case, control derives from majority ownership. Control means that the Parent Company is exposed to or has the right to a variable return on its investment in the entity and is able to influence the return through its influence in the entity.

Subsidiaries are included in the consolidated financial statements from the date on which control is transferred to the Group. They are excluded from the consolidated financial statements from the date when control is lost. The purchase method is used in accounting for the acquisition of subsidiaries. This means that acquired assets and liabilities are initially measured at fair value. Any difference from cost is recognised as goodwill in the consolidated balance sheet if the difference is positive and in profit or loss if it is negative. Intercompany transactions and balances and unrealised gains on transactions between Group companies are eliminated.

3.3 Translation of foreign currency

Q-linea's functional currency is the Swedish krona (SEK) which is also the Group's reporting currency. This means that the financial statements are presented in SEK. Transactions in foreign currency are translated to the functional currency at the rates of exchange on the transaction date, or the date on which the items are remeasured. Exchange-rate gains and losses arising from the payment of such transactions and the translation of monetary assets and liabilities in foreign currency at the rates of exchange on the balance sheet date are recognised in profit or loss. All exchange-rate gains and losses are recognised in operating result.

Individual subsidiaries have a functional currency other than SEK. In the preparation of the consolidated financial statements, the assets and liabilities of subsidiaries are translated at the closing rate while income and expenses are translated at the average annual exchange rate. The resulting translation differences are recognised in other comprehensive income.

3.4. Segment reporting

An operating segment is a part of a company that conducts business activities from which revenue can be generated and costs are incurred and for which independent financial information is available. The

segment's operating result is assessed on a regular basis by the Company's chief operating decision maker as a basis for decisions regarding the allocation of resources to the segment. In the Q-linea Group, company management has been identified as the chief operating decision maker. Company management assesses the operations in their entirety, meaning as a single segment, and the Group therefore does not present information by segment.

3.5. Revenue recognition

Revenue includes the value that Q-linea has the right to receive for goods and services sold in the Company's operating activities, excluding VAT and volume discounts. Contracted volume discounts reduce revenue and are recognised at expected fair value.

Sales of goods

The Company develops, manufactures and sells instruments, consumables and spare parts. Revenue from sales is recognised when control of the goods has passed from Q-linea to the customer. The time at which control passes from Q-linea to the customer is typically upon delivery. The delivery time to the retailer is when the goods are transported from Q-linea's production premises. The delivery time to the end user is normally when the goods have been transported to the specific location designated by the end user and the installation has been carried out. In these cases, revenue from sales is recognised at a point in time. Freight is normally paid by the customer.

Sales of services

The Company offers services, mainly in the form of maintenance of instruments. Service agreements can be signed directly between Q-linea and the end user and are typically invoiced one year in advance. Q-linea's efforts to meet its performance obligation in service agreements are assessed to be evenly distributed during the contract period. This is because the customer can take advantage of the service at any time during the entire contract period and the degree of usage is unknown. Revenue is thus recognised on a straight-line basis across the entire contract period.

Services can also be offered to retailers, in which a suborder is made according to a contracted price list. The contract is typically on current account based on a price per hour. The Company's efforts to meet its performance obligation to the retailer take place upon completion, and revenue is recognised during the period in which the service is carried out.

Q-linea applies an average credit period of 30–60 days for the sale of instruments and 30–45 days for the sale of consumables and spare parts. Q-linea receives partial payments for instruments in advance and recognises the advance received as a contract liability until the time of delivery.

3.6 Employee benefits

Employee benefits in the form of salaries, bonuses, paid holidays, performance share rights, employee share options, etc. as well as pensions are recognised as they are earned. Severance pay is paid when employment is terminated by the Company before the normal retirement date or when an employee accepts a voluntary redundancy in exchange for such remuneration. The Company recognises severance pay when it is unquestionably obligated either to terminate an individual's employment in accordance with a detailed formal plan without any possibility of cancellation or to pay severance pay as a result of an offer made to encourage voluntary redundancy. Benefits that arise more than 12 months after the balance sheet date are discounted to their present value.

Pension obligations

Q-linea has only post-employment defined-contribution pension plans. For defined-contribution pension plans, Q-linea pays contributions to publicly or privately administered pension insurance plans on a compulsory, contractual or voluntary basis. Q-linea has no other payment obligations once these contributions have been paid. The contributions are recognised as personnel costs when they fall due for payment.

Prepaid contributions are recognised as an asset insofar as a cash repayment or a decrease in future payments could accrue to Q-linea. Past-service costs are recognised directly in the statement of profit and loss.

3.7. Share-based remuneration

The Company had two types of share-based remuneration programmes at the end of 2024.

Employee share option programme

The cost for the remuneration recognised in a period depends on the original valuation made on the contract date with the participants of the employee share option programme, the number of months' service required from an employee to gain entitlement to receive options (allocation takes place over this period), the number of options expected to be earned by the participants according to the conditions of the programmes and the continuous revaluation of the taxable benefit for the participants of the programme (as a basis for provisions for social security costs). The estimates that impact the costs in a period and the corresponding increase in equity are primarily all inputs in the valuations of the options. Earned options are settled with shares. Payments received, less any directly associated transaction costs, are credited to share capital and other paid-in equity.

Social security contributions

The social security contributions arising on the allotment of share options are considered to be an integrated part of the allotment and the cost is treated as a cash-settled share-based remuneration, which means that a liability is recognised in the statement of financial position. This liability is continuously remeasured and the value of the liability and the cost in the statement of profit and loss depend on the change in value and on the allocation based on the vesting of the options.

3.8. Financial income and expenses

Financial income and expenses consist of interest income on bank deposits and receivables, interest expenses on liabilities and changes in the fair values of financial investments. Interest income on receivables and interest expenses on liabilities are calculated using the effective interest method. Effective interest is the exact rate used to discount estimated future receipts and disbursements during the financial instrument's expected term to recognised gross value in the case of a financial asset or to amortised cost in the case of a financial liability. Interest income and interest expenses include allocated amounts of transaction costs and any discounts or premiums. Dividend income is recognised when the right to receive payment has been established. The result from the sale of financial investments is recognised on the transaction date.

Interest expenses are charged to the result for the period to which they are attributable, except insofar as they are included in the cost of the asset. However, no interest expenses are currently recognised in the cost of assets.

3.9. Income tax

Income tax-related income and expenses comprise current and deferred tax. Current tax is the tax calculated on the taxable result of each legal entity in the Group for the current or prior periods. Deferred tax is tax on temporary differences between carrying amounts and tax bases of assets and liabilities.

Deferred tax revenue also arises insofar as the tax effect of a tax loss carryforward is recognised as a deferred tax asset. However, a deferred tax asset is recognised only insofar as it is clearly probable that the Group, in future, will generate a sufficient taxable surplus

against which the deferred tax asset can be deducted. Since it is not yet possible to reliably estimate when Q-linea will generate such a surplus, no deferred tax assets have been recognised. Q-linea AB has tax loss carryforwards. Deferred tax liabilities arising from temporary tax differences are therefore not recognised in the statement of financial position as these can be offset against the tax loss carryforward.

3.10 Tangible assets

Tangible assets are recognised at cost with deductions for accumulated depreciation and any accumulated impairment. The cost includes expenses that can be directly attributed to the acquisition of the asset. Additional expenses are added to the asset's carrying amount or recognised as a separate asset, depending on what is most appropriate, only if it is probable that the future financial benefits associated with the asset will accrue to Q-linea and the asset's cost can be measured reliably. The carrying amount for the replaced portion is eliminated from the balance sheet. All other forms of repairs and maintenance are recognised as costs in profit or loss during the period in which they arise.

Assets are depreciated on a straight-line basis to allocate their cost reduced to the estimated residual value over the estimated useful life. The useful lives are as follows:

Equipment, tools, fixtures and fittings

The residual values and useful lives of the assets are tested at the end of each reporting period and adjusted if necessary. Gains and losses from divestments are established by comparing the sales proceeds with the carrying amount of the asset and are recognised net in profit or loss. Q-linea depreciates assets on a straight-line basis over five to ten years.

3.11. Leases

Leases are recognised in accordance with IFRS 16 Leases. This standard stipulates that at the commencement of a lease the lessee must recognise an asset for the right to use the leased assets in the statement of financial position along with a corresponding lease liability. Q-linea's lease activities mainly comprise the lease of its business premises as well as certain office and warehouse equipment. There are also a few car leases. The lease term used to calculate the lease liability as set forth below is the term of each lease. Some leases, especially commercial premises leases, are relatively short, one to three years, but are automatically extended unless terminated. In these cases, the lease term is estimated at the shortest time that management considers it highly probable that the option to extend will be exercised.

Lease liabilities are initially measured at the present value of future fixed and variable lease payments as well as future expected payments for any residual value guarantees and any purchase options. The Company's incremental borrowing rate was used as a discount rate when calculating the present value. The incremental borrowing rate is the interest rate the Company would need to pay to be able to borrow the equivalent amount over the term of the lease with equivalent security for the lender.

Every lease payment is recognised allocated as a repayment of the lease liability in the statement of financial position and as an interest expense in profit or loss. In the statement of cash flows, the corresponding amounts are recognised as "Repayment of lease liabilities" in "Cash flow from financing activities" and as "Interest paid" in "Cash flow from operating activities".

The lease liability may be remeasured during the term of the lease, depending on whether certain circumstances arise such as new lease terms.

Lease payments for leases where the underlying asset has a low value and leases with a term of 12 months or less are recognised as an expense on a straight-line basis over the lease term.

Leased assets (right-of-use assets) are initially recognised at cost, which includes the amount of the initial measurement of the lease liability, lease payments made at or before the commencement date plus direct costs attributable to the signing of the lease. The right-of-use assets may be remeasured during the term of the lease, depending on whether the lease liability is remeasured. Right-of-use assets are depreciated on a straight-line basis over the asset's useful life or the term of the lease, whichever is shorter. Leased assets are subject to impairment testing.

3.12. Intangible assets

Capitalised development expenses

Research expenses that aim to obtain new scientific or technological expertise are recognised as costs as they arise. Expenses for development projects attributable to the development and testing of new or improved products are carried forward to the extent that these expenses are expected to generate future financial benefits. Q-linea capitalises development expenses when all of the following conditions are met:

a) It is technically possible to complete the development object so that it can be used or sold.

b) Management has decided to complete the development object.

c) Q-linea has the conditions to use or sell the development object.

d) It is possible to demonstrate how the development object will generate future probable financial benefits.

e) Q-linea has adequate technical, financial and other resources to complete the development.

f) Q-linea can reliably calculate the expenses associated with the development of the development object.

At the end of the year, management determined that all of the requirements for capitalisation of development expenses had not been fulfilled.

Other development expenses are expensed as they arise. Development expenses that were previously expensed are not capitalised as an asset in later periods. Amortisation of capitalised development expenses takes place on a straight-line basis over the period in which the anticipated benefits are expected to accrue to the Company, starting when the product is ready to use, which in practice is when the product has obtained all approval required for sale in a market or has otherwise started to generate revenue for Q-linea, whichever occurs first.

Licences

Licences acquired separately are recognised at cost. Licences have a determinable useful life and are recognised at cost less accumulated amortisation and any impairment. Q-linea amortises licences with determinable useful lives on a straight-line basis over the following periods:

- Licences 7 years

Goodwill

Goodwill arises in business combinations and is recognised on the acquisition date as the total of the fair value of the assets transferred as consideration to the seller less the net value of the identified assets and liabilities measured at fair value that were transferred in conjunction with the acquisition.

Goodwill is not amortised but is tested for impairment if there is an indication of a decline in value. Regardless of whether there is such indication, an impairment test is performed once a year. If it established in the test that the recoverable amount of the goodwill is lower than the carrying amount, the value is impaired.

Acquired intangible assets
Technology (software protocol) and customer relationships acquired through a business combination are measured at fair value on the acquisition date. Technology (software protocol) and customer relationships have a determinable useful life and are recognised at cost less accumulated amortisation. Amortisation takes place on a straight-line basis in order to distribute the cost of technology (software protocol) and customer relationships over their estimated useful lives:

- Technology (software protocol) 7 years
- Customer relationships 3 years

3.13. Impairment of non-financial assets
Intangible assets with an indefinite useful life and intangible assets that are not yet available for use are not subject to amortisation; instead they are impairment tested annually.

Tangible assets and intangible assets that are depreciated/amortised are tested for impairment when there is an indication of a decline in value.

When testing for impairment, the recoverable amount of the assets is calculated and, if it is lower than the asset's carrying amount, the asset is impaired.

The recoverable amount is the higher of an asset's fair value less selling expenses and its value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). For previously impaired assets, an assessment is made on each balance sheet date as to whether a reversal should take place. However, this does not apply to goodwill, for which no reversal is made.

3.14. Inventories
Inventories are recognised at the lower of cost and net realisable value. Cost is determined using the first-in, first-out (FIFO) method.

Goods for resale are goods that are purchased in order to be sold without Q-linea processing them. They are valued at the purchase price invoiced by the supplier plus costs for quality control.

The cost of raw materials and consumables comprises the purchase price invoiced by the supplier. The cost of products in progress, semi-finished goods and finished goods comprises the costs for raw materials plus manufacturing costs and costs for quality control.

Net realisable value is the estimated selling price in the operating activities less applicable variable selling expenses.

3.15. Financial instruments
Financial instruments are agreements that give rise to a financial asset or liability. Financial assets include cash, equity instruments in other companies and agreements that carry entitlement to cash and other financial assets. Financial liabilities are agreements under which the Company is obligated to pay cash or other financial assets to another company. This means that there are several receivables and liabilities that are not financial instruments. For example, receivables or liabilities that can be expected to be settled in a manner other than cash or other financial assets are not handled according to the accounting policies for financial instruments. The same applies for receivables and liabilities that are not based on agreements.

Financial instruments are recognised in the statement of financial position when Q-linea becomes a party to the instrument's contractual terms and conditions. Financial instruments, with the exception of accounts receivable, are initially measured at fair value. Accounts receivable are initially recognised at transaction value. A financial asset is derecognised in the statement of financial position when the rights in the contract cease because they have been realised, expire or Q-linea loses control of them. A financial liability is derecognised in the statement of financial position when the contractual obligation is discharged or otherwise ceases to apply.

Q-linea's financial instruments are recognised at fair value or amortised cost:

- Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between knowledgeable and willing market participants.
- Amortised cost is initially the fair value plus or minus transaction costs. The instruments are subsequently measured using the effective interest method, less any provision for impairment.

Recognition of financial instruments
On initial recognition, a financial asset is classified as measured at: fair value through profit or loss, fair value through other comprehensive income, or amortised cost. The classification depends primarily upon which business model Q-linea applies for the administration of each financial asset.

Financial liabilities are classified as measured at amortised cost. Financial assets are not reclassified after initial recognition unless the Group changes the purpose and model for administration of the financial assets.

- **Financial assets and liabilities measured at fair value through profit or loss**

Changes in fair value are recognised in the statement of profit and loss.

This category includes:
– ***Short-term investments in fixed-income funds.*** Individual securities included in these funds have a remaining maturity of more than three months and may be exposed to more than insignificant fluctuations in value. They are therefore recognised as short-term investments and not as cash and cash equivalents. The funds are traded in an active financial market and for each trading day an official market price is published, which is the fair value of the funds and the price at which they are valued.

Q-linea's fixed-income funds are held for sale, so the Company can collect their increase in value.

– ***Participations in other companies.*** These comprise participations in a Swedish unlisted limited company. They are held for the purpose of enabling Q-linea to obtain contractual cash flows in the form of dividends or through sales.

- **Financial assets and liabilities measured at fair value through other comprehensive income**

Changes in fair value are recognised in the statement of comprehensive income.

This category includes:
– ***Listed corporate bonds.*** These consist of low-risk corporate bonds issued by Swedish companies with high credit ratings. The bonds have different remaining maturities. Those with a remaining maturity of 12 months or less are classified in the statement of financial position as short-term investments and the rest as financial assets.

Q-linea's assets in the form of listed bonds are held to obtain both contractual cash flows, in the form of interest and repayment of principal, and cash flows from sales.

- **Financial assets measured at amortised cost**

Financial assets measured at amortised cost are debt instruments that are managed with the goal of realising the instrument's cash flows by obtaining contractual cash flows that only consist of principal and interest on the outstanding principal.

This category includes:
– *Non-current receivables*
– *Cash and cash equivalents consisting of bank deposits with Swedish and foreign commercial banks.* If the deposits are denominated in a currency other than SEK, they are translated at the closing rate.
– *Accounts receivable, other current receivables and accrued income.*

• Financial liabilities measured at amortised cost

This category includes:
– *Borrowing*
– *Accounts payable, prepaid expenses and accrued expenses*

Impairment of financial assets
Expected credit losses on financial assets measured at amortised cost are assessed on initial recognition and then on a continuous basis. A loss allowance for credit losses is initially calculated and recognised based on expected credit losses for 12 months. On each reporting date, the Company assesses whether the expected credit losses for a financial instrument have increased significantly since the initial recognition date and, if this is the case, a loss allowance is recognised based on expected credit losses for the asset's entire remaining term. The loss allowance for accounts receivable that do not include a material financing components is measured at an amount corresponding to the expected credit losses during the remaining term of the receivable. Changes in credit reserves are recognised in profit or loss. The gross value of a financial asset is written off when the Group has no reasonable expectations that the financial asset will be recovered in its entirety or in part.

Offset
Financial assets and financial liabilities are offset and the net amount recognised in the statement of financial position only when the Group has a legally enforceable right to offset the recognised amounts and intends to settle them on a net basis or to realise the asset and settle the liability simultaneously.

3.16. Equity
Transaction costs that are directly attributable to issues or new shares or options are recognised in net amounts after tax in equity as a deduction from the issue proceeds.

At the end of 2024, Q-linea had a holding of treasury shares. On the repurchase of treasury shares, the total purchase consideration paid reduces equity (retained earnings). The holding of treasury shares has been excluded from the calculation of earnings per share.

The aim of these shares is to ensure the delivery of performance shares under long-term incentive programmes.

3.17. Earnings per share
Earnings per share before dilution are calculated by dividing the result for the year by the weighted average number of shares outstanding during the year, less holdings of the average number of treasury shares.

Earnings per share after dilution are calculated by dividing the result for the year by the total weighted average number of ordinary shares and dilutive potential ordinary shares.

3.18. Provisions
Guarantees
The Company sells instruments with guarantees in accordance with industry practice. The guarantee period is normally 12 months from the date of the approved installation. The right of return is only valid upon technical errors. Provisions for these guarantee commitments are calculated for each individual instrument based on applicable guarantee conditions and assessed product quality and are recognised as a liability until the guarantee period is complete or the guarantee has been utilised.

3.19. Cash flow
The statement of cash flows has been prepared according to the indirect method. The recognised cash flow includes only transactions that involve receipts or payments. The Company classifies available balances at banks and other credit institutions as cash and cash equivalents.

4. Parent Company accounting policies

The Parent Company financial statements have been prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and Recommendation RFR 2 Financial Reporting for Legal Entities of the Swedish Financial Reporting Board. Under RFR 2, the Parent Company is required to apply in the annual report for the legal entity all IFRS and interpretations approved by the EU as far as this is possible within the framework of the Annual Accounts Act and with regard to the relationship between accounting and taxation. The recommendation specifies which exceptions from and additions to IFRS must be made. The differences between the Group and Parent Company accounting policies are shown below. The accounting policies set forth below for the Parent Company have been applied consistently for all periods presented in the Parent Company financial statements, unless otherwise stated.

4.1. Classification and formats
The Parent Company's formats and classification of the items in the financial statements are based on guidelines and instructions in the Annual Accounts Act. The statements' formats and classifications therefore differ in some respects from those used in the consolidated financial statements.

In the Parent Company, the designations Parent Company income statement, Parent Company statement of comprehensive income, Parent Company balance sheet, Parent Company statement of changes in equity and Parent Company statement of cash flows are used, while in the Group the designations consolidated statement of profit and loss, consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity and consolidated statement of cash flows are used.

4.2. Leases
In accordance with the exception in RFR 2, IFRS 16 Leases is not applied in the Parent Company. Lease payments are expensed in profit or loss on a straight-line basis over the lease term.

4.3. Goodwill
Goodwill is recognised in the Parent Company at cost less accumulated amortisation. Amortisation takes place on a straight-line basis in order to distribute the cost of goodwill over the estimated useful life, which is seven years.

4.4 Participations in Group companies
Capital contributions to Group companies and revaluations of Group companies are recognised at cost in the Parent Company balance sheet as participations in Group companies.

Note 3 Significant estimates and judgements

The most significant assumptions about the future, and other significant sources of uncertainty in estimates on the balance sheet date, which entail a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are presented below.

Research and development expenses
The assets that arise by virtue of research or are in the research phase for internal projects are not recognised as assets in the financial statements. Research expenses or expenses for internal projects in the research phase are expensed when they arise. The assets that arise by virtue of development or are in the development phase for internal projects are recognised as assets under certain conditions. Every year, or when indications arise, Q-linea assesses whether an internal project in the research phase meets the criteria for progressing to the development phase. None of the ongoing projects met the criteria for being recognised as an asset in the financial statements as per 31 December 2024.

Deferred tax
Deferred tax is calculated on temporary differences between carrying amounts and tax bases of assets and liabilities. Estimates and judgements impact the recognised deferred tax amounts through establishing the carrying amount of various assets and liabilities, and also through forecasts of future taxable profits if future use of deferred tax assets is dependent on such profits.

Deferred tax assets are recognised to the extent that it is probable that future surpluses for tax purposes will be available to offset temporary differences. Q-linea does not recognise any deferred tax in the balance sheet due to the uncertainty of whether it will be possible to utilise losses in the foreseeable future. Accumulated, unrecognised loss carryforwards in the Group at 31 December 2024 are estimated at SEK 97,446 thousand (49,222).

Share-based remuneration programmes
Q-linea has several option-based incentive programmes for employees of the Company. These programmes are described in detail in Note 10 "Employee benefits and disclosures on employees". The calculation of the expenses recognised on an ongoing basis for these programmes depends on several components which at the time of calculation have not yet been fixed but can only be estimated. The components may differ from management's estimates at the balance sheet date. Examples of such components are estimated target achievement of the strategic and operational targets set by the Board and Q-linea's share price performance.

Leases
The accounting treatment of right-of-use assets for leased assets, lease liabilities and related depreciation and financial expenses is based on assumptions about the Company's incremental borrowing rate and the estimated lease term of each asset.

Goodwill impairment test
Goodwill is tested for impairment annually. In the impairment test, the recoverable amount of goodwill is estimated and compared with the carrying amount. If the recoverable amount is lower than the carrying amount, the carrying amount is impaired. The estimate of the recoverable amount is based on a number of assumptions, such as expected future cash flow and an appropriate discount rate for calculating the present value of the assumed cash flows. For further information, refer to Note 14 "Intangible assets".

Inventory measurement
Inventories are measured at the lower of cost and net realisable value. The measurement is therefore based on management's assumption that it will be possible to sell the existing inventory and that it can be sold at a net realisable value that exceeds the cost. In a company that does not yet have a broad customer base and no sales history to fall back on, the uncertainty in these estimates is greater than would otherwise be the case.

Guarantee reserve
Assumptions about the size of the guarantee reserve are based on estimates and judgements since data on actual historic guarantee costs is not available.

Note 4 Financial risks and risk management

Q-linea's operations are, like all business activities, exposed to a large number of risks. These risks can be generally divided into risks that directly impact the Company's financial situation (financial risks) and risks that only indirectly impact the financial situation (operating risks). The operating risks that Q-linea is exposed to and how they are managed are described in the Board of Directors' Report. Financial risks can be divided into risks arising from the Company's financial instruments (for the definition of financial instruments, refer to Note 2 "Summary of significant accounting policies") and other financial risks, relating to other assets and liabilities as well as equity. The disclosures in this note focus on risks arising from financial instruments, to which the Company is thus exposed at the end of the year.

Classification of financial instruments
The principles for the classification of Q-linea's financial instruments are described in Note 2 "Summary of significant accounting policies". See the table on the next page.

Financial instruments measured at amortised cost are of a short-term nature and the carrying amounts are reasonable approximations of the fair value.

Fair value measurement
Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between knowledgeable and willing market participants. The fair value measurement is based on inputs that can be arranged in a fair value hierarchy based on their relevance and how observable they are. The following levels can thereby be determined:

Level 1: There is an active market with quoted prices for the measurement date. Q-linea's fixed-income funds and bonds are measured at this level. Q-linea has no financial instruments measured at this level.

Level 2: The measurement is based on directly or indirectly observable inputs other than quoted prices according to Level 1. Q-linea has no financial instruments measured at this level.

Level 3: There are no observable inputs for the asset in question. The measurement is therefore based on other, unobservable inputs, reasonable analogies and reasoning. Q-linea's holdings of unlisted shares and other non-current receivables are measured at this level. The total value of financial assets measured at Level 3 is SEK 4,146 thousand (4,146).

The following financial instruments were held:

31 Dec 2024	Financial assets measured at fair value through profit or loss	Financial assets measured at fair value through other comprehensive income	Financial assets measured at amortised cost	Financial liabilities measured at amortised cost	Total
Financial assets	4,202	0	0		4,202
Listed long-term bonds	0	0			
Holdings in unlisted limited companies	4,095				
Non-current receivables	107				
Accounts receivable			627		627
Cash and cash equivalents			25,664		25,664
Total financial assets	**4,202**	**0**	**26,291**		**30,493**
Loans from owner				139,500	139,500
Accounts payable				3,702	3,702
Accrued expenses				2,310	2,310
Total financial liabilities				**145,512**	**145,512**

31 Dec 2023	Financial assets measured at fair value through profit or loss	Financial assets measured at fair value through other comprehensive income	Financial assets measured at amortised cost	Financial liabilities measured at amortised cost	Total
Financial assets	4,146	0			4,146
Listed long-term bonds	0	0			
Holdings in unlisted limited companies	4,095				
Non-current receivables	51				
Accounts receivable	0		60		60
Cash and cash equivalents			81,895		81,895
Total financial assets	**4,146**	**0**	**81,955**		**86,101**
Loans from credit institutions				0	0
Accounts payable				5,305	5,305
Accrued expenses				2,944	2,944
Total financial liabilities				**8,249**	**8,249**

Financial risks
The primary financial risks to which Q-linea's financial instruments are exposed to varying extents are:

- **Market risk** – the risk that variables dependent on trends in the financial markets have a negative impact on the value of Q-linea's financial instruments.
- **Credit risk** – the risk that a debtor does not pay its debts to Q-linea.
- **Liquidity risk** – the risk that Q-linea will have insufficient cash and cash equivalents to pay a debt when it falls due. Closely related to liquidity risk is financing risk, which is the risk that Q-linea will fail to obtain sufficient capital in the long term to secure its ability to continue as a going concern. How Q-linea's management manages these risks is described in the section "Management of capital" below.

Risks are managed by management based on guidelines from the Board that apply to both operational and financial risks. Financial risk management consists of identifying, assessing and hedging financial risks.

Risks comprise two components:

- The risk of a negative event occurring, and
- The risk of major consequences if a negative event occurs.

A correct risk assessment and thus a decision on appropriate risk-management measures is based on an accurate appraisal of both of these components. Obviously there are situations in which it is not profitable to actively take measures to prevent a negative event even though there is the risk of such an event occurring, if all of the consequences of this negative event are small. In such cases, the best course of action is probably to accept the risk. In other cases when the consequences of a negative event may be more extensive, risk management may take the form of attempting to minimise both components by taking appropriate action. Such action could be directed to either of the components depending on the nature of the risk. In certain cases, primarily regarding market risk, an individual company is often unable to exercise any influence over the risk parameters at all. Risk management in these cases is concentrated entirely on reducing the consequences of the negative events.

Credit and liquidity risks are largely governed by events that can be managed by taking active pre-emptive measures. The dominating financial risks for Q-linea are financing and associated liquidity risks as described above.

As a result, most financial risk management activities focus on these two risks. This means that the primary objective of management's financial risk management is to ensure, through ongoing efforts to identify and develop various financing options, that the Company has sufficient cash and cash equivalents not to be constrained in its operating activities and to be able to settle its liabilities when they fall due. Another stated objective is to invest the excess liquidity that regularly arises from the issuance of new shares in low-risk securities.

Market risks
The market risks that affect Q-linea's financial instruments are primarily:

- **Market price risk** – the risk that the market price of the fixed-income funds and listed bonds in which Q-linea has invested its excess liquidity will decline.
- **Currency risk** – the risk of unfavourable movements in the exchange rates for the currencies in which Q-linea's financial instruments are denominated.
- **Interest rate risk** – the risk of changes in market interest rates that are unfavourable for Q-linea. Interest rate risk can lead to changes in the fair values of the financial instruments and changes in their cash flows.

Market price risk
The following sensitivity analysis shows how the fair value of Q-linea's listed bonds and fixed-income funds, which are the financial instruments that are exposed to market price risk, would change if the listed market prices changed by 10%.

Currency risk
The following sensitivity analysis shows how the carrying amount of Q-linea's financial assets and liabilities would change if exchange rates changed by 10%:

SEK thousand	Currency	31 Dec 2024	31 Dec 2023
Financial asset			
Cash and cash equivalents	EUR	163	149
	USD	361	187
	GBP	1	
Total currency risk in financial assets		**525**	**336**

SEK thousand	Currency	31 Dec 2024	31 Dec 2023
Financial liability			
Accounts payable	DKK	–	13
	EUR	25	140
	USD	56	45
	GBP	3	2
Accrued expenses	EUR	110	12
	USD	–	–
	GBP	–	15
Total currency risk in financial liabilities		**194**	**227**

The currency risk can be considered negligible.

Interest rate risk
Financial instruments exposed to interest rate risk comprise holdings of listed bonds, bank loans and other loans.

The loans are shown in the table below:

SEK thousand	31 Dec 2024	31 Dec 2023
Loans from owner	139,500	–

As of 31 December 2024, Q-linea had two loans from the Company's owners. SEK 99.5 million from Nexttobe AB and SEK 40 million from Ulf Landegren.

Credit risk
Credit risk is the risk that a debtor will be unable to pay its debts to Q-linea when they fall due. Q-linea's financial assets subject to credit risks are:

	Carrying amount	
SEK thousand	31 Dec 2024	31 Dec 2023
Financial asset		
Cash and cash equivalents	25,664	81,895
Accounts receivable	627	60
Other non-current receivables	107	51

Cash and cash equivalents
The credit risk in cash and cash equivalents is negligible, as these consist entirely of bank deposits with large commercial banks.

Accounts receivable
Q-linea is in an early commercial phase and partners/distributions as well as customers are considered creditworthy, reliable payers.

The maximum credit risk exposure is the carrying amount.

Other non-current receivables
This receivable consists of a deposit to a supplier and is subject to a credit risk, but as the debtors are very solid and the amounts are low the risk is considered negligible and no risk reduction measures have been taken.

The maximum credit risk exposure is the carrying amount.

Liquidity risk
Liquidity risk is the risk that Q-linea will be unable to pay a debt when it falls due. The maturity structure of Q-linea's financial liabilities is shown in the following table:

At 31 Dec 2024:

SEK thousand	<3 months	3–6 months	6–12 months	>1 year	Total
Lease liabilities	1,769	1,769	3,351	5,793	12,682
Loans from owners	49,000	0	0	90,500	139,500
Accounts payable	3,180	522	0	0	3,702
Accrued expenses	2,725	694	0	0	3,419
Total	**56,675**	**2,985**	**3,351**	**96,293**	**159,304**

At 31 Dec 2023:

SEK thousand	<3 months	3–6 months	6–12 months	>1 year	Total
Lease liabilities	2,072	2,072	4,106	13,323	21,573
Accounts payable	5,305	0	0	0	5,305
Accrued expenses	2,797	–	–	–	2,797
Total	**10,175**	**2,072**	**4,106**	**13,323**	**29,676**

Q-linea had the following cash and cash equivalents and other financial assets, which can be converted into cash in a few business days:

SEK thousand	31 Dec 2024	31 Dec 2023
Cash and cash equivalents	25,664	81,895
Fixed-income funds		–
Listed bonds		–
Total	**25,664**	**81,895**

As of 31 December 2024, Q-linea had cash and cash equivalents of SEK 25.7 million. The loan commitment from the Company's principal owner, Nexttobe AB, was fully utilised and amounted to SEK 99.5 million at 31 December 2024.

On 5 November 2024, the Board resolved to conduct a rights issue with preferential rights for the Company's existing shareholders and to enter into an agreement for a bridging loan facility of approximately SEK 40 million to secure the Company's financial needs until the completion of the rights issue. An extraordinary general meeting on 6 December approved the Board's decision. Assuming that the issue is fully subscribed for, the Company will raise approximately SEK 225,000,000 before issue costs. The Company can also raise additional capital in conjunction with the exercise of warrants issued under the rights issue. Subscription and guarantee commitments amounted to approximately 80% or SEK 180,000,000. As of 31 December, the entire bridging loan facility had been utilised, corresponding to SEK 40,000,000.

The available cash and cash equivalents and the outcome from the new share issue described above are deemed insufficient to cover the liquidity needed for the Company to conduct its planned operations for the next 12 months. In light of the work being done to pursue potential financing options and recent developments at the Company, the Board considers the Company's prospects to finance its operations to be favourable. If the efforts to secure the necessary financing are not successful, this may affect the Group's ability to implement the current business plan and also constitute a significant source of uncertainty regarding the Group's continued operations.

Capital management
Q-linea is still in an early commercial phase and is not yet generating profit or positive operating cash flow. Q-linea's capital management is therefore still fully focused on raising external capital for the business until positive earnings and a positive operating cash flow are generated. Capital has so far been raised through the issuance of new shares, but the Board may also authorise the raising of loans where this is considered advantageous.

Q-linea is not restricted by any externally imposed capital requirements in its capital management activities. Internally, targets have been set for several performance measures related to the capital structure, such as equity/assets ratio and debt/equity ratio. Several performance measures related to financial risks are also closely monitored by the Board. For further information on these performance measures, refer to Note 27.

Under Q-linea's dividend policy, future earnings must be reinvested in the business until sustainable long-term profitability has been achieved and only at this point may the Board propose that a dividend be paid to the shareholders.

Note 5 Specification of net sales

Net sales comprise sales of ASTar instruments and associated consumables, and are distributed by geographic markets as follows:

	Group and Parent Company	
SEK thousand	2024	2023
UK	459	1,522
EU	1,904	2,857
Sweden	–	61
Total net sales by geographic market	**2,362**	**4,440**

Note 6 Other operating income and other operating expenses

SEK thousand	Group		Parent Company	
	2024	2023	2024	2023
Other operating income				
Government assistance received	172	598	172	598
Sale of raw materials to suppliers	385		385	
Development services provided	1,221	495	1,221	495
Exchange-rate differences	1,561	471	1,561	471
Gain on divestment of inventory	85	618	85	618
Other	0		0	
Total other operating income	**3,423**	**2,183**	**3,423**	**2,183**
Other operating expenses				
Exchange-rate differences	1,610	944	1,488	941
Scrapping of inventory		575		575
Total other operating expenses	**1,610**	**1,519**	**1,488**	**1,516**

Note 7 Leases

Q-linea's lease activities

Q-linea has leases primarily for its office, laboratory, production and warehouse premises (recognised in buildings and land below) but also for certain office and warehouse equipment as well as a few car leases (summarised as other assets). Leases for premises have terms of one to three years and these are extended on expiry unless terminated in advance. Q-linea's leases for office and warehouse equipment have terms of three to five years and can also be extended on expiry. The Group allocates the contract consideration to lease and non-lease components based on their relative stand-alone prices. Payments for short-term leases and all low-value leases are expensed on a straight-line basis in the statement of profit and loss. Short-term leases are leases with a term of 12 months or less without a purchase option.

For a maturity analysis of lease liabilities, refer to Note 4 "Financial risks and risk management".

Carrying amounts of right-of-use assets in the Group

Underlying asset class	31 Dec 2024	31 Dec 2023
Buildings and land	11,764	21,353
Other assets	1,067	175
Total right-of-use assets[1)]	**12,831**	**21,528**

Carrying amounts for leases in the consolidated statement of profit and loss

SEK thousand	2024	2023
Depreciation of right-of-use assets for buildings and land	7,157	7,284
Depreciation of right-of-use assets for other assets	417	192
Interest expenses for lease liabilities	600	859
Short-term lease expense	51	51
Low-value lease expense	–	–
Expense for variable lease payments not included in the measurement of lease liabilities	–	–

Cash flow from lease activities in the Group

SEK thousand	2024	2023
Repayment of lease liabilities	-7,645	-7,367
Interest paid on lease liabilities	-291	-852
Investments	-108	-31
Other operating cash flows from leases	-134	159
Total lease cash outflow	**-8,179**	**-8,091**

Leases in the Parent Company

SEK thousand	31 Dec 2024	31 Dec 2023
Due for payment within one year	6,280	5,834
Due for payment later than one year but within five years	5,144	3,118
Due for payment later than five years		
Total	**11,424**	**8,952**
Lease payments expensed during the year	8,179	8,091

Note 8 Audit fees

Audit assignment refers to the auditing of the annual report and accounting records as well as the administration of the Board and the Managing Director, other tasks required by the Company's auditors, and advisory services and other assistance required as a result of observations arising from such audits or such other tasks. Everything else comes under other assignments.

All of the fees below pertain to remuneration to the audit firm Öhrlings PricewaterhouseCoopers AB and no portion pertains to its network. No remuneration was paid for valuation services.

	Group and Parent Company	
SEK thousand	2024	2023
PwC, Öhrlings PricewaterhouseCoopers AB		
Audit assignment	1,623	1,409
Audits other than audit assignment	–	0
Tax advisory services	80	87
Other advisory services	114	165
Issue costs	10	212
Total	**1,827**	**1,873**

Note 9 Employee benefits and disclosures on employees

Average no. of employees

	Group				Parent Company			
	2024		2023		2024		2023	
	Average no. of employees	Of whom, men	Average no. of employees	Of whom, men	Average no. of employees	Of whom, men	Average no. of employees	Of whom, men
Sweden	93	51	139	79	**93**	**51**	**139**	**79**
US	5	4	2	2				
Italy	4	3	1	1				
Total	**102**	**57**	**142**	**82**	**93**	**51**	**139**	**79**

Employee benefits

	Group		Parent Company	
	2024	2023	2024	2023
Salaries and remuneration	93,381	98,229	72,146	91,789
Social security costs	22,320	26,944	20,510	26,073
Share options and performance share rights allotted to employees[1)]	309	3,198	309	3,198
Pension costs – defined-contribution plans	10,894	12,664	10,028	12,544
Total	**126,904**	**141,035**	**102,993**	**133,604**

Remuneration for senior executives

	Group				Parent Company			
	2024		2023		2024		2023	
	Salaries and other remuneration	Pension costs	Salaries and other remuneration	Pension costs	Salaries and other remuneration	Pension costs	Salaries and other remuneration	Pension costs
Directors, Managing Director and other senior executives	26,057	3,357	15,843	3,464	14,214	3,058	15,843	3,464
of which, variable pay	563	–	–	–	–	–	–	–
Other employees	67,324	7,537	82,386	9,201	57,932	6,970	75,945	9,081
of which, variable pay	1,941	–	69	–	0	–	69	–
Total	**93,381**	**10,894**	**98,229**	**12,664**	**72,146**	**10,028**	**91,788**	**12,545**
of which, variable pay	**2,504**	**–**	**69**	**–**	**0**	**–**	**69**	**–**

	Basic salary/ Director's fee	Variable pay	Pension cost	Share-based remuneration [4]	Other remuneration	Total
2024						
Board Chairperson Erika Kjellberg Eriksson[1]	–	–	–	–	–	0
Board Deputy Chairperson Mario Gualano	338	–	–	–	–	338
Director Mats Nilsson	113	–	–	–	–	113
Director Hans Johansson	225	–	–	–	–	225
Director Nina Korfu-Pedersen	135	–	–	–	–	135
Director Karin Fischer	270	–	–	–	–	270
Director Finn Albrechtsen [3]	275	–	–	–	–	275
Director Jonas Jarvius	135					135
Managing Director Anders Ljunggren	2,235	–	470	–	–	2,705
Other senior executives (11 people)	22,333	–	2,887	–	–	25,220
Total	**26,057**	**0**	**3,357**	**0**	**0**	**29,414**
2023						
Board Chairperson Erika Kjellberg Eriksson[1]	–	–	–	–	–	0
Board Deputy Chairperson Mario Gualano	279	–	–	–	–	279
Director Mats Nilsson	223	–	–	–	–	223
Director Marianne Hansson [2]	130	–	–	–	–	130
Director Per-Olof Wallström [2]	133	–	–	–	–	133
Director Hans Johansson	222	–	–	–	–	223
Director Nina Korfu-Pedersen	267	–	–	–	–	268
Director Karin Fischer	135	–	–	–	–	135
Director Finn Albrechtsen [3]	122	–	–	–	–	123
Managing Director Jonas Jarvius	2,670	–	653	–	–	3,323
Other senior executives (11 people)	11,662	–	2,810	–	–	14,472
Total	**15,843**	**0**	**3,463**	**0**	**0**	**19,307**

1) Chairperson from the Annual General Meeting in June 2018, declined fee.
2) Declined re-election and stepped down at the 2023 Annual General Meeting
3) Finn Albrechtsen was elected as a new director at the 2023 Annual General Meeting.
4) Declined re-election and stepped down at the 2024 Annual General Meeting
5) Jonas Jarvius assumed the role of director at the 2024 Annual General Meeting.

Other senior executives refers to the individuals who, together with the CEO and Managing Director, comprised the management team during the year. At the end of the year, the management team, excluding the CEO and Managing Director, comprised seven (ten) people, including one (three) woman and six (seven) men.

At the end of the 2024 financial year, the Board comprised six people (two women and four men).

Fees in 2024 were paid to directors who were not employed in the Nexttobe Group. These fees amounted to SEK 1,489 thousand (1,511).

If employment is terminated by the Company, the contractual period of notice for the Managing Director and other employed senior executives is six months. The same period of notice applies if employment is terminated by the Managing Director or employed senior executive. If employment is terminated by the Company, senior executives are entitled to severance pay amounting to three months' salary. The Managing Director is not entitled to any particular severance pay if employment is terminated by the Company.

Shared-based option programmes

At the end of the year, Q-linea had one ongoing share-based remuneration programme: Employee Share Option Programme 2024/2027. During the year, the share-based remuneration programmes LTIP 2021/2024 and LTIP 2022/2025 ended and the performance share rights expired. Previously, the Board decided not to implement the employee share option programme 2023/2026 resolved on by the 2023 Annual General Meeting as the programme was not considered to meet its objectives.

Employee Share Option Programme 2024/2027

The Company's Annual General Meeting on 28 June 2024 resolved to introduce an employee share option programme for the Company's employees. Employee Share Option Programme 2024/2027 is to comprise a maximum of 6,534,000 employee share options. Employee share options are to be offered free of charge to individuals employed by the Company as of 1 July 2024.

The total number of options per individual per category is shown below:

I. CEO: 2,343,000
II. Managing Director: 200,000
III. Management team: 170,000
IV. Other employees: 30,000

Each employee share option shall entitle the holder, on the achievement of certain strategic and operational goals set by the Board in advance and connected to significant events in the Company's development, such as advances in product development, product approval and commercialisation, and after a three-year vesting period, to acquire one (1) new common share in the Company at a price of SEK 4.24 (the Subscription Price), corresponding to 110% of the volume-weighted average price of the Company's share according to Nasdaq Stockholm's price list during the period ten (10) trading days before 28 June 2024. To enable the Company's delivery of shares under the programme and to cover the cash flow effects as a result of any social security contributions arising under the programme, the Annual General Meeting resolved to carry out a directed issue of a maximum of 8,587,000 warrants to the Company, of which a maximum of 2,053,000 warrants were issued to cover any cash flow effects as a result of social security contributions arising under Employee Share Option Programme 2024/2027.

As of 31 December 2024, the programme had 6,333,000 granted and outstanding employee share options allocated to 81 employees. The allotment of employee share options per participant and category are presented in the table below.

Category	No. of participants	Number of allotted employee share options	
		per participant	per category
CEO	1	2,343,000	2,343,000
Managing Director	1	200,000	200,000
Management team	7	170,000	1,190,000
Other employees	22	50,000	1,100,000
Other employees	50	30,000	1,500,000
Total	**81**	**–**	**6,333,000**

Number of outstanding employee share options

Number	31 Dec 2024	31 Dec 2023
Opening number	155,200	208,750
allotted during the period	6,333,000	–
exercised during the period	–	
expired during the period	-155,200	-53,550
Closing number of options	**6,333,000**	**155,200**

At the end of the year, there were 6,333,000 (155,200) employee share options outstanding and 155,200 (53,550) options had expired during the year. The fair value of the options, calculated using the Black & Scholes valuation model, amounted to SEK 0 per option on the balance sheet date, and the cost recognised in the 2024 financial year including social security contributions amounted to SEK 309 thousand (1,532). From the allotment date to the end of 2024, Q-linea's share price decreased from SEK 3.86 to SEK 0.19, down approximately 95%. The fair value of the allotted options was calculated at SEK 0 thousand (0) with the following inputs:

Number	31 Dec 2024	31 Dec 2023
Share price on the valuation date	SEK 0.13	SEK 3.70
Exercise price, outstanding options	SEK 4.24	SEK 102.82
Expected volatility[1)]	0.50	0.39
Term, options with three-year vesting period	2.875 years	1.625 years
Risk-free rate, %	2.20	2.702
Fair value per option, SEK	**0**	**0**

1) Expected volatility was determined by analysing the share price trend for comparable companies.

Note 10 Financial income and expenses

SEK thousand	Category	Earnings effect	Group 2024	Group 2023	Parent Company 2024	Parent Company 2023
Financial income						
Interest-bearing securities	Financial assets measured at fair value through profit or loss	Remeasurement to fair value	476	2,790	959	2,790
Listed bonds	Financial assets measured at fair value through other comprehensive income	Interest income	–	–	–	–
Total financial income			**476**	**2,790**	**959**	**2,790**
Financial expenses						
Bank loans	Financial assets measured at amortised cost	Interest expenses	–	–	–	–
Interest-bearing securities	Financial assets measured at fair value through profit or loss	Remeasurement to fair value	-3,104	-705	-3,105	-710
Lease liabilities	–	Interest expenses	-602	-864	–	–
Total financial expenses			**-3,706**	**-1,569**	**-3,105**	**-710**

Note 11 Tax on result for the year

Tax on result for the year

SEK thousand	Group and Parent Company 2024	Group and Parent Company 2023
Current tax for the year	–	–
Deferred tax	–	–
Total tax on result for the year	**–**	**–**

The difference between recognised tax expense and the estimated tax expense based on prevailing tax rates was as follows:

SEK thousand	Group 2024	Group 2023	Parent Company 2024	Parent Company 2023
Result before tax	-216,871	-229,366	-193,297	-219,764
Income tax calculated according to prevailing tax rate in Sweden (20.6%)	44,675	47,249	39,819	45,271
Issue costs not included in result	120	2,083	120	2,083
Non-taxable income	2	229	2	229
Non-deductible costs	-3,078	-339	-3,078	-322
Accumulated tax loss carryforwards	47,262	0	47,262	0
Temporary differences	-895	0	0	0
Foreign tax	9,360	0	0	0
Unrecognised deferred tax	-97,446	-49,222	-84,125	-47,262
Tax on result for the year	**0**	**0**	**0**	**0**

Unrecognised deferred tax

The following deferred tax assets and liabilities exist:

SEK thousand	Group 2024	Group 2023	Parent Company 2024	Parent Company 2023
Deferred tax assets arising from loss carryforwards	88,981	49,893	84,125	47,262
Deferred tax assets on foreign tax	9,360	–	–	–
Deferred tax liability arising from temporary differences	-895	-671	–	–
Net deferred tax asset	**97,446**	**49,222**	**84,125**	**47,262**

As it is not yet possible to estimate when Q-linea will generate a taxable surplus, no deferred tax asset has been recognised in the statement of financial position.

Note 12 Tangible assets

Equipment, tools, fixtures and fittings

SEK thousand	Group		Parent Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Opening cost	69,248	61,699	66,988	61,699
Purchases	4,883	8,310		5,906
Exchange-rate differences	334	-145		–
Sales and scrapping	-225	-616	-225	-616
Closing accumulated cost	**74,240**	**69,248**	**66,763**	**66,988**
Opening depreciation	-35,188	-25,337	-35,150	-25,337
Depreciation for the year	-10,105	-9,937	-9,302	-9,898
Exchange-rate differences	-23	1		–
Sales and scrapping	225	84	**225**	**84**
Closing accumulated depreciation	**-45,091**	**-35,188**	**-44,227**	**35,150**
Closing carrying amount	**29,149**	**34,060**	**22,536**	**31,838**

Note 13 Intangible assets

SEK thousand	Group			Parent Company		
	Licences	Technology and customer relationships	Goodwill	Licences	Technology and customer relationships	Goodwill
31 Dec 2024						
Opening cost	5,500	835	4,889	5,500	835	7,605
Closing accumulated cost	5,500	835	4,889	5,500	835	7,605
Opening amortisation	-5,500	-709	–	-5,500	-709	-5,975
Amortisation for the year	–	-84	–	–	-84	-1,086
Closing accumulated amortisation	**-5,500**	**-793**	**–**	**-5,500**	**-793**	**-7,061**
Closing carrying amount	**–**	**42**	**4,889**	**–**	**42**	**543**
31 Dec 2023						
Opening cost	5,500	835	4,889	5,500	835	7,605
Closing accumulated cost	5,500	835	4,889	5,500	835	7,605
Opening amortisation	-5,476	-624	–	-5,476	-624	-4,889
Amortisation for the year	-24	-84	–	-24	-84	-1,086
Closing accumulated amortisation	**-5,500**	**-709**	**–**	**-5,500**	**-709**	**-5,975**
Closing carrying amount	**–**	**126**	**4,889**	**–**	**126**	**1,630**

Note 13, continued

Total research and development expenses that have been expensed amounted to SEK 100,095 thousand (128,092), corresponding to 47% (55) of operating expenses.

Q-linea has goodwill arising from an asset deal in 2018. This goodwill is tested for impairment at each year-end close. This is done by first allocating goodwill to a cash-generating unit, which is the smallest group of assets that is expected to generate cash flows that are largely independent of other assets or groups of assets. The cash-generating unit's recoverable amount is then calculated and compared with the carrying amount. In Q-linea's case, the recoverable amount is the value in use of the cash-generating unit. If the recoverable amount is lower than the carrying amount, the carrying amount is impaired to the recoverable amount. The impairment loss is charged to goodwill in the first hand and, insofar as is necessary, is then charged proportionately to the other assets included in the cash-generating unit.

The cash-generating unit to which the goodwill has been allocated consists of a group of assets that enable a certain production process for one of Q-linea's products. By owning this process, Q-linea is able to manufacture the product in question at a significantly lower unit price than if the product had been purchased from an external supplier or subcontracted. The value in use of this cash-generating unit has therefore been calculated as the present value of the resulting savings over the next five-year period, based on the five-year business plan prepared by management. Due to the fact that Q-linea is still in a commercialisation phase, and because volume forecasts are therefore more uncertain than if historical data had been available, no savings after this five-year period have been included in the calculation. For the same reasons, the present value calculation has been made using a relatively high discount rate, 25%.

The value in use calculated in the manner described above exceeds the cash-generating unit by a comfortable margin and there is thus no impairment. The sensitivity analyses show that no reasonable change in the assumptions used in the calculation would result in impairment.

Note 14 Inventories

At the end of the year, the Group had an inventory value of SEK 28,806 thousand (46,527).

	Group		Parent Company	
SEK thousand	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Raw materials and consumables	5,932	8,531	5,932	8,531
Goods for resale	22,409	27,353	18,246	27,346
Products in progress	1,782	5,856	1,782	5,856
Semi-finished goods	1,556	2,361	1,556	2,361
Finished goods	1,511	2,426	1,290	2,131
Total inventories	**33,191**	**46,527**	**28,806**	**46,225**

During the year, SEK 10,407 thousand (4,463) in goods was expensed in the Group.

Note 15 Other receivables

	Group		Parent Company	
SEK thousand	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
VAT receivable	2,143	2,891	1,658	2,547
Advance payments to suppliers	32,065	32,791	32,065	32,791
Receivables from suppliers	215	0	214.77	0
Other	0	29	0	29.11
Total other receivables	**34,423**	**35,711**	**33,937**	**35,367**

Note 16 Prepaid expenses and accrued income

SEK thousand	Group		Parent Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Prepaid rent	533	217	1,815	2,123
Prepaid insurance costs	214	341	185	211
Prepaid marketing costs	907	727	386	404
Advance payments from suppliers	81		81	
Prepaid interest expenses	-131	180		1
Prepaid IR expenses	60	–	60	–
Prepaid expenses for software	521	–	521	–
Prepaid IT expenses	343	1,057	343	1,057
Other	443	512	349	502
Total prepaid expenses and accrued income	**2,972**	**3,034**	**3,740**	**4,299**

Note 17 Share capital trend

The Company's share capital at year-end amounted to SEK 5,858,318.65 (5,858,318.65), distributed between 117,166,372 (117,166,372) shares. The quotient value per share is SEK 0.05 (0.05).

Holding of treasury shares

At the end of the year, Q-linea had a holding of 328,472 (328,472) treasury shares. Each share carries one vote per share and the quotient value per share is SEK 0.05 (0.05). The purpose of these shares is to be used for any future redemption of employee share options, refer to Note 10. The holding of treasury shares has been excluded from the calculation of per-share performance measures.

Share capital trend

	Number of shares, thousand	Share capital, SEK thousand
Opening balance, 1 January 2023	**29,538**	**1,477**
New share issue	87,628	4,381
Closing balance at 31 December 2023	**117,166**	**5,858**
Change in 2024	–	–
Closing balance at 31 December 2024	**117,166**	**5,858**

Note 18 Earnings per share

Earnings per share are calculated by dividing the result for the year by a weighted average of the number of ordinary shares outstanding during the year. The number of outstanding shares has been calculated as the total number of issued shares less treasury shares.

	Group	
	2024	2023
Result for the year, SEK thousand	-216,871	-229,366
Weighted average number of shares outstanding	116,837,900	65,941,390
Earnings per share before dilution, SEK	**-1.86**	**-3.48**
Earnings per share after dilution, SEK	**-1.86**	**-3.48**

The following instruments are outstanding as of 31 December 2024. They have not had any dilutive effect as of the balance sheet date, but could have a dilutive effect in the future:

	Number of options	Total possible number of new shares
Employee Share Option Programme 2024/2027	6,333,000	6,333,000
Total possible number of new shares	**6,333,000**	**6,333,000**

Disclosures on subscription prices and other conditions for these options are provided in Note 9 "Employee benefits and disclosures on employees".

Note 19 Other current liabilities

SEK thousand	Group		Parent Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Personnel-related liabilities	3,063	6,805	2,562	6,356
Advance payments from customers	–	–	–	–
Total other current liabilities	**3,063**	**6,805**	**2,562**	**6,356**

Note 20 Accrued expenses and deferred income

SEK thousand	Group		Parent Company	
	31 Dec 2024	31 Dec 2023	31 Dec 2024	31 Dec 2023
Accrued personnel costs	10,703	6,721	6,383	5,968
Accrued expenses for consultants	0	321	0	321
Accrued consultancy fees	2,782	1,283	2,088	1,283
Accrued expenses for raw materials	0	507	0	507
Accrued interest expenses	3,068		3,068	0
Other	923	833	923	833
Total accrued expenses and deferred income	**17,476**	**9,665**	**12,462**	**8,912**

In this table, certain items in the comparative columns have been summed compared with how they were presented in previous financial reports.

Note 21 Pledged assets and contingent liabilities

The Company had no pledged assets at the end of the year.

SEK thousand	Group and Parent Company	
	31 Dec 2024	31 Dec 2023
Pledged assets	–	–

The Company has no contingent liabilities.

Note 22 Cash flow disclosures

Adjustments for non-cash items.

SEK thousand	Group		Parent Company	
	2024	2023	2024	2023
Depreciation/amortisation	17,763	17,521	10,472	11,093
Scrapping of inventory		-43		-43
Change in guarantee reserve	210	140	210	140
Share-based remuneration programmes	309	3,198	309	3,198
Translation differences	-327	63		
Total non-cash items	**17,956**	**20,879**	**10,992**	**14,387**

Cash inflow from new share issues

SEK thousand	Group and Parent Company	
	2024	2023
Issue of 87,628,425 new shares at a subscription price of SEK 3/share	–	258,504
Increased share capital	–	4,381
Issue costs	-582	-10,111
Net inflow from new share issues	**-582**	**252,774**

Cash flow arising from liabilities included in financing activities

SEK thousand	Opening balance, 1 Jan 2024	Cash flows	Non-cash transactions	Closing balance, 31 Dec 2024
Group 2024				
Current lease liabilities	7,659	-7,645	6,123	6,137
Borrowing	–	139,500	–	139,500
Parent Company 2024				
Borrowing	–	139,500	–	139,500

SEK thousand	Opening balance, 1 Jan 2023	Cash flows	Non-cash transactions	Closing balance, 31 Dec 2023
Group 2023				
Current lease liabilities	6,117	-7,367	8,909	7,659
Borrowing	–	–	–	–
Parent Company 2023				
Borrowing	–	–	–	–

Note 23 Related-party transactions

Related parties are defined as owners with a significant or controlling influence, senior executives in the Company, meaning directors and members of the management team, and their close family members. Disclosures concerning transactions between the Company and other related parties are presented below. Related-party transactions are performed on an arm's length basis.

Related-party transactions

At the 2024 Annual General Meeting, Q-linea received an addition loan commitment of SEK 60,000,000 from the Company's principal owner, Nexttobe AB. Together with the remaining loan commitment of SEK 41,500,000, the total loan commitment after the Annual General Meeting amounted to SEK 101,500,000.

As of 31 December, the Company's loan from Nexttobe AB, on market terms, amounted to SEK 99,500,000.

Note 24 Participations in Group companies

During the year, Q-linea AB founded a subsidiary, Q-linea Srl, in Italy.

Subsidiary	Corp. reg. no.	Registered office	Parent Company's interest		Carrying amount, SEK thousand	
			Share of capital, %	Share of votes, %	31 Dec 2024	31 Dec 2023
Q-linea Inc	7158966	Delaware, USA	100	100	31,848	8,222
Q-linea Srl	IT12828630967	Milan, Italy	100	100	0	4,744
NexttoQ AB	559474-4095	Uppsala, Sweden	100	100	70,025	0

SEK thousand	Parent Company	
	2024	2023
Opening cost	12,966	264
Investments during the year	33,321	12,702
Revaluation for the year	70,000	0
Impairment for the year	-14,414	0
Closing cost	**101,873**	**12,966**

Note 25 Significant events after the end of the financial year

- The first US customer signed a commercial contract and negotiations continued with a major reference laboratory.
- The Company announced the outcome of the rights issue, which was 90.5% subscribed, corresponding to approximately SEK 204 million before transaction costs, and conducted a directed issue at a value of approximately SEK 13 million to underwriters in connection with the completed rights issue.
- The Company won its first public tender in Belgium and received a second contract in the US.
- Q-linea convened an extraordinary general meeting with a proposal to reduce the Company's share capital by SEK 177,931,523.84 by allocating it to unrestricted equity.
- A framework agreement was signed with a large US reference laboratory.
- The Company published a company and market update.

Note 26 Proposed appropriation of unrestricted equity

The Board proposes that the loss be appropriated as follows:

The following unrestricted equity is at the disposal of the Annual General Meeting:

	SEK
Share premium reserve	1,482,782,897
Retained earnings	-1,291,076,180
Result for the year	-193,297,429
Total	**-1,590,712**

The Board proposes that the loss be appropriated as follows: SEK -1,590,712 to be carried forward. The Board proposes to the Annual General Meeting that no dividend be paid for 2024.

Note 27 Definitions of performance measures

Definitions of performance measures in the multi-year overview in the Board of Directors' Report
The following are definitions of certain performance measures that are not defined in the IFRS or that are not set forth explicitly the financial statements as well as an explanation of each performance measure. The performance measures presented below are deemed to be relevant to the type of operations conducted by Q-linea and increase understanding of the Company's financial statements.

Performance measure

Definition	Reason for use
EBITDA	
Operating result before depreciation/amortisation and impairment.	This performance measure provides an overall view of profit for the operating activities.
Equity/assets ratio, %	
Equity in relation to total assets.	This performance measure shows the amount of the Company's equity that can be attributed to a share.
Debt/equity ratio, %	
Net debt divided by recognised equity according to the balance sheet. Net debt is defined as total borrowing (comprising the items short-term borrowing and long-term borrowing in the balance sheet, including borrowing from owners (however, lease liabilities calculated according to IFRS 16 are not included in net debt) less cash and cash equivalents and short and long-term investments.	This performance measure is a measure of capital strength and is used to determine the relationship between adjusted liabilities and equity. In the case of positive equity, a negative debt/equity ratio means that available cash and cash equivalents and short-term investments exceed total borrowing.
Equity per share before and after dilution	
Equity attributable to the Company's shareholders in relation to the number of shares outstanding, excluding treasury holdings, at the end of the year.	This performance measure shows the amount of the Company's equity that can be attributed to a share.

Reconciliation of alternative performance measures
The following is a reconciliation of the above defined performance measures showing the various performance measure components that make up the performance measures. The calculations apply to the Group. Treasury shares refer to the Company's own holding to ensure the delivery of shares under the Company's share-based incentive programmes. The Company's holding of treasury shares has been excluded from the calculation of per-share performance measures.

EBITDA

SEK thousand (unless otherwise stated)	2024	2023
Operating result	-213,641	-230,587
Depreciation, amortisation and impairment	17,763	17,521
EBITDA	**-196,878**	**-213,066**

Equity/assets ratio

SEK thousand (unless otherwise stated)	31 Dec 2024	31 Dec 2023
Total assets	147,990	231,976
Equity	-27,456	189,636
Equity/assets ratio (%)	**neg**	**82%**

Debt/equity ratio

SEK thousand (unless otherwise stated)	31 Dec 2024	31 Dec 2023
Current liabilities to credit institutions	–	–
Total borrowing	–	–
Less:	–	–
Cash and cash equivalents	-25,664	-81,895
Fixed-income funds	–	–
Short-term and long-term bonds	–	–
Net debt	**-25,664**	**-81,895**
Equity	-27,456	189,636
Debt/equity ratio (%)	**93%**	**43%**

Equity per share

SEK thousand (unless otherwise stated)	31 Dec 2024	31 Dec 2023
Equity (a)	-27,456	189,636
Total number of shares outstanding (b)	117,166,372	117,166,372
- Less holding of treasury shares (c)	-328,472	-328,472
Equity per share (a/(b-c)), SEK	**-0.23**	**1.62**

CERTIFICATION

The Board of Directors and Managing Director certify that the consolidated financial statements and annual report have been prepared in accordance with IFRS, as adopted by the EU, as well as generally accepted accounting policies, and give a true and fair view of the Group's and Parent Company's financial position and results, and that the Board of Directors' Report gives a true and fair overview of the Group's and Parent Company's operations, financial position and results and describes significant risks and uncertainties faced by the Parent Company and the companies included in the Group.

The Parent Company income statement
and the consolidated statement of profit and loss are subject to approval
at the Annual General Meeting on 28 June 2024.

Uppsala, 24 April 2025

Anders Ljunggren
Managing Director

Stuart Gander
CEO

Erika Kjellberg Eriksson
Chairperson

Hans Johansson
Director

Mario Gualano
Director

Karin Fischer
Director

Finn Sander Albrechtsen
Director

Jonas Jarvius
Director

Our Auditor's Report was submitted on 24 April 2025

Öhrlings PricewaterhouseCoopers AB

Lars Kylberg
Authorised Public Accountant

Auditor's report

To the general meeting of the shareholders of Q-linea AB, corporate identity number 556729-0217

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Q-linea AB for the year 2024 except for the corporate governance statement on pages 36-46. The annual accounts and consolidated accounts of the company are included on pages 24-78 in this document.
In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company as of 31 December 2024 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2024 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 34-46. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014/EU) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014/EU) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Material uncertainty related to going concern

We would like to draw attention to the administration report and the section Future financing and development and Note 4 Financial risks and risk management in the annual report and consolidated financial statements. It is stated therein that the board of directors assesses that cash and cash equivalents together with the liquidity contribution from the first part of the rights issue of approximately SEK 93 million are not deemed to cover the liquidity needs needed for the planned operations over the next twelve months. The annual report also shows that the group reports a loss of SEK 216,871 thousand for the year ended December 31, 2024. These circumstances indicate that there is a material uncertainty that may lead to significant doubt about the company's ability to continue as a going concern.

We have not modified our opinion in this regard.

Our audit approach

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the group, the accounting processes and controls, and the industry in which the group operates.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error.

They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Key audit matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters. In addition to the matter described in the section Material uncertainty related to going concern, we have determined that the matters we describe below to be the key audit matter to be communicated in our report.

Key audit matter

Inventory

- The Group's inventory has a book value of SEK 33,191 thousand as of December 31, 2024.
- The composition of the inventory, applied accounting policies and important estimates and assessments regarding inventory are found in Note 14 Inventories, Note 2 Summary of significant accounting policies and Note 3 Important estimates and assessments.
- Determining the correct value of inventory is complex and involves a number of assessments. For self-manufactured items, determining product costs and, for example, assessments of normal production, is an important assessment.
- For finished goods inventories, management also has to assess whether the estimated sales value of the goods exceeds their book value.

How our audit addressed the Key audit matter

Our audit included, but was not limited to, the following audit procedures. Among other things, we have:

- Evaluated the company's routines, follow-up and internal control.
- Randomly tested acquisition values against supplier invoices.
- Taken part of and challenged management in its assessment of the fair value of finished goods inventories.
- Randomly tested estimated selling prices against customer invoices.
- Reviewed that the Group reports accounting principles, significant estimates and assessments and the composition of inventories are correctly presented in the annual report..

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-23 and 84-85. The remuneration report published on the same day as this also constitutes other information. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.
In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Directors responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Swedish Inspectorate of Auditors' website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor´s report.

Report on other legal and regulatory requirements

The auditor's examination of the administration of the company and the proposed appropriations of the company's profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Q-linea AB for the year 2024 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the loss be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group' equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company´s organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on Swedish Inspectorate of Auditors' website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

The auditor's examination of the ESEF report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528) for Q-linea AB (publ) for the financial year 2024.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for Opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Q-linea AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether

due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHMTL format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 34-44 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act/ the Annual Accounts Act for Credit Institutions and Securities Companies/ the Annual Accounts Act for Insurance Companies.

Öhrlings PricewaterhouseCoopers AB, Torsgatan 21, 113 97 Stockholm, was appointed auditor of Q-linea AB by the general meeting of the shareholders on June 28, 2024 and has been the company's auditor since the April 2007.

Uppsala April 24, 2025

Öhrlings PricewaterhouseCoopers AB

Lars Kylberg
Authorized Public Accountant

This is a translation of the Swedish language original.
In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

References

Page	Source:
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Glossary

AST
Antibiotic susceptibility testing.

Antibiotic resistance
When bacteria develop the ability to defeat antibiotics.

Antimicrobial stewardship (AMS)
A systematic approach for training and supporting healthcare workers to follow evidence-based guidelines for prescribing and administering antimicrobial agents.

Broad-spectrum antibiotics
Antibiotics that act against a wide range of, but not all, bacteria.

CE marking
Conformité Européenne (European Conformity), a certification mark used primarily in the EU and EEA.

CE-IVD
Marking of products and instruments used in laboratories for the purpose of providing guarantees that the product meets a number of requirements, including security, quality, validity and traceability, which means that the user can be sure that the product has the performance required for use so that the generated analysis results are reliable.

CLIA
The Clinical Laboratory Improvement Amendments (CLIA) programme aims to ensure the quality of laboratory tests.

ECCMID
European Congress of Clinical Microbiology and Infectious Diseases, a large trade fair for companies in the fields of microbiology and infectious diseases.

EEA
The European Economic Area.

Empirical antibiotic treatment
Beginning antibiotic treatment before bacterial ID and results from susceptibility testing are available. Empirical antibiotic treatment usually consists of broad-spectrum antibiotics.

Food and Drug Administration (FDA)
The US Food and Drug Administration, which is responsible for market approval of IVD products.

Gram-negative
Bacteria that do not stain in a gram staining test. The opposite are gram-positive bacteria. What differentiates gram-negative and gram-positive bacteria are the properties of their cell walls. Gram-negative bacteria are often referred to as G-.

Gram-positive
Gram-positive bacteria are bacteria that stain in a gram staining test. The opposite are gram-negative bacteria. What differentiates gram-negative and gram-positive bacteria are the properties of their cell walls. Gram-positive bacteria are often referred to as G+.

In vitro diagnostics (IVD)
The study of a living microorganism, cell or biomolecule outside its normal context.

Clinical studies
A clinical study for in vitro diagnostic products, a so-called performance evaluation study, which aims to validate performance and safety requirements based on the intended use of the product by examining samples taken from human participants.

MIC values
Minimum Inhibitory Concentration. The lowest concentration of an antibiotic that inhibits the growth of the bacteria being tested.

Pathogen
Something that causes illness, such as a virus or bacteria.

Sepsis
A serious condition that arises when an infection causes injury to the entire body and vital organs, such as the heart, lungs, brain and kidneys do not function properly (previously known as blood poisoning).

Healthcare-associated infection (HAI)
An infection acquired from care at a hospital or other healthcare facility that the patient did not have when admitted.

Upcoming reporting dates

26 June 2025	Annual General Meeting 2025
10 July 2025	Interim report January to June 2025
30 October 2025	Interim report January to September 2025

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