

Interim Report Q3

January - September 2022





Financial calendar

Year-end report 2022:	February 16, 2023
Interim report Q1 2023:	May 4, 2023
Annual general meeting, 2023:	May 4, 2023
Interim report Q2 2023	August 17, 2023
Interim report Q3 2023	November 2, 2023

Shareholder information

Listing	Nasdaq First North Growth Market, Stockholm
Ticker share	Qlife
ISIN code	SE0013486552

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Rights issue and targeted focus on CRP-assay readiness

Financial summary – third quarter 2022

- Revenue in the period amounted to kSEK 1,967 (5,871). Revenue includes sales of Egoo.Health devices and capsules for the device. Continued decline in test activity following the end of Covid travel restrictions has led to a decline in revenue in line with our expectations.
- EBITDA for the period amounted to kSEK -14,850 (-12,146), and net loss kSEK -20,678 (-12,268).
- The total cash flow in the third quarter amounted to kSEK -21,766 (-25,580).
- Earnings per share before/after dilution for the second quarter amounted to SEK -1.34 (-0.79), calculated on weighted average number of shares in the period.

Financial summary – January - September 2022

- Revenue in the period amounted to kSEK 16,897 (27,529). Revenue includes sales of Egoo.Health devices and capsules for the device. Q1 showed strong revenue, while continued decline in test activity in Q2 & Q3 led to a decline in revenue in line with expectations.
- EBITDA for the period amounted to kSEK -51,768 (-23,286), and net loss kSEK -56,097 (-24,844).
- The total cash flow in the first three quarters of 2022 amounted to kSEK -61,479 (-61,907).
- Earnings per share before/after dilution for the first three quarters of 2022 amounted to SEK -3.62 (-1.86), calculated on weighted average number of shares in the period.

Significant events – 3rd quarter 2022

- On September 30th Qlife announced reductions in operational costs through workforce reductions and restructuring. The estimated effect of the changes are annual savings of 34 MSEK, with anticipated effect from Q1, 2023.
- On 24 August 2022, the board of directors resolved to carry out a rights issue of units, consisting of shares and warrants series TO2022. The rights issue was approved by the extraordinary general meeting on 27 September 2022.

- Qlife has signed an outsourcing agreement with Finnish group Scanfil to take over the continued production of the company's Egoo device. Scanfil is a world leader in manufacturing and a system supplier to the global electronics industry with a vast network of factories, including a factory in Åtvidaberg, Sweden, that will support Qlife.

Significant events after the end of 3rd quarter 2022

- On 20 October 2022, Qlife announced outcome in rights issue. The Rights Issue has been subscribed for to a total of approximately 70.0 percent. The Company will thus receive total proceeds of approximately SEK 53.1 million before transaction costs, and upon full exercise of all warrants, Qlife will receive additional proceeds of a maximum SEK 75.9 million in June 2023 before transaction costs.
- Following the rights issue, QLife has amortized loans of SEK 20 M.
- Nomination committee for annual general meeting 2023 has been appointed.

Group - Key figures - kSEK	Jul-Sep		Jan-Sep		Jan-Dec
	2022	2021	2022	2021	2021
Revenue	1,967	5,871	16,897	27,529	39,613
Total Operating expenses	-16,817	-18,017	-68,665	-50,815	-74,666
EBITDA	-14,850	-12,146	-51,768	-23,286	-35,052
Total cash flow	-21,766	-25,580	-61,479	61,907	52,600
Cash reserve	11,269	82,907	11,269	82,907	73,461
Shareholders equity	79,430	145,096	79,430	145,096	132,516
Number of employees	61	44	61	44	56

Time to focus

Development progress

During the quarter, we experienced a shortage of an important component in our development. We have worked hard and put many resources into solving the problem, and are now happy to say that we have solved the issue, but the shortage has caused delays.

Notified bodies are currently under the spotlight as manufacturers struggle to comply with the new IVD Regulations. IVDR notified bodies do not have the capacity nor the tools needed to fulfill their roles and have reached their capacity limits. This means serious capacity issues for designated IVDR notified bodies, and for Qlife it means an uncertainty in when a notified body can accept a file submission.

Earlier, we have stated that we planned to file for a technical dossier at the end of 2022, but uncertainty in the availability at the notified body as well as the internal delays means that this filing is expected to be made between June and September 2023.

In terms of the Phe product, the assay development is progressing as planned. To balance the financing available and focus our available resources, we are progressing the development at a slower pace.

Multiplex development on stand-by

Since January, Qlife has developed a novel two-in-one assay for the detection of influenza and SARS-CoV-2 viruses. The development has been financed with 2.55 MUSD from FIND and is a part of the Access to COVID-19 Tools (ACT) Accelerator diagnostics pillar.

Qlife has completed the assay development, which is ready to move forward into the next phase of clinical studies. To complete the development, technical adjustments need to be made to

the optics of the Ego device, which is not possible to complete within the current timeframe from FIND, ending December 2022.

Qlife is in close dialogue with FIND to clarify if the last milestone of 0.9 MUSD can be paid-out upon completion in 2023. Going forward, until financing is secured, Qlife has decided to put the project on hold.

Focus our resources

On 30 September, we communicated a reduction of our operational costs, primarily workforce reductions and restructuring. The redundancies are an adaptation to the post-covid markets reality, as well as a precautionary change to ensure the company's resources are used to meet the primary milestones. Thus, Qlife will as of January 1, 2023 have 35 full time employees.

The estimated effect of the changes are annual savings of 34 MSEK, with anticipated effect from the first quarter 2023.

Soft launch CRP

Short term, we are focusing our efforts on marketing and sales of our CRP-product, targeting the group of people suffering from chronic illness and especially people with either severe or mild arthritis, who has an interest to continuously monitor their inflammation levels which directly relates to their wellbeing.

Additionally, we are focused on consumers who are not diagnosed with any disease but has an interest in monitoring their health status in depth on a regular basis. We look forward to assist them in accessing the technology as part of their active health-oriented lifestyle, with the aim of enhancing general wellbeing and performance.

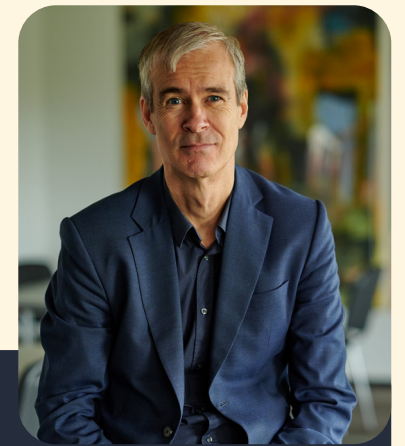
The aim of the soft launch is to validate the usage of the Ego. Health platform in homes, clinics and other settings. We expect

the soft launch of the CRP product to strengthen and validate our case as the future home use health platform.

Rebranding of Qlife and Ego Health

As we are approaching a launch of our CRP product, we have carried out a re-branding of Qlife and Ego Health, to build a strong brand platform that allow us to enter the broader home test market and to be consistent in our communication.

The new brand platform is a tool to measure all our activities against the brand foundation and vision, to secure a consistent experience for our consumers and stakeholders. This work enables Qlife and Ego Health to penetrate an emerging market and build brand awareness.



Thomas Warthoe



Financing

Qlife completed a rights issue in October, which was subscribed for to a total of 70.0 percent. The Company will thus receive total proceeds of approximately SEK 53.1 million before transaction costs. After transaction costs and repayment of loans, it leaves approximately SEK 21 million for the operations of the company. It gives us enough resources to start carrying out a launch of our CRP-product even though it means that we must do the development and registration activities in a more sequential manner, and not in parallel, as was our initial ambition.

Upon full exercise of all warrants (TO 2022) in June 2023, Qlife will receive proceeds of a maximum of approximately SEK 75.9 million before transaction costs.

The Management and board are adjusting the plans moving forward to ensure the required financing to bring the products to the market.

Thank you!

Finally, I want to extend a big thank you to all the shareholders who participated in the rights issue and who thereby show continued confidence in Qlife's strategy and activities. Now we are fully focused on getting enough CRP products out to the market so that we quickly can take additional steps and develop more biomarkers and geographic markets.

Helsingborg, 25 November 2022

Thomas Warthoe, CEO

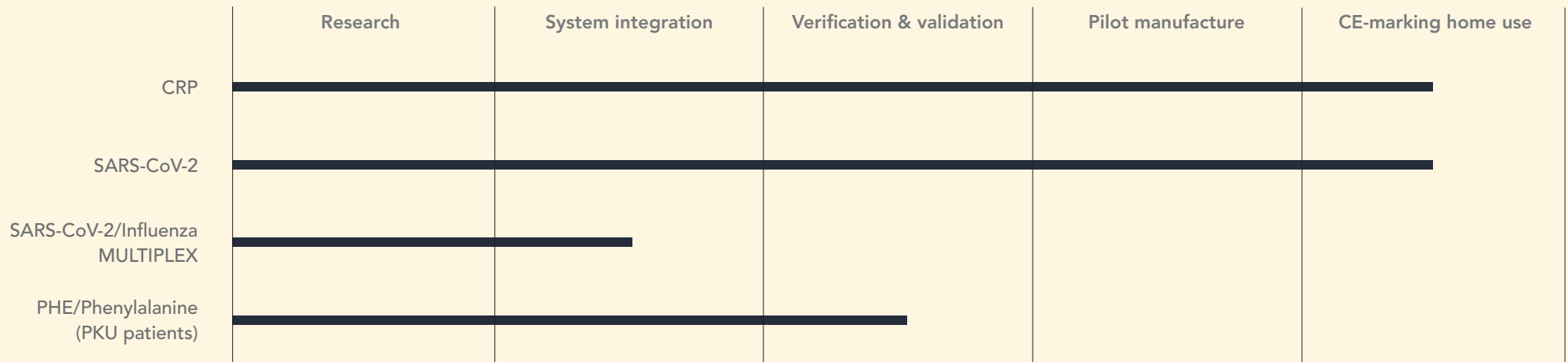
The Egoo system



The Egoo device is small, fist sized, and portable. The tests can be made from either blood, plasma or mouth swab depending on the specific test and takes 5-30 minutes for most tests. Results are qualitative on par with existing laboratory tests. The tests are run from either smartphone or laptop and the results shown instantaneously. It is optional to share data with a GP, hospital or other caregiver – in accordance with GDPR regulation.

The Egoo System is the first personalized diagnostics platform that enables self-testing at home for a wide range of clinical biomarkers. Currently one test has been CE-marked for professional use under IVDR and more are under way both for professional and home-use. Many protein-based biomarkers measured in saliva, plasma or blood can be configured to run on the Egoo System. Further, with the addition of an in-licensed DNA amplification technology the field of molecular virus and bacteria testing has been added to the overall business potential.

Product portfolio



CRP/C-Reactive Protein.

Due to the IVDR regulation our CE-mark must be updated from IVDD to IVDR. The new IVDR regulations have put increased workload on the notified bodies in EU and prolonged approval times. To best navigate this new regulatory reality Qlife has revised our regulatory approach. This means that we initially will target a professional use CE-mark and subsequently finalize CE-mark protocols for CRP home use and run the necessary usability studies allowing us to file our CE-dossier under the new IVDR to our Notified Body and hence achieve the first clinical-grade CE-mark for a CRP self-testing home-use capsule in 2023.

COVID/SARS-COV-2+Influenza A/B.

We have progressed significantly in our development process with a novel two-in-one assay for the detection of influenza and SARS-CoV-2 viruses on the Egoo device, financed by our partner

FIND. Qlife has successfully passed all milestones required to obtain the 2 first payments of funding from FIND. Delays caused by supply chain problems means that we won't qualify for the last payment in 2022. The project has been put on hold for now, but protocols are ready to start clinical trials once financing for the last stage development has been found.

PHE/Phenylalanine (PKU patients). As a result of the outcome of our rights issue we have decided to focus our R&D resources on the CRP assay this means that the development of the Phe assay is progressing at a slower pace.

Technical development. Usability studies of our blood-to-plasma filtration unit (Egoo.Collect) has led to product improvements that will enable home use of the Egoo.Collect. The filtration unit is now an integral feature of the Egoo platform making it

more versatile and ideal for a range of biomarkers that are best measured in plasma as opposed to whole blood. Confirmation that a patent for EgooCollect can be obtained has been received.

Freeze-drying of our chemistries is essential for being able to sell into the home-use environment. Our effort here is going well. Stability test of freeze dried reagents for the CRP assay are confirming that the capsules with freeze dried reagents are performing as expected.

The design of the Egoo device has been upgraded in preparation for the CRP launch incorporating lessons learned from the +97.000 SARS-COV-2 test that has been performed on the EG00 system. Improvements include a more robust gearbox, new main board design and redesign of the cloud/device interaction that enables the device to run test without an active wifi connection.

Share and ownership

Qlife Holdings shares (QLIFE) are listed at Nasdaq First North Growth Market, Stockholm since March 2, 2020.

Share and sharecapital

As per September 30th 2022, the company's share capital is SEK 1,238,794.16, divided into 15,484,927 shares of the same class, with a par value of SEK 0.08.

Ownership and largest shareholders

The table below shows the ten largest shareholders in the company, as per September 30th 2022, according to the public nominee register of shareholders register from Euroclear.

Nomination Committee

In accordance with the decision at Qlife Holding's Annual General Meeting 2022, the company's Chairman of the Board has convened a Nomination Committee to prepare proposals for the Company's Annual General Meeting 2023.

The Nomination Committee consists of the following persons, who together represent approximately 24 percent of the company's shares and votes.

Anita Otterheim Hjalmarsson, appointed by Thomas Warthoe, John Moll, appointed by Lars Bangsgaard, Peter Warthoe, representing own shares, and Mette Gross, Chairman of the Board.

The Nomination Committee's proposal will be presented in the notice convening the Annual General Meeting 2023 and on the company's website, www.qlifeholding.com.

Shareholder	Shares	Percent
BNY Mellon SA/NV, Belgium	2 561 102	16,5%
Warthoe af 1964 APS	1 201 200	7,8%
JP Morgan Chase Bank NA	843 093	5,4%
Försäkringsbolaget Avanza Pension	765 269	4,9%
Fjärde AP-Fonden	630 607	4,1%
Nordnet Pensionsförsäkring	237 711	1,5%
Leif Jonsson	210 000	1,4%
Societe General Nantes	238 100	1,5%
KMD Venture A/S	161 851	1,0%
John Andersson Moll	107 874	0,7%
Total 10	6 956 807	44,9%
Others	8 528 120	55,1%
Sum	15 484 927	100,0%

Incentive programmes

WARRANTS 2019/2022

During November 2019, Qlife Holding AB issued 194,444 warrants to the Board of Directors, which entitle the Board of Directors to subscribe for the same number of shares. The warrants can be exercised during the period December 1-31, 2022 and have a strike price of SEK 24 per share. If all options in this program are exercised, the Company will issue a total of 194,444 new shares.

WARRANTS 2021/2024

In May 2021, Qlife issued 40,000 warrants to members of the Board, which entitle holders to subscribe for an equal number of shares. The warrants can be exercised during the period of 1-31 May 2024 at an exercise price of SEK 67.08 per share. In the event that all warrants in this program are exercised, the Company will issue a total of 40,000 new shares.

STAFF WARRANTS 2019/2022

In November 2019, Qlife Holding AB issued 291,664 employee stock options to employees entitling to subscription of the same number of shares. The stock options can be exercised during the period 1-31 December 2022 and have a strike price of SEK 24 per share. If all options in this program are exercised, the Company will issue a total of 291,664 new shares.

STAFF WARRANTS 2020/2023

In November 2020, Qlife Holding AB issued 185,000 employee stock options to employees entitling to subscription of the same number of shares. The stock options can be exercised during the period of December 1-31, 2023 and have a strike price of SEK 38 per share. If all options in this program are exercised, the Company will issue a total of 185,000 new shares.

STAFF WARRANTS 2022/2025

In May 2022, Qlife Holding AB issued 120,000 employee stock options to employees entitling to subscription of the same number of shares. The stock options can be exercised during the period of June 1-30, 2025 and have a strike price of SEK 42 per share. If all options in this program are exercised, the Company will issue a total of 120,000 new shares.

Financial comments Group, Q3

July - September 2022

Financial result

Revenue in the period amounted to kSEK 1,967 (5.871). Revenue derives from sales of Egoo.Health devices and capsules for the device.

Capitalized development costs amounted to kSEK 12,993 (6,859) showing a significant increase in the development activities in 2022 relative to 2021.

Raw materials and consumables amounted to kSEK -578 (-3,028), which is costs for components and parts for devices and capsules used both for sales and development activities. Finished goods inventories changes in the period is kSEK -1,261 (-382).

Other external expenses amounted to kSEK 13,431 (11,069). Increase in other external expenses is mainly driven by higher external development costs and consultant fees.

Personnel costs for the period amounted to kSEK 14,540 (10,397). A reduction of kSEK 3,488 relative to last quarter as production capacity for COVID-19 test has been reduced.

As per 30 Sep 2022 Qlife Aps had 61 (48) employees. This is a reduction of 3 employees compared to Q2 2022 as the reduction in COVID capsule production staff is starting to take effect.

Depreciation of equipment and capitalized development costs amounted to kSEK 3,713 (2,276). Depreciation of development costs is made over 5 years.

Net financial income and expenses amounted to kSEK -2,152 (-64) is related to interests on loans interest on leasing contracts and exchange rate gains and losses.

In the third quarter of 2022, a tax receivable of kSEK 37 (2,219) regarding the period July-September 2022 was accounted. The tax receivable represents the tax value of development costs in the period and is expected to be paid out in November 2023. The amount is down compared to Q2 2022 since the maximum annual tax credit of kSEK 8,075 has been reached.

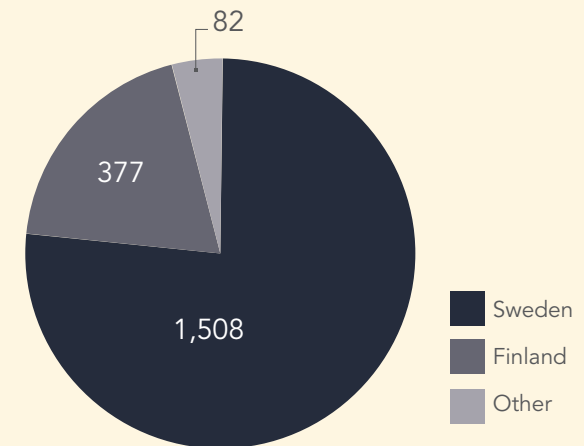
Earnings before interest and tax (EBIT) for the period amounted to kSEK -20,715 (-14,486) and net loss kSEK -20,678 (-12,267).

Cash flow

The total cash flow amounted to kSEK -21,766 (-25,580) for the third quarter of 2022. Cash flow from operations and changes in working capital amounted to kSEK -14,220 (-17,332). Cash flow from investing activities amounted to kSEK -61,824 (-7,735) consisting of capitalized development costs kSEK -12,133 (-7,166) and tangible assets kSEK -49,824 (-569). kSEK -49,314 of the negative cash flow from investment activities relates to a leasing contract for office and production facilities and is off set by kSEK 46.064 positive cash flow from leasing under financing activities.

Cash and cash equivalents are specified on page 14 – "Group – Consolidated Cash Flow statement".

Geographical distribution of Q3 revenue (kSEK)



SARS-CoV-2 sales revenue Q3 2022 (kSEK)

Sweden	1,508
Finland	377
Other countries	82
Total Sales	1,967

Financial comments Group, Q1-Q3

January - September 2022

Financial result

Revenue in the period amounted to kSEK 16,897 (27,529). Revenue derives from sales of Egoe.Health devices and COVID-19 test capsules for the device.

Capitalized development costs amounted to kSEK 37,046 (18,008) showing a significant increase in the development activities as the group has successfully grown its R&D organization in 2022.

Raw materials and consumables amounted to kSEK 16,870 (11,808), which is costs for components and parts for devices and capsules used both for sales and development activities. The raw materials expense is partly offset by an increase in finished goods inventories kSEK 357 (584).

Other external expenses amounted to kSEK 40,872 (29,566). Increase in other external expenses is mainly driven by higher external development costs and regulatory consultants.

Personnel costs for the period amounted to kSEK 48,326 (28,033) as the Qlife organization has grown relative to first 3 quarters of 2021. As per 30 September 2022 Qlife Aps had 61 (48) employees.

Depreciation of equipment and capitalized development costs amounted to kSEK 9,692 (6,188). Depreciation of development costs is made over 5 years.

Net financial income and expenses amounted to kSEK -2,420 (-2,082) is related to interests on loan from Danish Growth Fund and bridge loans, interest on leasing contracts and exchange rate gains and losses.

In the first 3 quarters of 2022, a tax receivable of kSEK 7,783 (5,854) regarding the period January-September 2022 was accounted. The tax receivable represents the tax value of development costs in the period and is expected to be paid out in November 2023.

EBIT for the period amounted to kSEK -61,460 (-29,474) and net loss kSEK -56,097 (-25,702).

Fixed assets

Capitalized development costs relate to accumulated internal and external product development costs including costs for patent preparation and application. At the end of the quarter the capitalized development costs amounted to kSEK 89,807 (49,251) relating to continued development of the device and capsules for CRP, PKU and Influenza/SARS tests. At the beginning of the year capitalized development cost was kSEK 55,193.

Qlife has entered into a 10 year leasing agreement relating to new production and office facilities on Industriparken in Ballerup. The value of this leasing agreement is reflected under leased premises with kSEK 49.314.

Current assets

Inventory amounted to kSEK 18,598 (9,487), consisting of finished goods and parts and components for instruments, capsules and reagents both for COVID-19 tests and new assays. Account receivables of kSEK 369 (1,224) is related to the sales in September 2022. Cash and cash equivalents amounted to kSEK 11,269 (82,907) at the end of September 2022.

Equity

Equity amounted to kSEK 79,430 (145,096) at the end of September 2022. Shareholder's equity is specified on page 14 – "Group – changes in equity".

Debts

Long term liabilities - kSEK 49.275 (4,778) - consists of a development loan from the Danish Growth Fund and leasing debt.

Short term liabilities consist of development funding for the FIND project, a short term loans from Modelio Equity AB & Gerhard Dal, prepayments from customers for future deliveries of Egoe system, trade payables and accruals. Prepayment from customers of kSEK 24,225 is prepayment of development cost from FIND.

Cash flow

The total cash flow amounted to kSEK -61,479 (61,907) for the first 9 months of 2022. Cash flow from operations and changes in working capital amounted to kSEK -40,010 (-26,080). Cash flow from investing activities amounted to kSEK -84,547 (-18,576) consisting of capitalized development costs kSEK -34,615 (-17,793) and tangible assets kSEK -49,932 (-783). Cash and cash equivalents are specified on page 15 – "Group – Consolidated Cash Flow statement".

Financial comments Parent company

July - September, Q3 2022

Financial result

Revenue amounted to kSEK 288 (0) in the period and consists of management fee from subsidiary.

Other external expenses consist of administrative cost.

Personnel costs consist of board fees.

Other Net financial income and expenses kSEK -149 (83) is related to interest on loan to Qlife ApS and interest on bridge loans.

Net loss for the period amounted to kSEK -1,064 (-2,552).

Cash flow

The total cash flow amounted to kSEK -15,932 (-22,257) for Q3 2022 driven by an increase in the loan to Qlife ApS of kSEK 25.123 and a short term loan of kSEK 11,000.

Cash and cash equivalents are specified on page 17 – “Parent company – Cash Flow statement”.

January - September, 2022

Financial result

Revenue amounted to kSEK 865 (525) in the period and consists of management fee from subsidiary.

Other external expenses of kSEK -2,349 (-4,288) consist of administrative cost.

Personnel costs consist primarily of board fees.

Other Net financial income and expenses kSEK 42 (-1,599) is related to income on interest on loan to Qlife ApS and interest on bridge loans.

Net loss for the period amounted to kSEK -2,223 (-6,126).

Fixed assets

Fixed assets are shares in subsidiary Qlife ApS kSEK 68,024, based on the valuation of the shares at the time of the in-kind share issue in 2019.

Current assets

Receivables from subsidiary kSEK 86,587 (52,324) is the outstanding loan to Qlife ApS.

Other receivables mainly consist of VAT reimbursement.

Cash and cash equivalents amounted to kSEK 9,140 (70,553) at the end of Sep 2022.

Equity

Total equity amounted to kSEK 144,072 (189,163) end of June 2022.

Shareholder's equity is specified on page 17 – “Parent company – changes in equity”.

Cash flow

The total cash flow amounted to kSEK -48,024 (55,027) for first 3 quarters of 2022 driven by an increase in the loan to Qlife ApS of kSEK 65.077 and a short term loan of kSEK 20,000.

Cash and cash equivalents are specified on page 17 – “Parent company – Cash Flow statement”.

Additional information

Accounting principles

Qlife holding is following the IFRS reporting standard for its interim financial reports. This Q3 interim financial report is the third interim report that has been prepared under the IFRS standard.

The Group's interim report is prepared in accordance with IAS 34 interim reporting and the Swedish Accounting Act. The parent company's interim report is prepared in accordance with the Swedish Accounting Act and The Swedish Financial Reporting Board's recommendation RFR 2 Reporting for Legal Entities.

Historic financial reports included in this report for comparison has been adjusted to comply with the IFRS guidelines.

Risks and uncertainties

Qlife's business is influenced by several factors which cannot be controlled by the Company at all or in part, and with possible effects on the Company's earnings and financial position. In the assessment of the Company's future development, it is important, alongside the possibilities for growth in earnings, to also consider these risks. Risk factors include, among others, future financing, market technology acceptance, competition, validations and regulatory approvals, collaboration and partnerships, intellectual property issues, manufacturing, purchasing and pricing, dependence on key persons and financial risks.

Please find more information on the company's risk assessment in the prospectus from the rights issue, dated August 2022.

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Authorised Public Accountant

Statement by the Board of Directors

The Board of directors and the CEO hereby affirm that the consolidated statement for the period July-September 2022 gives a true and fair representation of result, operations and financial position in Qlife Holding AB and the subsidiary Qlife ApS.

Helsingborg November 25th 2022

Mette Gross
Chairman

John Moll
Board member

Ulrik Harrysson
Board member

Mette-Marie Harild
Board member

Mikael Persson
Board member

Thomas Warthoe
Board member, CEO

This interim report has not been reviewed by the company's auditor.

Group - Consolidated Income Statement

kSEK	Jul-Sep Q3		Jan-Sep		Jan-Dec 2021
	2022	2021	2022	2021	
Revenue	1,967	5,871	16,897	27,529	39,613
Total operating income	1,967	5,871	16,897	27,529	39,613
Operating expenses					
Changes in inventories of finished goods	-1,261	-382	357	584	1,161
Capitalized development costs	12,993	6,859	37,046	18,008	25,581
Raw materials and consumables	-578	-3,028	-16,870	-11,808	-21,814
Other external expenses	-13,431	-11,069	-40,872	-29,566	-39,725
Personnel costs	-14,540	-10,397	-48,326	-28,033	-39,869
Total Operating expenses	-16,817	-18,017	-68,665	-50,815	-74,666
EBITDA	-14,850	-12,146	-51,768	-23,286	-35,052
Amortization and depreciation	-3,713	-2,276	-9,692	-6,188	-8,813
EBIT	-18,564	-14,422	-61,460	-29,474	-43,865
Net financial income and expenses	-2,152	-64	-2,420	-2,082	-2,414
Result before tax	-20,715	-14,486	-63,880	-31,556	-46,279
Tax	37	2,219	7,783	5,854	7,483
Net result for the period	-20,678	-12,267	-56,097	-25,702	-38,797
Other comprehensive income					
Items that may be reclassified to result for the period Foreign currency exchange gains and losses	1,358	-625	2,908	-230	1,083
Total comprehensive profit/loss for the period attributable to owner of Parent Company	-19,321	-12,892	-53,190	-25,932	-37,714
Net result per share before and after dilution - SEK	-1,34	-1,10	-3,62	-1,93	-3,04
Weighted average number of shares in the period before dilution	15,484,927	11,174,438	15,484,927	13 327,130	12,766,840
Weighted average number of shares in the period after dilution	16,276,035	14,084,846	16,209,368	14 038,238	13,477,948
Total number of shares end of period	15,484,927	11,174,438	15,484,927	15 484,927	15,484,927

Group - Consolidated Balance sheet

kSEK	Sep. 30, 2022	Sep. 30 2021	Dec. 31, 2021	Jan 1, 2021
ASSETS				
<u>Intangible fixed assets</u>				
Capitalized development costs	89,807	49,251	55,193	35,254
Total Intangible fixed assets	89,807	49,251	55,193	35,254
<u>Tangible fixed assets</u>				
Manufacturing equipment and fixtures	6,032	5,223	5,414	6,469
Leased premises	49,314			
Total Tangible fixed assets	55,346	5,223	5,414	6,469
Total fixed assets	145,154	54,474	60,607	41,723
<u>Current assets</u>				
Inventory	18,598	9,487	8,309	5,377
Receivables				
Accounts receivables	369	1,224	2,755	9,329
Other receivables	3,489	2,231	3,885	359
Current Tax receivables	16,149	13,428	7,564	7,421
Prepaid expenses and accrued income	6,628	2,053	7,211	1,848
Total receivables	26,635	18,936	21,415	24,333
Cash and cash equivalents	11,269	82,907	73,461	20,822
Total currents assets	56,501	111,330	103,185	45,156
TOTAL ASSETS	201,655	165,804	163,791	86,879

kSEK	Sep. 30, 2022	Sep. 30 2021	Dec. 31, 2021	Jan 1, 2021
EQUITY AND LIABILITIES				
Equity				
Share Capital	1,239	1,239	1,239	894
Additional paid in capital	182,730	183,591	182,730	61,887
Retained earnings	-104,539	-39,734	-51,453	-14,816
Total equity	79,430	145,096	132,516	47,965
<u>Long term liabilities</u>				
Loan from credit institution	3,211	4,778	3,782	5,322
Leasing contracts	46,064			
Total long term liabilities	49,275	4,778	3,782	5,322
<u>Short term liabilities</u>				
Prepayments from customers	24,225	-	11,951	600
Short term loans	21,000	-	939	11,607
Accounts payables	19,570	9,736	10,027	15,004
Other liabilities	80	2,605	1,091	3,218
Accrued expenses and deferred income	8,074	3 589	3,485	3,163
Total short term liabilities	72,948	15,929	27,493	33,592
Total liabilities	122,224	20,707	31,275	38,914
TOTAL EQUITY AND LIABILITIES	201,655	165,804	163,791	86,879

Group - Consolidated Cash Flow statement

kSEK	Jul-Sep, Q3		Jan-Sep		Jan-Dec 2021
	2022	2021	2022	2021	
<u>Cash flow from operating activities</u>					
Net loss before tax for the period	-20,715	-14,486	-63,880	-31,556	-56,340
Depreciations	3,713	2,214	9,692	6,061	19,479
Other non-cash adjustments	59	96	124	162	631
Repaid tax	-	-	7,746	-	7,503
Cash flow from operations before changes in working capital	-16,943	-12,176	-46,319	-25,333	-28,727
<u>Cash flow from changes in working capital</u>					
Change in inventory	-5,935	-2,639	-10,289	-4,000	-2,805
Change in receivables	-7,573	2,484	-5,220	6,242	-2,025
Change in current payables	16,231	-5,000	21,817	-2,989	7,507
Cash flow from operating activities	-14,220	-17,331	-40,010	-26,080	-26,050
<u>Cash flow from investing activities</u>					
Investments in intangible assets	-12,133	-7,166	-34,615	-17,793	-25,062
Investments in tangible assets	-49,824	-569	-49,932	-783	-1,706
Cash flow from investing activities	-61,958	-7,735	-84,547	-18,576	-26,768
<u>Cash flow from financing activities</u>					
Share issue / warrant program	-	-	-	127,919	127,574
Issuance costs	-	-	-	-6,729	-6,731
Loans received	11,000		21,000		
Leasing	46,064		46,064		
Down payments and interest	-2,653	-513	-3,986	-14,627	-15,425
Cash flow from financing activities	54,411	-513	63,078	106,563	105,418
Total Cash flow in period	-21,766	-25,579	-61,479	61,907	52,600
Cash and cash equivalents at the period start	34,235	108,355	73,461	20,822	20,822
Foreign exchange difference	-1,200	131	-713	178	39
Cash and cash equivalents at the period end	11,269	82,907	11,269	82,907	73,461

Group - Statement of changes in shareholders equity

kSEK	Share capital	Other paid in capital	Retained earnings	Total shareholders equity
Equity on January 1, 2021	894	61,887	-13,963	48,818
Profit / Loss per December 31, 2021			-38,797	-38,797
Other comprehensive income			1,083	1,083
Total comprehensive income for the period	894	61,887	-51,677	11,104
Transactions with owners				
Share Issue	345	127,330		127,675
Issuance costs		-6,731		-6,731
Warrant programmes		244	204	448
Total Transactions with owners	345	120,843	204	121,392
Equity on December 31, 2021	1,239	182,730	-51,473	132,496
Equity at January 1, 2022				
Profit / Loss per Sep 30, 2022			-56,097	-56,097
Other comprehensive income			2,908	2,908
Total comprehensive income for the period	1,239	182,730	-104,663	79,306
Transactions with owners				
Share Issue				0
Issuance costs				0
Warrant programmes			124	124
Total Transactions with owners	0	0	124	124
Equity on Sep 30, 2022	1,239	182,730	-104,539	79,430

Parent company - Income Statement

kSEK	Jul-Sep		Jan-Sep		Jan-Dec 2021
	2022	2021	2022	2021	
Revenue	288	175	865	525	700
Other external costs	-947	-2,493	-2,349	-4,288	-6,179
Personnel costs	-256	-317	-782	-763	-966
Operating result	-915	-2,635	-2,265	-4,527	-6,445
Depreciation of investment i subsidiary	-	-	-	-	-41,259
Net financial income and expenses	-149	83	42	-1,599	-1,455
Loss before tax	-1,064	-2,552	-2,223	-6,126	-49,159
Tax	-	-	-	-	-
Net loss for the period	-1,064	-2,552	-2,223	-6,126	-49,159
Other comprehensive income	-	-	-	-	-
Total comprehensive profit/loss for the period attributable to owner of Parent Company	-1,064	-2,552	-2,223	-6,126	-49,159

Parent company - Balance sheet

kSEK	Sep 30, 2022	Sep 30, 2021	Dec. 31, 2021
ASSETS			
<u>Financial fixed assets</u>			
Shares in subsidiary	68,024	68,024	68,024
Total financial fixed assets	68,024	68,024	68,024
Total fixed assets	68,024	68,024	68,024
<u>Current assets</u>			
Receivables			
Receivables from subsidiary	86,587	52,324	21,386
Other receivables	1,294	127	109
Prepaid expenses and accrued income	1,123	403	8
Total receivables	89,004	52,854	21,502
Cash and cash equivalents	9,140	70,553	57,164
Total current assets	98,144	123,407	78,666
TOTAL ASSETS	166,168	191,430	146,690

kSEK	Sep 30, 2022	Sep 30, 2021	Dec. 31, 2021
EQUITY and LIABILITIES			
Equity			
Restricted Equity			
Share Capital	1,239	1,239	1,239
Total Restricted Equity	1,239	1,239	1,239
Unrestricted Equity			
Share premium	236,595	236,923	237,009
Other paid in capital	328	291	
Retained earnings	-91,867	-43,164	-42,918
Profit / Loss	-2,223	-6,126	-49,159
Total unrestricted Equity	142,833	187,924	144,932
Total equity	144,072	189,163	146,171
<u>Short term liabilities</u>			
Accounts payables	260	1,721	128
Short term loan	21,000	-	-
Accrued expenses and deferred income	836	546	390
Total short term liabilities	22,096	2,267	518
Total liabilities	22,096	2,267	518
TOTAL EQUITY AND LIABILITIES	166,168	191,430	146,690

Parent company - Statement of Cash Flow

kSEK	Jul-Sep, Q3		Jan-Sep		Jan-Dec 2021
	2022	2021	2022	2021	
<u>Cash flow from operating activities</u>					
Profit/loss before tax	-1,064	-2,552	-2,223	-6,126	-49,159
Other items	-1	53		1,021	41,462
Cash flow from operations before change in working capital	-1,065	-2,499	-2,223	-5,105	-7,697
<u>Cash flow from working activities</u>					
Change in receivables	-1,442	-94	-2,301	-350	63
Change in current payables	698	418	577	1,452	-297
Cash flow from working activities	-1,809	-2,174	-3,947	-4,003	-7,931
<u>Cash flow from financing activities</u>					
Share issues	-	-	-	127,919	127,919
Issuance cost	-	-	-	-6,730	-6,730
Loans to subsidiary	-25,123	-20,083	-65,077	-47,156	-57,476
Loans received	11,000		21,000		
Loans repaid			-	-15,004	-14,145
Cash flow from financing activities	-14,123	-20,083	-44,077	59,029	49,568
Total cash flow in period	-15,932	-22,257	-48,024	55,027	41,637
Cash and cash equivalents at period start	25,072	92,810	57,164	15,527	15,527
Cash cash equivalents at period end	9,140	70,553	9,140	70,553	57,164

Parent company - Statement of changes in shareholders equity

kSEK	Share capital	Share premium	Other paid in capital	Retained earnings	Total shareholders equity
Equity at January 1, 2021	894	115,996	84	-43,895	73,079
Profit / Loss until December 31, 2021				-48,300	-48,300
Other comprehensive income					
Total comprehensive income for the period	894	115,996	84	-92,195	24,779
Transactions with owners					
Share issue	345	127,330			127,675
Issuance cost		-6,731			-6,731
Warrant programmes			244	204	448
Total Transactions with owners	345	120,599	244	204	121,392
Equity on December 31, 2021	1,239	236,595	328	-91,991	146,171
Equity at January 1, 2022	1,239	236,595	328	-91,991	146,171
Profit / Loss per June 30, 2022				-2,223	-2,223
Other comprehensive income					
Total comprehensive income for the period	1,239	236,595	328	-94,214	143,948
Transactions with owners					
Share issue					0
Issuance cost					0
Warrant programmes				124	124
Total Transactions with owners	0	0	0	124	124
Equity at Sep 30, 2022	1,239	236,595	328	-94,090	144,072

Note 1 General information

General information

This interim report covers the Swedish parent company Qlife Holding AB (publ), corporate registration number 559224-8040, and its subsidiaries. The parent company is a limited liability company with its registered office in Helsingborg, Sweden. The address of the main office is Redaregaten 48, 252 36 Helsingborg, Sweden. The main operation of the group is development and sales of the Egoo system and test capsules for the system. The report for the third quarter 2022 was approved for publication on November 25, 2022, in accordance with a board decision on November 25, 2022.

Note 2 Accounting principles

This interim report for the group has been prepared in accordance with IAS 34 Interim Financial Reporting. The Group reporting of Qlife is based on International Financial Reporting Standards (IFRS) as adopted by the EU. The Group's interim report is prepared in accordance with IAS 34 Interim Reporting and the Swedish Accounting Act. The parent company's interim report is prepared in accordance with the Swedish Accounting Act and The Swedish Financial Reporting Board's recommendation RFR 2 Reporting for Legal Entities. The first report under these standards is Q1 2022. Transition to IFRS has been made from January 1st 2021, resulting in the Qlife Group has prepared restated consolidated accounts as from January 1st 2021. Information according to IAS 34 Interim Reporting is given in notes as well as in other places in the interim report.

Basis of preparation

Group

The Group applies International Financial Reporting Standards (IFRS) as endorsed by the EU Commission and interpretations of these (IFRIC). The Group also applies the Swedish Annual Accounts Act and the recommendation from the Swedish Financial

Reporting Board, RFR 1, Supplementary accounting rules for groups.

The consolidated financial reports are prepared in accordance with IFRS 1, First time adoption of International Financial Reporting Standards. This means that the Group has applied the same accounting principles, the principles that apply at the end of the period, in the report on the period's opening financial position and during all periods reported in this report. The consolidated financial statements have been prepared in accordance with the acquisition value method, with the exception of certain financial assets that are valued at fair value.

Parent Company

The year-end report for the Parent Company has been prepared in accordance with K3 and has been transitioned RFR 2 Accounting for Legal Entities. RFR 2 means that the report for the legal entity must apply all IFRSs and statements approved by the EU as far as possible within the framework of the Annual Accounts Act and with regard to the connection between accounting and taxation. The recommendation states which exceptions and additions are to be made from IFRS. Previously, the Parent Company applied the Swedish Accounting Standards Board's general advice 2012: 1 Annual Report and Consolidated Accounts (K3) and the Swedish Annual Accounts Act. The transition date to RFR 2 has been set to January 1st 2021, which means that the comparative figures for the 3rd quarter 2021 and the financial year 2021 have been recalculated in accordance with RFR 2 (Note 5).

New standards, interpretations, and amendments not yet effective

There is a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the group has decided not to adopt early. None of these are expected to have a significant impact of the financial reports of the group.

Consolidation

Subsidiaries are all entities over which the group has control. Control exists when Qlife Holding AB is exposed to variability in returns from its investments in another entity and has the ability to affect those returns through its power over the other entity. Intragroup transactions and balances between the consolidated group undertakings are eliminated. The group undertakings are included in the consolidated accounts as from the date on which control is transferred to Qlife Holding AB and are no longer consolidated as from the date on which control ceases.

Receivables and liabilities in foreign currencies

The functional currency of the parent company and the reporting currency of the group is Swedish Kronor (SEK). Items in the financial reports of the different entities in the group are measured in the currency of the financial environment where each entity operates (functional currency). Transactions in foreign currencies are translated to the functional currency at the average rate for the period. Currency exchange gains and losses which arise on payment of those transactions and in translation of monetary assets and liabilities in foreign currency at closing rate, are recognized in the operating profit/loss. Foreign exchange gains and losses applicable to liabilities and cash are recognized as financial income or financial expense in the income statement. In the consolidation, assets and liabilities of foreign subsidiaries are translated at the closing rate. Revenue and expenses are translated at the average exchange rate for the reporting period. Foreign exchange rate differences are recognized as other comprehensive income, as part of the translation reserve.

Segment information

An operating segment is a part of a group that conducts operations from which it can generate revenue and incur costs and for which independent financial information is available. The group's division into operating segments is in line with the internal

reports that the group's highest executive decision-makers use to monitor operations and allocate resources between operating segments. The CEO is the group's highest executive decision-maker. In Qlife, it is therefore the reports that the CEO receives on the results in different parts of the group that form the basis for the segment information. Currently one segment has been identified in the group; SARS-CoV-2. Segment information is provided only for the group.

Revenue

The group reports revenues from sales of goods. Revenue recognition is performed in accordance with the five-step model specified in IFRS 15.

Revenue from sales of goods are recognized as revenue when control of the goods is transferred, which occurs when the goods are delivered to the customer.

The revenue recognition of service takes place when the service has been delivered and in accordance with the current price list including any discounts specifically for the customer. Services that the group provides are recognized as revenue as the work is performed and reported in the period in which the work is performed.

Grants that have been received before the conditions for the grant have been fulfilled are reported as liabilities.

Grants are reported in accordance with IAS20 as a reduction of the capitalized expenses for development, in the same time period as the development work is carried out, and when the work is approved in accordance with the grant conditions.

Financial items

Interest income and interest expense are recognized in profit or loss by using the effective interest rate method. Financial expense is comprised of interest and other financing expenses.

Employee benefits

Employee benefits such as salaries and social expenses, paid vacation and paid sick leave are recognized as expenses in the

period when the employees have performed services to Qlife. Post-employment benefits are funded with defined contribution plans. Plans where Qlife's obligation is limited to the agreed fee are defined as defined contribution plans. For those plans, the size of the employee benefit depends on the fees paid by Qlife to the plan and the return on that capital, thus the employee takes the actuarial risk and the investment risk. Qlife's obligation for fees to defined contribution plans are recognized as expenses in the period when the employees have performed services to Qlife.

Income taxes

The item "Income tax expense" in the income statement comprises current and deferred income tax. The current tax expense is the expected tax expense on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are recognized, using the balance sheet method, for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognized for temporary differences arising on initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets are recognized only to the extent that there is a high probability that future taxable profits will be available against which the temporary differences, tax losses carry forward and unused tax credits can be utilized.

Intangible assets

Separate acquisitions

Separately acquired intangible assets are recognized at cost less accumulated amortization and impairment. The assets are amortized on a straight-line basis over the estimated useful life of the asset. Current estimated useful life for patents is 5 years.

Internally generated intangible assets

Product development is divided into a research phase and a development phase. All expenses during the research phase are recognized as expenses in the income statement as they are incurred. All expenditures are capitalized if the following conditions are fulfilled:

It is technically feasible to complete the intangible asset so that it will be available for use or sale

- *The group has the intention of completing the asset*
- *The group has the ability to use or sell the asset*
- *It is probable that the asset will generate future economic benefits*
- *The group has the adequate technical, financial and other resources to complete the development and to use or sell the intangible asset*
- *The expenditure attributable to the asset can be reliably measured*

Capitalized directly attributable expenses include employee expenses, expenses for services and direct material. At each balance sheet date internally generated intangible assets are recognized at cost less accumulated amortization and impairment. Amortization begins when the asset can be taken into use. Capitalized expenses are amortized on a straight-line basis over an estimated useful life of five years.

Reassessment of useful life

Estimated useful lives and amortization methods are reassessed when there is an indication of a change since the estimate on the prior balance sheet date. The effect of changes in estimates are recognized forward-looking. Amortization begins when the asset can be taken into use.

Removal from the balance sheet

An intangible asset is removed from the balance sheet when the asset is scrapped or sold or when no future economic advantages are expected from the use of the asset. Any profit or loss that

arises upon removal of the asset from the balance sheet is the difference between consideration received, after deduction of direct selling expenses, and the carrying amount of the asset. This profit or loss is recognized as other operating income or other operating expenses.

Tangible assets

Tangible assets are recognized at cost less accumulated depreciation and impairment. Cost includes all expenditure directly attributable to bringing the asset to the location and condition necessary for its intended use. The cost also includes the estimated cost of its dismantlement, removal or restoration. Additional expenses that qualify for asset recognition are added to the carrying amount of the asset. Expenses for repairs are recognized as expenses as they are incurred. Tangible assets are depreciated on a straight-line basis over the estimated useful life of the asset. Depreciation begins when the asset can be taken into use. Tangible assets of the group consist of equipment and have an estimated useful life of 5-10 years.

Any profit or loss from sales of a tangible asset is recognized as Other operating income or Other operating expenses.

Impairment of intangible and tangible assets

At each balance sheet date, the group analyzes the carrying amounts of tangible and intangible assets to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount is calculated in order to determine the amount of an impairment. If the recoverable amount for an individual asset cannot be determined, the recoverable amount is calculated for the cash-generating unit to which the asset belongs. Development not yet taken into use are not amortized but tested for impairment annually irrespective of any indications of impairment.

The recoverable amount is the highest of fair value less costs of disposal and the value in use of the asset. Fair value less costs of disposal is the price expected to be received in a transaction less costs directly attributable to the transaction. When determining

value in use future cash flows are discounted to present value using a discount rate before tax reflecting current market conditions of the time value of money and the risks associated with the asset.

At each balance sheet date, the group estimates whether a previous impairment is no longer motivated. If this is the case, the impairment is reversed. A reversal of an impairment is recognized in the income statement.

The group as a lessee

The group has lease agreements for premises and production equipment. The group recognizes all lease agreements in the balance sheet as a lease liability for the obligation to pay future fixed lease payments, and a right-of-use asset reflecting the right to use an underlying asset. The lease liability is recognized at amortized cost using the effective interest rate method which distributes lease payments between repayment of the lease liability and interest expense. Lease liabilities are recognized as the present value of all remaining lease payments in the balance sheet and includes the following lease payments:

- Fixed payments
- Variable payments that depend on an index or a rate
- The exercise price of a purchase option if the group is reasonably certain to exercise that option

The lease liability is measured as the lease payments discounted with the incremental borrowing rate of the lessee. To calculate the lease liability, the lease payments are discounted with the implicit interest in the lease agreement. If this interest rate cannot be easily determined, the lessee's marginal borrowing rate is used.

The right-of-use asset is measured at cost and recognized at the amount of the lease liability with adjustment for initial expenses and expenses for restoring the lease asset according to the lease agreement. Right-of-use assets are depreciated on a straight-line basis over the shortest of the useful life of the asset or the lease term. If the group is reasonably certain to exercise a purchase

option, the right-of-use asset is depreciated over the useful life of the underlying asset.

The group has chosen not to report in the statement of financial position leasing agreements for which the underlying asset is of low value or with a leasing period (including an extension period that the group is reasonably sure is expected to utilize) of less than 12 months. The group reports leasing fees that are covered by the exemption rules as a leasing cost on a straight-line basis over the leasing period. The group has chosen to apply the practical solution that gives a lessee the opportunity to choose not to separate leasing components from non-leasing components for premises leases and instead report each leasing component and non-leasing component as a single leasing component.

Inventories

Inventories have been valued according to the lowest value principle, i.e. at the lower of acquisition value and net sales value. The acquisition value consists of direct cost of goods, direct salary, and attributable indirect manufacturing costs (based on normal manufacturing capacity). The acquisition value for individual items in the inventory is distributed based on weighted average costs calculated according to the manufacturing price calculation. In determining the acquisition value, the first-in first-out principle has been applied. The net sales value consists of estimated sales value less estimated sales cost.

The Groups financial instruments are composed of:

- Accounts receivables
- Cash and cash equivalents
- Bank loans and other loans
- Other long term liabilities
- Accounts payables

Financial assets

Financial assets at amortized cost

Assets in this category primarily arise from the sales of goods and services to customers but also include other types of financial assets where the objective is to hold the assets to collect the contractual cash flows and these cash flows are exclusively payments of principal and interest. These assets are initially recognized at fair value plus costs of transaction directly attributable to the acquisition, and are carried at amortized cost in subsequent periods, using the effective interest rate method.

Impairment

Impairment requirements for account receivables are reported based on the simplified approach using the expected credit losses for the entire remaining life of the contract. To calculate the credit loss reserve on accounts receivable, the group uses a matrix. The historical loss rates are adjusted to reflect current and forward-looking information that affects customers' ability to pay the claim. For account receivables, which are reported net, provisions are reported in a separate reserve for feared customer losses, and the cost is reported as a sales cost in the income statement. Upon confirmation that the accounts receivable will not be payable by the customer, the gross value of the asset is depreciated against the associated reserve. The group has historically reported low customer losses, customer loans are relatively short-term, and the company has relatively few unpaid outstanding overdue accounts receivable. The credit risk is assessed as low.

Cash and cash equivalents

Cash and cash equivalents include cash, bank deposits, other short-term high-liquidity investments with original maturities of three months or less. Cash and cash equivalents in the cash flow analysis also include, for example, overdrafts on bank accounts and overdraft facilities. However, these are reported as current liabilities in the consolidated balance sheet.

Financial liabilities

The financial liabilities are classified and valued as liabilities valued at accrued acquisition value. Financial liabilities include the following items:

- Bank loans and other loans are initially reported at fair value less transaction costs directly attributable to the instrument's issue. These interest-bearing liabilities are then measured at amortized cost using the effective interest method, which ensures that the interest expense is calculated based on a fixed interest rate on the reported amount of the liability in the balance sheet. The reported effective interest rate includes initial transaction costs and any premiums to be paid upon redemption as well as interest or coupons that are paid while the debt is outstanding.
- Accounts payable are obligations to pay for goods or services that have been acquired in the current accounts. Accounts payable are classified as current liabilities if they fall due within a year or earlier (or during the normal business cycle if this is longer).

Provisions

Provisions are recognized when the group has a present obligation as a result of a past event and it is likely that payments will be required to settle the obligation. One condition is that it is possible to make a reliable estimate of the amount to be paid. The provisions are calculated as the present value of the amounts expected to be paid to settle the obligation. In the calculation, a discount rate before tax is used, reflecting a current valuation of the time value of money and of the risks associated with the provision. Any increase in the provision caused by the passage of time is accounted for as a financial expense.

Contingent liabilities

The group provides information on contingent liabilities if there is a possible commitment that is confirmed only by several uncertain future events and it is not probable that an outflow of resources is required or that the size of the commitment cannot be determined with sufficient certainty.

Contingent assets

The group provides information on contingent assets as a result of events that have occurred, the occurrence of which will only be confirmed by the occurrence or absence of one or more uncertain future events, which are not entirely within the company's control.

Statement of cash flows

The group prepares its statement of cash flows using the indirect method, whereby adjustments have been made for transactions not generating any payments during the reported period. Adjustments have also been made for cash flows of revenue and expenses belonging to investment or financing activities.

Earnings per share

Basic earnings per share are calculated by dividing the profit or loss attributable to shareholders of the parent company by the weighted average number of ordinary shares outstanding during the period. For the periods reported there were no potential ordinary shares requiring an adjustment for dilution.

Note 3 Important sources of uncertainty in estimates

Important sources of uncertainty in estimates

The group's financial reports are prepared in accordance with IFRS. This means that the preparation of financial statements and the application of accounting principles are often based on estimates and assumptions that are considered reasonable and well balanced at the time the assessment is made. However, with other judgments, assumptions and estimates, the result may be different, and events may occur that may require a material adjustment to the carrying amount of the relevant asset or liability. Below are the most important areas where estimates and judgments have been made and which are deemed to have the greatest impact on the financial reports.

Intangible assets

The group conducts development activities. An intangible asset that arises through development, so-called capitalized development cost for own account, must only be taken up as an asset in the balance sheet if all conditions in IAS 38 are met. The principle is described in more detail in note 2. For each development project, the group's management team continuously

assesses whether there are conditions for selling the finished product and whether there is technical competence and financial resources to complete the asset so that it will be available for use or sale and thereby generate probable future financial benefits. There are no indications of a need for impairment as of 31 December 2021.

Valuation of inventory

Inventories are valued at the lower of acquisition value and net sales value according to the principle described in note 2.

Note 4 Transactions with related parties

Transactions with related parties refer to transactions in the form of remuneration to senior executives, in accordance with what is stated in the annual report for 2021 on page 43 note 2. The members of the Board are remunerated in accordance with a resolution at the Annual General Meeting.

Note 5 Composition of income

SARS-CoV-2 sales revenue (kSEK)	2021				2022		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3
Sweden	-	1 597	3 231	8 814	7 875	3 460	1 508
Finland	-	379	482	3 120	2 679	552	377
Denmark	11 173	8 358	1 428	150	-	-	-
Other countries	3	148	730	-	351	13	82
Total Sales	11 176	10 482	5 871	12 084	10 905	4 025	1 967

Note 6

Conversion to IFRS

Qlife Holding AB has previously applied the Annual Accounts Act and BFNAR 2012: 1 Annual Report and Consolidated Accounts ("K3"). As of Q1 2022, Qlife Holding AB prepares its interim financial statement and consolidated financial statements in accordance with EU approved International Financial Reporting Standards (IFRS) and interpretations from the IFRS Interpretations Committee (IFRIC). The transition date to IFRS has been set for January 1, 2022. The transition to IFRS is reported in accordance with IFRS 1 The first time International Financial Reporting Standards are applied. The main rule in IFRS 1 is that a company applies all advice retroactively when determining the opening balance. However, there are some mandatory and voluntary exceptions to the retroactive application. The Group has chosen to apply the following exceptions:

- Inventory value of finished products has been recorded inclusive of production labor, but excl. other indirect production cost in the opening balance as per Jan 1st 2022.

RESTATEMENTS TO GROUP FINANCIAL STATEMENTS

In the following tables, the effects assessed by the company management on the Group's income statement & balance sheet at the transition to IFRS for the group are presented and quantified for the financial year 2021. The effect on the financial reports for Q3 2021 and Jan-Sep 2021 has also been included as these are used as reference for the Q3 2022 report. The following adjustments have been made in the transition to IFRS for the Group reflecting the elimination of goodwill and activation of leasing contracts:

Group - Consolidated Income Statement

kSEK	K3		IFRS		K3		IFRS		K3		IFRS	
	Jul-Sep, Q3 2021	Adjustment to IFRS Goodwill Leasing	Jul-Sep, Q3 2021	Jan-Sep 2021	Adjustment to IFRS Goodwill Leasing Bridge loan	Jan-Sep 2021	Jan-Sep 2021	Jan-Dec 2021	Adjustment to IFRS Goodwill Leasing Bridge loan	Jan-Dec 2021		
Revenue	5 871		5 871	27 529		27 529	39 613			39 613		
Total operating income	5 871		5 871	27 529		27 529	39 613			39 613		
Operating expenses												
Changes in inventories of finished good	-382		-382	584		584	1 161			1 161		
Capitalized development costs	6 859		6 859	18 008		18 008	25 581			25 581		
Raw materials and consumables	-3 028		-3 028	-11 809		-11 809	-21 814			-21 814		
Other external expenses	-11 151	82	-11 069	-29 812	247	-29 565	-40 056	331		-39 725		
Personnel costs	-10 397		-10 397	-28 033		-28 033	-39 869			-39 869		
Total Operating expenses	-18 099	82	-18 017	-51 062		-50 815	-74 997			-74 666		
EBITDA	-12 228		-12 146	-23 533		-23 286	-35 383			-35 052		
Amortization and depreciation	-4 943	2 714	-2 276	-14 189	8 142	-141	-6 188	-19 479	10 855	-189	-8 813	
EBIT	-17 171		-14 422	-37 722		-29 474	-54 862			-43 865		
Net financial income and expenses	-45		-64	-1 164		-59	-859	-2 082		-1 478	-2 414	
Loss before tax	-17 216		-14 486	-38 886		-31 556	-56 340			-46 279		
Tax	2 219		2 219	5 854		5 854	7 503		-20	7 483		
Net loss for the period	-14 997		-12 267	-33 032		-25 702	-48 838			-38 797		
Other comprehensive income	-625		-625	-230		-230	1 076		7	1 083		
Total comprehensive profit/loss for the period	-15 622		-12 892	-33 262		-25 932	-47 762			-37 714		
Net loss for the period attributable to owner of parent company	-14 997		-12 267	-33 032		-25 702	-48 838			-38 797		
Total comprehensive profit/loss for the period attributable to owner of Parent Company	-15 622		-12 892	-33 262		-25 932	-47 762			-37 714		
<i>Earnings per share before and after dilution - SEK</i>	<i>-1,34</i>		<i>-1,10</i>	<i>-2,48</i>		<i>-1,93</i>	<i>-3,83</i>			<i>-3,04</i>		
<i>Weighted average number of shares in the period before dilution</i>	<i>11 174 438</i>		<i>11 174 438</i>	<i>13 327 130</i>		<i>13 327 130</i>	<i>12 766 840</i>			<i>12 766 840</i>		
<i>Weighted average number of shares in the period after dilution</i>	<i>14 084 846</i>		<i>14 084 846</i>	<i>14 038 238</i>		<i>14 038 238</i>	<i>13 477 948</i>			<i>13 477 948</i>		
<i>Total number of shares end of first quarter 2021</i>	<i>11 174 438</i>		<i>11 174 438</i>	<i>15 484 927</i>		<i>15 484 927</i>	<i>15 484 927</i>			<i>15 484 927</i>		

Group - Consolidated Balance sheet

kSEK	K3	Adjustment to IFRS			IFRS	K3	Adjustment to IFRS		IFRS
	Sep. 30, 2021	Goodwill	Leasing	Bridge loan	Sep. 30, 2021	Dec. 31, 2021	Goodwill	Leasing	Dec. 31, 2021
ASSETS									
<i>Intangible fixed assets</i>									
Capitalized development costs	49 251				49 251	55 193			55 193
Goodwill	33 471	-33 471			0	30 757	-30 757		0
Total Intangible fixed assets	82 722	-33 471			49 251	85 950			55 193
<i>Tangible fixed assets</i>									
Manufacturing equipment and fixtures	4 062		1 161		5 223	4 301	1 113		5 414
Total Tangible fixed assets	4 062		1 161		5 223	4 301			5 414
Total fixed assets	86 784	-33 471	1 161		54 474	90 251			60 607
<i>Current assets</i>									
Inventory	9 487				9 487	8 309			8 309
Receivables									
Accounts receivables	1 224				1 224	2 755			2 755
Other receivables	2 231				2 231	3 885			3 885
Tax receivables	13 428				13 428	7 564			7 564
Prepaid expenses and accrued income	2 053				2 053	7 211			7 211
Total receivables	18 936				18 936	21 415			21 415
Cash and cash equivalents	82 907				82 907	73 461			73 461
Total currents assets	111 330				111 330	103 185			103 185
TOTAL ASSETS	198 114	-33 471	1 161		165 804	193 435			163 791
EQUITY AND LIABILITIES									
<i>Equity</i>									
Share Capital	1 239				1 239	1 239			1 239
Other equity	237 009	-54 277			859	183 591	-54 277		182 730
Retained earnings	-59 757	20 806	76		-859	-39 734	23 520	94	-51 453
Total equity	178 491				145 096	163 179			132 516
<i>Long term liabilities</i>									
Loan from credit institution	3 693		1 085		4 778	3 702	1 019		4 721
Total long term liabilities	3 693		1 085		4 778	3 702			4 721
<i>Short term liabilities</i>									
Prepayments from customers	0				0	0			0
Accounts payables	9 736				9 736	0			0
Short term loans	0				0	10 027			10 027
Other liabilities	2 605				2 605	1 091			1 091
Accrued expenses and deferred income	3 589				3 589	15 436			15 436
Total short term liabilities	15 930				15 930	26 554			26 554
Total liabilities	19 623				20 708	30 256			31 275
TOTAL EQUITY AND LIABILITIES	198 114				165 804	193 435			163 791

Group - Statement of changes in shareholders equity

kSEK	Share capital	Other paid in capital	Retained earnings	Total shareholders equity
Equity at January 1, 2020	536	67 572	-5 630	62 478
IFRS justering				
Goodwill		-54 277		-54 277
Retained earnings			1 810	1 810
Ingående eget kapital 2020-01-01	536	13 295	-3 820	10 011
Profit / Loss per December 31, 2020			-8 464	-8 464
Foreign exchange rate adjustment			-1 765	-1 765
Share Issue	358	54 655		55 013
Issuance costs		-6 063		-6 063
Warrant programmes			86	86
Utgående eget kapital 2020-12-31	894	61 887	-13 963	48 818

kSEK	Share capital	Other paid in capital	Retained earnings	Total shareholders equity
Equity at January 1, 2021	894	61 887	-13 963	48 818
Profit / Loss per Sep 30, 2021			-24 843	-24 843
Foreign exchange rate adjustment			-230	-230
Share Issue	345	127 330		127 675
Issurance cost		-6 731		-6 731
Warrant programmes		245	162	407
Equity at Sep 30, 2021	1 239	182 731	-38 874	145 096

RESTATEMENTS TO PARENT COMPANY
 FINANCIAL STATEMENTS

In the following tables, the effects assessed by the company management on the Parent Company's income statement & balance sheet by application of the Swedish Financial Reporting Board's recommendation RFR 2 Reporting for Legal Entities are presented and quantified for the financial year 2021. The effect on the financial reports for Q2 2021 and 1H 2021 has also been included as these are used as reference for the Q2 2022 report. The following adjustments have been made in the transition to RFR 2 for the Parent Company representing activation of facilitation fee on a short term loan.

Parent - Income Statement

kSEK	Jul-Sep, Q3			Jan-Sep			Jan-Dec		
	K3 2021	Adjustm RFR 2	RFR 2 2021	K3 2021	Adjustm RFR 2	RFR 2 2021	K3 2021	Adjustm RFR 2	RFR 2 2021
Revenue	175		175	525		525	700		700
Other external costs	-2 493		-2 493	-4 288		-4 288	-6 179		-6 179
Personnel costs	-317		-317	-763		-763	-966		-966
Operating result	-2 635		-2 635	-4 527	0	-4 527	-6 445	0	-6 445
Depreciation of investment i subsidiary	-		-	0		0	-41 259		-41 259
Net financial income and expenses	83		83	-740	-859	-1 599	-596	-859	-1 455
Loss before tax	-2 552		-2 552	-5 267	-859	-6 126	-48 300	-859	-49 159
Tax	0		0	0		0	0		0
Net loss for the period	-2 552		-2 552	-5 267	-859	-6 126	-48 300	-859	-49 159

Parent - Balance sheet

kSEK	Sep. 30, 2021			Dec. 31, 2020		
	K3	Adjustm RFR 2	RFR 2	K3	Adjustm RFR 2	RFR 2
ASSETS						
<i>Financial fixed assets</i>						
Shares in subsidiary	68 024		68 024	68 024		68 024
Total financial fixed assets	68 024		68 024	68 024		68 024
Total fixed assets	68 024		68 024	68 024		68 024
<i>Current assets</i>						
Receivables						
Receivables from subsidiary	52 324		52 324	5 168		5 168
Other receivables	127		127	171		171
Prepaid expenses and accrued income	403		403	8		8
Total receivables	52 854		52 854	5 347		5 347
Cash and cash equivalents	70 553		70 553	15 527		15 527
Total current assets	123 406		123 406	20 874		20 874
TOTAL ASSETS	191 430		191 430	88 898		88 898
kSEK	Sep. 30, 2021			Dec. 31, 2020		
	K3	Adjustm IFRS	IFRS	K3	Adjustm IFRS	IFRS
EQUITY AND LIABILITIES						
Equity						
Share Capital	1 239		1 239	894		894
Share premium	236 923		236 923	48 592		48 592
Other paid in capital	291		291	182		182
Retained earnings	-44 023	859	-43 164	66 601		66 601
Profit / Loss	-5 267	-859	-6 126	-43 190	859	-42 331
Total equity	189 163	0	189 163	73 079	859	73 938
<i>Short term liabilities</i>						
Accounts payables	1 721		1 721	198		198
Short term loan	0		0	15 004	-859	14 145
Accrued expenses and deferred income	546		546	617		617
Total short term liabilities	2 267	0	2 267	15 819	-859	14 960
Total liabilities	2 267	0	2 267	15 819	-859	14 960
TOTAL EQUITY AND LIABILITIES	191 430	0	191 430	88 898	0	88 898

