



# Qlife carries out a rights issue of units of approximately SEK 57.7 million

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Today, the board of directors in Qlife Holding AB (“Qlife” or the “Company”) has, subject to approval by the extraordinary general meeting on March 24, 2023, resolved to carry out an issue of 576,813,400 units, consisting of shares and warrants of series TO 3, with preferential rights for the Company’s existing shareholders (the “Rights Issue”). Provided that the Rights Issue is fully subscribed, the Company will receive proceeds of approximately SEK 57.7 million before the deduction of transaction costs. The Rights Issue is secured through subscription undertakings from members of the Company management and board of directors, of approximately SEK 0.8 million, and guarantee commitments of approximately SEK 40.4 million, entailing that the Rights Issue is secured to approximately 71.3 percent. In addition, the board of directors may carry out an over-allotment issue of SEK 5 million if the Rights Issue is oversubscribed (the “Over-allotment Issue”). In order to secure the financing needs until the Rights Issue is completed, the Company has secured bridge financing amounting to a total of SEK 7.25 million, which is to be settled after the settlement of the Rights Issue. Notice to the extraordinary general meeting will be published in a separate press release.

## Summary of the Rights Issue

The Rights Issue is proposed to be carried out on the following main terms:

- The Rights Issue comprises a maximum of 576,813,400 units, corresponding to a maximum of 576,813,400 shares and 576,813,400 warrants of series TO 3. Upon full subscription in the Rights Issue, Qlife will receive approximately SEK 57.7 million before deduction of issue costs.
- Existing shareholders will receive twenty-five (25) unit rights for each share held on the record date on April 5, 2023. One (1) unit right entitles the holder to subscribe for one (1) unit in the Company. Each unit consists of one (1) share and one (1) warrant of series TO 3.
- One (1) warrant of series TO 3 entitles the holder to subscribe for one (1) new share in the Company during the period September 11, 2023 – September 29, 2023 at an exercise price of SEK 0.11 per share.
- The last day of trading in Qlife’s shares including the right to receive unit rights in the Rights Issue is April 3, 2023. The shares are traded excluding the right to receive unit rights in the Rights issue from April 4, 2023.
- The subscription price in the Rights Issue is SEK 0.10 per unit, corresponding to SEK 0.10 per share (the warrants are issued free of charge).
- The subscription period in the Rights Issue runs between April 11, 2023 – April 25, 2023.
- Trading in unit rights will take place on Nasdaq First North Growth Market during the period April 11, 2023 to April 20, 2023 and trading in BTU (paid subscribed unit) will take place on Nasdaq First North Growth Market from April 11, 2023 until the Rights Issue is registered with the Swedish Companies Registration Office.
- Warrants of series TO 3 are expected to be admitted to trading on Nasdaq First North Growth Market in close connection to the Rights Issue’s registration at the Swedish Companies Registration Office and the BTU’s conversion to ordinary shares and warrants.

- The Rights Issue is secured to approximately 71.3 percent through subscription and guarantee commitments subject to customary conditions.
- The complete terms and conditions for the Rights Issue, including additional information about the Company, will be made available in a EU growth prospectus that is expected to be published around April 5, 2023 (the “**Prospectus**”).

## **Background and reason**

Qlife has developed the highly versatile Egoo.health testing platform, integrating several technologies, which can potentially test for a broad range of biomarkers and viruses – protein based and molecular. The technology is easy to use, holds a low cost, and is suitable for use in people’s homes or decentral testing locations. The Egoo platform contains an innovative and patented plasma filtration unit, Egoo Collect, which the Company - based on early indications from the market - assesses can be marketed as a stand-alone product.

Today, the short-term focus is the launch of CRP as a wellness test, validating the use case in clinical retail and home settings. This strategy allows Qlife to pursue partnerships in selected market segments and geographies, with demonstrated commercial cases. During 2023, the Company expect to find one or more strategic partners to enable the Company to continue development of additional tests to strengthen the Egoo.health menu.

The board of directors therefore assesses that there are currently good opportunities to make use of the Company’s technology and full commercial potential, which has been the basis for the board of directors’ proposal of the Rights Issue. The primary purpose of the Rights Issue is to strengthen the Company’s financial position and finance the capital needs expected in the coming year.

## **Use of proceeds**

Upon full subscription in the Rights Issue, the Company will receive gross proceeds of approximately SEK 57.7 million which, after deduction of issue costs and repayment of bridge financing, are intended to be used for the following areas of use, in order of prior:

- Approximately 50 percent will be used for sales and partnering efforts of the CRP test into private clinics and consumer health segments.
- Approximately 35 percent will be used to advance its regulatory efforts for the clinical use of the CRP in the European markets.
- Approximately 15 percent will be used for general administration and other.

In the event that all warrants series TO 3 issued in the Rights Issue are exercised for subscription of shares, the Company will receive additional gross proceeds of approximately SEK 63.5 million which, after deduction of issue costs, are intended to be used for the following areas of use, in order of prior:

- Approximately 40 percent will be used for sales and partnering efforts of the CRP test into private segments.
- Approximately 25 percent will be used for regulatory filings of the CRP test.
- Approximately 20 percent will be used for continued R&D investments in expansion of test menu with additional capsules.
- Approximately 15 percent will be used for general administration and other.

In case of great interest, the board of directors has the option to resolve on the Over-allotment Issue of up to 50,000,000 units, directed primarily to strategic and professional investors who have subscribed for units in the Rights Issue without receiving full allotment, corresponding to initial additional issue proceeds of SEK 5 million before issue costs. The potential net proceeds from the Over-allotment Issue are intended to be used for regulatory and commercial roadmap preparations for the US market.

## **Extraordinary general meeting**

The board of directors’ resolution on the Rights Issue is conditional on subsequent approval at the extraordinary general meeting on March 24, 2023. The resolution on the Rights Issue requires and is conditional on the limits for share capital and the number of shares in the articles of association being changed in accordance with the board of directors’ proposal to the extraordinary general meeting and that the extraordinary general meeting also resolves on an issue authorization for the implementation of the Over-allotment Issue and the offset of guarantee fees in units. Notice to the extraordinary general meeting will be published in a separate press release.

## **Preliminary timeline for the Rights Issue**

March 24, 2023	Extraordinary general meeting
April 3, 2023	Last day of trading in shares including right to receive unit rights
April 4, 2023	First day of trading in shares excluding right to receive unit rights
April 5, 2023	Record date for the Rights Issue
April 5, 2023	Planned publishing date of the Prospectus
April 11, 2023 – April 25, 2023	Subscription period
April 11, 2023 – April 20, 2023	Trading in unit rights
April 11, 2023 until the Rights Issue is registered with the Swedish Companies Registration Office	Trading in BTUs (paid subscribed units)
April 27, 2023	Expected announcement of the outcome in the Rights Issue

### **Subscription commitments and guarantee commitments**

Members of the Company management and the board of directors have undertaken, directly or through a legal entity, to subscribe for units in the Rights Issue for an amount equaling approximately SEK 0.8 million. The Rights Issue is thereby subject to subscription commitments corresponding to approximately 1.3 percent of the issued amount.

In addition to the subscription commitments, a guarantee syndicate, syndicated by G&W Fondkommission, have provided guarantee commitments subject to customary conditions which, in aggregate, amount to approximately SEK 40.4 million, which corresponds to approximately 70.0 percent of the Rights Issue. Consequently, the Rights Issue is secured to 71.3 percent through the aforementioned subscription and guarantee commitments.

A guarantee fee will be paid to the guarantors, based on current market conditions, of sixteen (16) percent of the guaranteed and allotted amount. Eight (8) percent of the fee will be paid in cash and eight (8) percent is to be offset against units to the same terms as in the Rights Issue. The guarantee compensation in newly issued units is to be effectuated by a directed issue of units, resolved by the board of directors based on the authorization granted by the extraordinary general meeting on March 24, 2023.

No fee is to be paid for the subscription commitments that have been entered into. Neither the subscription commitments nor the guarantee commitments are secured through bank guarantees, restricted funds, pledged assets or similar arrangements.

Further information regarding the parties who have entered into subscription commitments and guarantee commitments will be presented in the Prospectus.

### **Exercise price and subscription period for warrants of series TO 3**

One (1) warrant of series TO 3 entitles the holder to subscribe for one (1) new share in the Company during the period September 11, 2023 – September 29, 2023 at an exercise price of SEK 0.11 per share. The warrants are expected to be admitted to trading on Nasdaq First North Growth Market in close connection to the Rights Issue's registration at the Swedish Companies Registration Office.

### **Bridge financing**

In order to secure the financing needs until the Rights Issue is completed, the Company entered into a bridge loan agreement of SEK 7.25 million, subject to customary conditions based on current market conditions. The loan runs until the Rights Issue is completed.

### **Over-allotment Issue**

If the Rights Issue is oversubscribed, the board of directors may resolve to carry out an Over-allotment Issue of a maximum of 50,000,000 units (corresponding to 50,000,000 shares and 50,000,000 warrants of series TO 3) directed primarily to strategic and professional investors who have subscribed for units in the Rights Issue without receiving full allotment, which may provide the Company with additional initial issue proceeds of SEK 5 million before issue costs. Thus, the Over-allotment Issue may increase the total initial issue proceeds in the Rights Issue to approximately SEK 62.7 million before issue costs.

### **Change of share capital and number of shares and dilution**

Through the Rights Issue, the number of shares in Qlife will initially increase by a maximum of 576,813,400 shares, from 23,072,536 shares to 599,885,936 shares and the share capital will increase by a maximum of SEK 46,145,072.00, from SEK 1,845,802.88 to SEK 47,990,874.88. For existing shareholders who do not participate in the Rights Issue this means, upon full subscription, a dilution effect of approximately 96.2 percent of the votes and capital in the Company.

In the event that all warrants of series TO 3 are fully exercised for subscription of new shares in the Company, the number of shares will increase by an additional 599,885,936 to a total of 1,176,699,336 shares and the share capital will increase by an additional SEK 46,145,072.00 to SEK 94,135,946.88. This corresponds to a dilution effect from the warrants of an additional maximum of approximately 49.0 percent. The total dilution effect if both the Rights Issue and the warrants are fully subscribed thus amounts to approximately 98.0 percent.

Through the set-off issue implemented to pay the part of the guarantee compensation payable in units, an additional 32,280,000 units consisting of 32,280,000 shares and 32,280,000 warrants will be issued.

Upon full exercise of the Over-allotment Issue, an additional 50,000,000 units, consisting of 50,000,000 shares and 50,000,000 warrants series TO 3 may be issued.

Upon full subscription in the Rights Issue, execution of the set-off issue to pay the guarantee compensation, full exercise of the Over-allotment Issue and full exercise of all outstanding warrants series TO 3, the maximum number of shares in the Company may amount to 1,341,259,336, and the share capital will amount to SEK 107,300,746.88, whereby the total dilution amounts to a maximum of 98.3 percent.

### **Advisors**

G&W Fondkommission acts as Financial Advisor in connection with the Rights Issue. Setterwalls Advokatbyrå AB is Legal Advisor to Qlife and Aqurat Fondkommission AB has been appointed as Issuer Agent.

### **For additional information, please contact:**

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This disclosure contains information that Qlife Holding AB is obliged to make public pursuant to the EU Market Abuse Regulation (EU nr 596/2014). The information was submitted for publication, through the agency of the contact person, on 2023-02-16 23:37 CET.

### **About Qlife Holding AB**

Qlife is a Swedish company based in Helsingborg, which develops and markets an innovative medical technology platform, Egoo.Health ("Egoo"), with the goal of giving people access to clinical biomarker data when testing at home. The company is listed on the Nasdaq First North Growth Market (ticker: QLIFE). G&W Fondkommission is the Company's Certified Adviser. For additional information, please visit [www.qlife.com](http://www qlife.com).

### **Important information**

The information in this press release does not contain or constitute an offer to acquire, subscribe or otherwise trade in shares, warrants or other securities in Qlife. No action has been taken and measures will not be taken to permit a public offering in any jurisdictions other than Sweden. Any invitation to the persons concerned to subscribe for units in Qlife will only be made through the Prospectus that Qlife estimates to publish on 5 April 2023 on Qlife's website [www.qlifeholding.com](http://www qlifeholding.com). The upcoming approval of the Prospectus by the Swedish Financial Supervisory Authority shall not be regarded as an approval of the shares, warrants or any other securities. This release is however not a prospectus in accordance with the definition in the Prospectus Regulation (EU) 2017/1129 ("Prospectus Regulation") and this announcement does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in shares, warrants or other securities in Qlife. In order for investors to fully understand the potential risks and benefits associated with a decision to participate in the Rights Issue, any investment decision should only be made based on the information in the Prospectus. Thus, investors are encouraged to review the Prospectus in its entirety. In accordance with article 2 k of the Prospectus Regulation this press release constitutes an **advertisement**.

The information in this press release may not be released, distributed or published, directly or indirectly, in or into the United States of America, Australia, Belarus, Canada, Hong Kong, Japan, New Zealand, Russia, Singapore, South Africa, South Korea, Switzerland or any other jurisdiction in which such action would be unlawful or would require registration or any other measures than those required by Swedish law. Actions in violation of these restrictions may constitute a violation of applicable securities laws. No shares, warrants or other securities in Qlife

have been registered, and no shares, warrants or other securities will be registered, under the United States Securities Act of 1933, as amended (the “**Securities Act**”) or the securities legislation of any state or other jurisdiction in the United States of America and no shares or other securities may be offered, sold or otherwise transferred, directly or indirectly, in or into the United States of America, except under an available exemption from, or in a transaction not subject to, the registration requirements under the Securities Act and in compliance with the securities legislation in the relevant state or any other jurisdiction of the United States of America.

Within the European Economic Area (“**EEA**”), no public offering of shares, warrants or other securities (“**Securities**”) is made in other countries than Sweden. In other member states of the EU, such an offering of Securities may only be made in accordance with the Prospectus Regulation. In other member states of the EEA which have implemented the Prospectus Regulation in its national legislation, any offer of Securities may only be made in accordance with an applicable exemption in the Prospectus Regulation and/or in accordance with an applicable exemption under a relevant national implementation measure. In other member states of the EEA which have not implemented the Prospectus Regulation in its national legislation, any offer of Securities may only be made in accordance with an applicable exemption under national law.

In the United Kingdom, this document and any other materials in relation to the securities described herein is only being distributed to, and is only directed at, and any investment or investment activity to which this document relates is available only to, and will be engaged in only with, “qualified investors” (within the meaning of the United Kingdom version of the EU Prospectus Regulation (2017/1129/ EU) which is part of United Kingdom law by virtue of the European Union (Withdrawal) Act 2018) who are (i) persons having professional experience in matters relating to investments who fall within the definition of “investment professionals” in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”); (ii) high net worth entities etc. falling within Article 49(2)(a) to (d) of the Order; or (iii) such other persons to whom such investment or investment activity may lawfully be made available under the Order (all such persons together being referred to as “relevant persons”). In the United Kingdom, any investment or investment activity to which this communication relates is available only to, and will be engaged in only with, relevant persons. Persons who are not relevant persons should not take any action on the basis of this press release and should not act or rely on it.

This press release may contain forward-looking statements which reflect the Company’s current view on future events and financial and operational development. Words such as “*intend*”, “*expect*”, “*anticipate*”, “*may*”, “*believe*”, “*plan*”, “*estimate*” and other expressions which imply indications or predictions of future development or trends, and which are not based on historical facts, are intended to identify forward-looking statements. Forward-looking statements inherently involve both known and unknown risks and uncertainties as they depend on future events and circumstances. Forward-looking statements do not guarantee future results or development and the actual outcome could differ materially from the forward-looking statements.