

INTERIM REPORT 1 JANUARY – 30 JUNE 2019

Launch preparations continue

Second Quarter: 1 April–30 June 2019

- Net sales amounted to SEK 0.5 million (0.3).
- The operating result totalled SEK -44.5 million (-35.7).
- The company reported a loss after tax of SEK -44.0 million (-35.7).
- Earnings per share amounted to SEK -1.92 (-2.41).
- Cash flow from operating activities totalled SEK -40.9 million (-28.4).

Period: 1 January–30 June 2019

- Net sales amounted to SEK 1.0 million (0.5).
- The operating result totalled SEK -81.2 million (-59.6).
- The company reported a loss after tax of SEK -80.3 million (-59.7).
- Earnings per share amounted to SEK -3.50 (-4.51).
- Cash flow from operating activities totalled SEK -81.9 million (-54.1).
- At 30 June 2019, cash and cash equivalents amounted to SEK 19.4 million (354.4), short-term investments in fixed-income funds to SEK 250.1 million (150.0) and investments in listed bonds to SEK 151.8 million (0).

Significant events

in the second quarter of 2019

- The Annual General Meeting was held on 22 May 2019. Refer to “Other information” for information about the resolutions passed at the Annual General Meeting.
- The Annual General Meeting resolved to re-elect directors Erika Kjellberg Eriksson, Mats Nilsson Bernitz, Ulf Landegren, Marcus Storch, Marianne Hansson, Per-Olof Wallström and Hans Johansson. Erika Kjellberg Eriksson was elected Chairperson of the Board.

after the end of the period

- The Board of Directors resolved to issue and repurchase 117,424 shares within the framework of the LTIP 2019 long-term incentive programme.

Comments by the CEO

Intensified partner discussions

The second quarter of 2019 was characterised by feedback from potential customers following our participation in various conferences, preparations for regulatory studies and, last but not least, intensified discussions with several possible partners for the upcoming launch of ASTar.

The European Congress of Clinical Microbiology & Infectious Diseases (ECCMID) is the most important annual conference for Q-linea. This year it was held in Amsterdam on 13–16 April. I am proud of the fantastic feedback we received at ECCMID on ASTar. The same can be said for our participation in the American Society for Microbiology (ASM) Microbe in San Francisco on 20–24 June.

We have received overwhelmingly positive feedback on our broad antibiotics panel, ASTar's flexible but simple workflow and how easy it is to start using. Potential customers in Europe and the US are equally positive, but in the US we are encountering a somewhat different customer group. Customers in the US have more automated operations and more 24-hour labs. They are especially appreciative of the simplicity and the fully automated workflow, and it is particularly gratifying to be receiving positive feedback on our development process from future customers. Since customers are already starting to plan their budgets in order to purchase the system next year, it has been important for us to be able to present the final design of our ASTar system.

When it comes to our regulatory studies, we achieved an important milestone in June when we submitted a pre-submission supplement to the US Food and Drug Administration (FDA), as planned. The supplement contained a detailed description of how we plan to design the US study and the specifics of the trial protocol and the ASTar system. We will have a meeting with the FDA in September to hear their views on the design of the study and we will thereafter adapt the study to meet their requirements. If everything goes according to plan, we should be able to start the study at the beginning of next year. Our goal is to obtain FDA approval to market and sell the system next year.

I am happy to be leading the company and following its progress. We are methodically working through our goals and the impressive work that has been carried out throughout the company is now being reflected in our discussions with potential sales partners. These discussions intensified during the quarter and are now being conducted with some of the most attractive companies in the market. I look forward to our future partnership agreements with a sense of anticipation and optimism.

To sum up, the feedback we are receiving both from potential customers and in discussions with possible partners is incredibly motivating in our continued work to prepare ASTar for approval and market launch next year. I hope and believe that Q-linea's shareholders share our enthusiasm.

Jonas Jarvius, President

This report has been prepared in a Swedish original and an English translation. In the event of any discrepancies between the two, the Swedish version is to apply.

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

Presentation

Q-linea invites investors, analysts and the media to an audiocast and teleconference (in English) today, 18 July, at 1:00 to 2:00 p.m. (CET). President Jonas Jarvius and CFO Anders Lundin will present Q-linea, comment on the interim report for the January to June 2019 period and respond to questions.

Webcast: <https://tv.streamfabriken.com/q-linea-q2-2019>

Telephone number for the teleconference: SE: +46851999383 UK: +443333009262 US: +16467224956

Upcoming reporting dates

7 November 2019	Interim report, Q3	January to September 2019
13 February 2020	Year-end report, Q4	January to December 2019
Week of 13 April 2020	Annual Report 2019	January to December 2019
7 May 2020	Interim report, Q1	January to March 2020
16 July 2020	Interim report, Q2	January to June 2020
5 November 2020	Interim report, Q3	January to September 2020

About the company

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This information is information that Q-linea AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, on 18 July 2019 at 7:30 a.m. CET.

About Q-linea

Q-linea is an innovative research, development and manufacturing company that primarily develops instruments and disposables for rapid and reliable infection diagnostics. Q-linea's vision is to help save lives by ensuring antibiotics continue to be an effective treatment for future generations. Q-linea develops and delivers preferred solutions for healthcare providers, enabling them to accurately diagnose and treat infectious disease in the shortest possible time. The company's lead product ASTar™ is a fully automated instrument for antibiotic susceptibility testing (AST), giving a susceptibility profile within six hours directly from a positive blood culture. For more information, please visit www.qlinea.com.

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