

## **Q-linea AB (publ)**

### **Interim report January – September 2018**

**“Continued development work has now brought Q-linea very close to the final version of ASTar™”**

#### **Third quarter in brief, 1 July to 30 September 2018**

- Net sales amounted to SEK 250 thousand (0).
- Operating result totalled SEK -28,793 thousand (-16,005).
- The company reported a loss after tax of SEK -29,304 thousand (-16,005).
- Earnings per share amounted to SEK -1.98 (-1.52).
- Cash flow from operating activities totalled SEK -31,244 thousand (-13,625).

#### **Comments by the CEO**

It has been an intense third quarter and I am particularly proud of the successful integration of the operations acquired from Umbrella Science AB (“Umbrella Science”). I am also pleased with the progress we have made in advancing our key product, ASTar, even closer to a market launch.

Umbrella Science was previously a crucial partner as a supplier of AST discs, which are a key component in the ASTar system. Q-linea acquired the operations of Umbrella Science in June 2018 and its employees have now been successfully integrated with Q-linea’s organisation.

A number of advances have been made in the development of ASTar, both in terms of the performance of the disposables and in terms of the performance and function of the actual instrument. We have also started building the ASTar system with the planned future architecture to enable the system to be put into production together with our manufacturing partner Sanmina. This means that we are now essentially building the final instrument design of ASTar, which feels very satisfying.

Our investigation of the risk of infringing on other parties’ intellectual property rights (freedom-to-operate analysis), which was initiated at the start of the year, continued through the third quarter and will continue until the start of the next financial year. To date, nothing has arisen from this analysis that would prevent Q-linea’s planned launch of the ASTar instrument and the BC G-Kit analysis kit.

The Board was strengthened in August through the election of Hans Johansson. Hans Johansson has extensive experience and a broad network from his previous roles in the medical and diagnostics industry, most recently as Vice President Companion Diagnostics at Thermo Fisher’s Specialty Diagnostics Group.

Our annual strategy day in September was a good opportunity for the new Board to come up to speed with the company in the form of a thorough strategic review. Strategically important decisions were taken, namely to assume ownership of the entire production chain

for the AST disc, which was made possible through the acquisition of Umbrella Science's operations.

During the quarter, the Board proposed an employee incentive programme. This is something I regard very positively, since it will enable us to retain and recruit skilled personnel. During the quarter, the workforce grew to 72 people, including consultants.

After the end of the quarter, we took part in IDWeek in San Francisco, a clinically oriented conference where we met key opinion leaders and broadened our US network.

I would also like to mention World Sepsis Day on 13 September, which was naturally showcased within the company and is an official World Health Day. At Q-linea, we appreciate the increased media attention that sepsis has received over the last few years.

Finally, I am proud of what we achieved during the quarter and thus far in 2018. We will continue to keep our shareholders and our business environment informed about the various milestones on our journey and about how Q-linea manages successes and adversity. This will mainly pertain to our rigorous and intensive efforts with the forthcoming market launch of ASTar – work that will create value for us, for the healthcare sector and for patients and therefore also for our shareholders.

Uppsala, 31 October 2018  
Jonas Jarvius, President

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**About Q-linea**

Q-linea AB is a diagnostics company focused on developing and delivering solutions for healthcare providers, enabling them to accurately diagnose and treat infectious diseases in the shortest possible time. Our core product, ASTar™, is a system for quickly and automatically determining the most effective antibiotic for the treatment of infectious diseases. The company was founded in 2008 on technology developed by scientists from the Rudbeck Laboratory at Uppsala University, together with other companies such as Olink Bioscience AB and Uppsala University's holding company, UUAB.

Q-linea's interim report is available in full on the company's website [www.qlinea.com](http://www.qlinea.com)