

INTERIM REPORT 1 JANUARY – 31 MARCH 2019

Final version of ASTar shows favourable results and garners positive reception

Quarter: January–March 2019

- Net sales amounted to SEK 0.4 million (0.3).
- The operating result totalled SEK -36.7 million (-23.9).
- The company reported a loss after tax of SEK -36.3 million (-24.0).
- Earnings per share amounted to SEK -1.59 (-2.06).
- Cash flow from operating activities totalled SEK -41.0 million (-25.7).
- At 31 March 2019, cash and cash equivalents amounted to SEK 20.6 million (354.4). Short-term investments in fixed-income funds totalled SEK 290.0 million (150.0) and long-term investments in listed corporate bonds amounted to SEK 151.8 million (0).

Significant events in the first quarter of 2019

- Q-linea has changed its launch strategy, which is expected to lead to a faster launch in the US.
- In order to ensure delivery of performance shares within the framework of the long-term incentive program LTIP 2018, the company carried out an issue of 211,048 new shares.

after the end of the period

- No significant events took place after the end of the period.

Comments by the CEO

Final version of ASTar under way

The first quarter of 2019 was an intense period for Q-linea – a period spent fine-tuning the final version of ASTar, preparing for the regulatory US study and, not least, engaging in numerous discussions with potential partners for the future launch of our system.

One of the most important decisions made during the quarter was the decision to reschedule our US launch for an earlier date. Although the European market is larger than the US market, we expect a significantly higher growth rate and gain a faster foothold in the US, which is why we are prioritising this market. When talking with potential partners, we have seen that certain players have a heavy focus on the US, making our new strategy an even better fit with their operations.

The most important annual conference for Q-linea is the European Congress of Clinical Microbiology & Infectious Diseases (ECCMID), which was held in Amsterdam on 13–16 April. We spent the first quarter preparing for the conference and, as promised, were able to present the final design of ASTar in two pre-production systems. We developed a common antibiotics panel for the US and EU markets, featuring a broad antibiotics panel with a large concentration interval. We also presented the ability to use ASTar as a semi-automatic system for analysing isolates. Both of these developments were presented at ECCMID and being able to present the final design of the system to potential customers was a true milestone for the company.

We carried out a number of usability studies during the quarter and presented a new graphical interface at ECCMID that will make using ASTar even simpler than before, with a hands-on time of less than one minute. Our previous requirement specification was less than two minutes, so reducing this time – through close cooperation with potential customers – to less than one minute be a strong selling point as we move forward.

Having presented the final design of our ASTar systems – as they will appear when they are launched next year – we are now well on schedule, and this was an important step since customers are already starting to plan their budgets in order to purchase the system next year. Many visitors expressed their interest in Q-linea during the conference and we are now following up on these leads. We also had productive meetings with a number of potential future sales partners.

Our very first ASTar customers will be our ambassadors and we plan to work closely with them during the initial launch phase. We expect to be able to offer the system at a competitive price for both fully automatic and semi-automatic sample analyses.

In summary, the entire company is feeling energised and full of enthusiasm as we continue with our important task of preparing ASTar for approval and market launch next year. We have come a long way on this journey and will continue to devote the utmost energy and care to the final stages of the process. I look forward to keeping Q-linea's shareholders up to date on our progress.

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, 3 May, 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 March 2019 period and respond to questions.

Webcast: <https://tv.streamfabriken.com/q-linea-q1-2019>

Telephone number for the teleconference: SE: +46850558351 UK: +443333009263 US: +18335268380

Upcoming reporting dates

22 May 2019	Annual General Meeting	
18 July 2019	Interim report, Q2	January to June 2019
7 November 2019	Interim report, Q3	January to September 2019

About the company

Q-linea AB (publ)

Corporate Registration Number: 556729-0217

Registered office: Uppsala

Contact: Dag Hammarskjölds väg 52 A
SE-752 37 Uppsala, Sweden
Tel: +46 18 444 3610

www.qlinea.com

E-mail: contact@qlinea.com

For questions about the report, contact:

Jonas Jarvius, President Tel: +46 70 323 7760

E-mail: jonas.jarvius@qlinea.com

Anders Lundin, CFO & IR Tel: +46 70 600 1520

E-mail: anders.lundin@qlinea.com

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 3 May 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.