

A N N U A L R E P O R T 2 0 2 0





## INTRO

We see strong trends in the market towards decentralized monitoring and diagnosis, without losing the clinical precision and professional analysis of data and treatment. Diagnosis of Covid-19 has proven an excellent example of the advantages of decentralized precise testing.

Decentralized monitoring will ease the life of patients as they don't have to frequently visit a hospital for a blood test, and to a larger extent can adjust the monitoring plan to their individual needs. Decentralized monitoring plays a significant role in the future distribution of resources in the hospital, clinic and care settings. When groups of patients are monitored remotely, it will allow focused resources for the patients who need adjustments in their treatment plans.

To ensure the safety of patients and the acceptance from professionals, decentralized monitoring will need to be on par with what the central lab can offer when it comes to quality. Doctors, societies and patients will not be willing to accept less precise results as a basis for their treatment plans.

We believe that when technology is present and available, there is a large group of private individuals who – for various reasons – want to monitor parameters of their health. To optimize athletic performance, monitor risk parameters or increase knowledge about lifestyle changes' impact on health parameters.

This is why Qlife has developed the Ego Health system. Currently, we offer our products to the clinical world, first and foremost with our Covid-19 virus test.

We are paving the way for more biomarkers in preparation for the consumer journey to come.

## INNEHÅLL

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# AN EVENTFUL YEAR

## First quarter

- Qlife received CE-mark on the Egoo home system for professional use for its first biomarker capsule. The Egoo home system is registered as an in-vitro diagnostic device and the CE-mark applies to monitoring Hb/CRP level from a blood sample in a professional-use environment.
- Qlife announced its strategic decision to develop the Egoo system's ability to perform both protein-based and molecular-based tests. With positive technology integration and significantly increased demand for virus testing, the company decided to prioritise and fund development of molecular (DNA/RNA) virus testing on the Egoo system immediately.
- Qlife entered a license and supply agreement with Aidian Oy focused on expanding the Egoo systems product portfolio with Covid-19 test. Qlife incorporated the patented SIBA® Technology into the Egoo system, which enables the Egoo device to test for viruses, first and foremost the Sars-CoV-2 virus to test for Covid-19. The test is an RNA test with precision on par with laboratory tests performed in hospital central laboratories.

## Second quarter

- In cooperation with KMD, Qlife delivered test capacity to Badminton Denmark to Covid-19 test all players in the final game of the Danish badminton tournament for clubs, RSL Final 4.
- KMD and Geelmuyden Kiese initiated a partnership with Qlife to provide smart and efficient Covid-19 test solutions for the professional sports, culture and entertainment industry.
- Qlife initiated validation of the Covid-19 tests with Nordsjällands Hospital.
- Qlife and KMD entered a sales agreement with The Danish Football League (Divisionsforeningen) to test players and staff in the professional leagues (3F Superliga and Nordicbet) for Covid-19.

## Third quarter

- In cooperation with KMD, Qlife extended the contract with Divisionsforeningen. The extended contract is the continuation of Covid-19 testing of players and personnel in the two best football leagues, 3F Superliga and NordicBet Liga, in Denmark.
- In cooperation with Geelmuyden Kiese and KMD, several international Covid-19 testing contracts were closed within professional cycling.
- Qlife expanded its Covid-19 testing to include all professional handball in Denmark
- In September, Qlife opened a streamlined test centre at Symbion in Copenhagen. The test centre has a capacity of up to 10,000 weekly tests and is staffed seven days a week by five full-time employees. Late September, Qlife was delivering 3,000-5,000 tests on a weekly basis.

## Fourth quarter

- Qlife was selected supplier for all Covid-19 testing during the 2020 European Women's Handball Championship in December. The testing was successfully carried through at two sites over two weeks, and included players and staff, journalists and visitors from more than 16 countries.

## Significant events after end of the fourth quarter

- Qlife CE-marked its Covid-19 test for professional use with the test platform Egoo.Health. The test can now be sold on the European market. The CE-mark covers the test platform Egoo.Health, which consists of the mobile test unit, disposable capsules and software.
- The first patent was granted for the Egoo.Health biomarker detection unit by the Danish Patent Office. The new patent is valid until 2039 and gives Qlife a strong intellectual property position as the company enters commercialisation.
- Qlife received an order from Denmark's infectious disease agency, Statens Serum Institut, of 50 Egoo. Health devices and associated Sars-CoV-2 test capsules. The order represents a value of approximately DKK 1 million.

Group - Key figures - kSEK	Jan-Dec, Q1-Q4	
	2020	2019*
Revenue	20,750	714
Total operating income	42,636	11,413
Total Operating expenses	-62,058	-22,095
EBITDA	-19,422	-10,682
Total cash flow	15,253	840
Cash reserve	20,822	4,044
Shareholders' equity	89,549	62,478
Number of employees	34	14

\* Qlife Holding AB was founded October 31st 2019 - the comparative figures adhere to figures from subsidiary Qlife ApS.

## Financial events & management changes

### First quarter

- Qlife issued 4,472,600 units (4,472,600 shares and 4,472,600 warrants series TO1) through a new share issue in February 2020. Equity capital increased with kSEK 48,950 after issuance costs of kSEK 6,063, and net cash flow from IPO amounted to kSEK 44,450 after netting of loans of kSEK 4,500.
- Qlife Holding AB listed its shares and warrants at Nasdaq First North Growth Market, Stockholm, on 2 March 2020.

### Second quarter

- Qlife Holding AB held its Annual General Meeting on 20 May 2020. The General Meeting decided to re-elect Board members Mette Gross, John Moll, Niklas Marschall and Thomas Warthoe. Mette Gross was re-elected as Chair of the Board. The Meeting resolved to elect the audit firm BDO Malmö as the company's auditor, with authorised public accountants Olof Andersson and Jörgen Lövgren as responsible auditors.

### Third quarter

- Henrik Ljung was hired as CFO in Qlife Holding AB, as from 1 July.
- In September, Jakob Broberg Lind started his position as Global Sales Director Clinical.

### Fourth quarter

- Qlife raised loans of SEK 15 million to enable accelerated investments in production capacity ahead of the upcoming market launch of the Egoo.Health system.

# IT IS INSPIRING TO BE A LISTED COMPANY



Thomas Warthoe - CEO Qlife Holding AB

2020 was a very eventful year for Qlife. On March 2, the company's shares were listed on Nasdaq First North Growth Market in Stockholm, and on the very same day it was concluded that the coronavirus had reached the Nordic countries and restrictions in the societies were introduced.

For Qlife the Covid-19 situation either presented a problem in relation to potential delay of operations – or an opportunity. We chose the latter one. For some time Qlife's R&D-team had been looking into the possibility of developing an influenza virus test, and we were well prepared to turn the platform towards a molecular test for Covid-19.

The decision to enter the market for Covid-19 was of course opportunistic, however it was also deliberate. It was obvious for us to make the fast decision to invest in the rapidly emerging opportunity – and it has turned out to be the right decision. The Ego System is very well suited to address a pandemic situation.

The IPO was a one of the biggest events for us during the year. It is intensive to be a listed company with quarterly reporting, press releases, presentations and continuous questions from our interested and curious shareholders. But, despite the extra work around the reporting, I really want to recommend R&D-companies to choose this path to finance their expansion. Being a public company means that you constantly have to be on your toes and it also comes with a more professional outlook for the whole company. It is inspiring to be a listed company!

## Growing demand for onsite testing

During 2020 one of our focus points was preparing documentation for our CE-mark, and just into 2021, we succeeded and placed a CE-mark on our Sars-CoV2- test in the Ego.Health system. We now have a CE-marked product in accordance with the new IVDR, which brings us in a rather favorable situation to start marketing the product.

The interest for our product is high from many different customer categories; hospitals, institutions, corporations, GPs, municipalities, health centers, sports world, private institutions. Qlife's strategy is to place our product into strategically important areas, to continue to gain KOL

acceptance and to make a significant impact before targeting the home use market.

In January 2021 we received an order from Statens Serum Institute (SSI) in Denmark. We are very pleased to start our commercialization efforts with a highly professional customer, it manifests the quality and demand of our offering. PCR Sars-Cov-2 testing will continue to play a critical role in securing the reopening of society. With an increased development of Covid mutations it also seems prudent to be prepared for new mutations or a new pandemic threat. Hence, decentral testing remains more vital than ever.

## Update of product portfolio and development

*(for more detailed information see page 15)*

In the future, Qlife expects to manage our product development focus into three categories:

- Virus and bacterial infections
- Specialty fields
- Clinical and chronic disease management

**Virus and bacterial infections.** This field has always been relevant, but even more with pandemic situations. With the CRP biomarker capsule, the Ego device can provide you with an immediate answer related to differentiate between viral or bacterial infections – a high CRP level means a bacterial infection, a low level means a virus infection. The need for a Sars-CoV-2 test is obvious, but also more common viruses such as Influenza A/B are highly relevant tests.

**Specialty fields.** Our focus is on the Phenylalanine (Phe) biomarker for the PKU disease. This development program continues, but the pandemic has slowed it down. It is a product that we will bring forward in the shortest possible time frame.

## LETTER FROM THE CEO



*"On average we tested 3,000-5,000 per week during the fourth quarter."*

**Clinical and chronic disease management.** The fundamental idea is to promote that the patient becomes involved in mastering own disease providing a sense of self-empowerment, and make sure that patients can stay home as much as possible. Home blood testing is still in its early stage and hardly implemented anywhere, primarily because there are very few solutions. Today, patients must come to the hospital and laboratories for testing.

### Production output

We plan to be able to reach a Mid-volume of 50-200 devices per week towards the end of the second quarter 2021. To reach that we have invested in tools that can ease the manual assembly and upgrade production. We do not consider it within Qlife's core competence to sustain efficient industrial production capacity. We have reached a state in maturing the device that allows us to initiate preparations to identify a manufacturing partner for our device manufacturing. We will advance on identifying a partner and planning the process and required investments within the coming months.

Our capsule production is expected to increase to 3,000-5,000 per week during the second quarter. The plan is to continue to invest in upgrading capsule output, and eventually to reach a fully automated output of disposables. We regard the capsule production a core competency and a key factor in our business model of selling disposables and thus we have no outsourcing plans.

### COVID-19 Service Test Center

We continue to have a steady demand for our Covid-19 Service Test Center from our private customers in the sports world including football, handball, ice hockey, swimming and badminton, plus theaters and in the corporate world. On average we tested 3,000-5,000 per week during the fourth quarter. We expect the demand for testing to decrease during 2021. Our COVID-19 test detects all mutations with the same sensitivity, but does not distinguish between them. On request we offer to run a delta-assay which enables detection of whether the positive is a mutation or not. For further analysis of individual mutations, we refer to Statens Serum Institute SSI. KMD remains our exclusive sales partner for the Service Test Center.

### Future biomarker tests

In conjunction with the development of our Sars-CoV2 test we initiated development of the antibody test. However, this test as a stand-alone test seems to have become a lower priced commodity test, so we are currently holding off to see how this market develops. Under the new IVDR it is essential that we choose the right tests with the largest market potential as the resources associated with the CE-marking process are significant.

Qlife has been able to build a strong assay development department under the leadership of our CSO Peter Warthoe and our Head of Assay Development Maiken Worsøe



Rosenstierne consisting of 8 skilled biochemists and lab technicians, this group provides a strong foundation for Qlife in 2021 to be able to deliver on our biomarkers. With the implementation of freeze-drying process in production we will be able to deliver on the home-use promise for the biomarkers that are already CE-marked for professional use.

## Focus for 2021

For 2021 we are focusing on the following activities:

- **Continued commercialization.**  
To increase the speed on our commercialization is our most important priority for 2021. We aim to gain customers in different segments and geographical markets - initially in neighbouring countries in Northern Europe and in the professional use field.
- **Increased digitalization.**  
To prepare for efficient sales and orderhandling processes, we are working on further digitalizing our front and back end.
- **Continued product development.**  
We make continuous product development in our device and software, to increase stability and ease-of-use, along with evolving the products to industrialization readiness. Product development in further assays is an ever-relevant part of Qlifes business, and for 2021 it evolves primarily around finalizing our PHE assay, developing the influenza

assay and getting the COVID-19 assay approved for home-use.

- **Continous organizational development**  
We have expanded the organization relatively fast during 2020 and we were approximately 40 employees at year end. We are aiming at continued increase of the organisation during 2021, adding resources in sales, software development and regulatory, along with steady increase in production.

## Financial performance

During the year we had revenues of SEK 20.8 million, primarily from our Service Test Center. Our burn rate remains high, but the company is in a much better position than ever to be able to capitalize on years of development. The new IVDR will clearly be a challenge for any medtech company in the future. For Qlife, with our newly issued patent on the core technology and with the depth of our platform, we see very few competitors on the world scene.

To sum up, we have taken very big steps forward in 2020 and I am proud of what we have achieved. I look forward to continuing to lead Qlife towards an exciting future.

Helsingborg, April 2021

Thomas Warthoe - CEO Qlife Holding AB

An aerial, top-down view of a busy pedestrian crosswalk on a city street. The crosswalk is marked with white stripes on a dark asphalt surface. A large, semi-transparent white rectangular box is centered over the crosswalk, containing the text "STRATEGY BUSINESS MODEL" in a teal, sans-serif font. The text is arranged in three lines: "STRATEGY" on the top line, "BUSINESS" on the middle line, and "MODEL" on the bottom line. The background shows a diverse group of people walking across the crosswalk in various directions, some carrying bags or backpacks. The overall scene is a busy, urban environment.

# STRATEGY BUSINESS MODEL

Qlife is a medical device company that seeks to revolutionize the clinical biomarker market for biomarker testing by taking it out of the lab and into the homes.

## MISSION

To make accessible clinical-grade diagnostic data for the purpose of improving people's health outcomes.

Our ultimate goal is to have the Ego Health solution implemented in households all over the world.

## VISION

Making clinical-grade biomarker data accessible, convenient, accurate, painless, cheap, and fast.

# STRATEGY AND BUSINESS MODEL



Qlife is focused on commercializing the diagnostic system “Egoo” consisting of a universal device, software, and disposable capsules, for decentralized testing of biomarkers and virus in healthcare environment and ultimately in people’s homes. Qlife’s strategy moving forward is to:

- Build a strong product portfolio
- Build a solid patent portfolio
- Continue commercialization - target professional and home use market
- Optimize production

## Product portfolio and development

Qlife is developing biomarkers primarily for monitoring clinical and chronic diseases and other health related biomarkers aimed for home self-testing. With the arrival of the corona virus pandemic in 2020, the world and future of biomarkers have completely changed. As a response to the pandemic, the company added molecular testing (DNA/RNA) capability to the Egoo system for the detection of Sars-CoV-2. The ability to test for viruses, as well as bacteria, was envisioned for a later stage but has been prioritized by the company as the demand increased dramatically during 2020.

As a result of the experiences from 2020, moving forward Qlife will focus on developing and gaining regulatory approvals for biomarkers that address growing needs in three categories:

- For monitoring and management of clinical and chronic diseases
- For specialty fields
- For virus and bacteria and annual mutations

Qlife sees a growing demand for fast and reliable virus tests from everywhere in society and Qlife expects the demand to continue for at least the coming year.

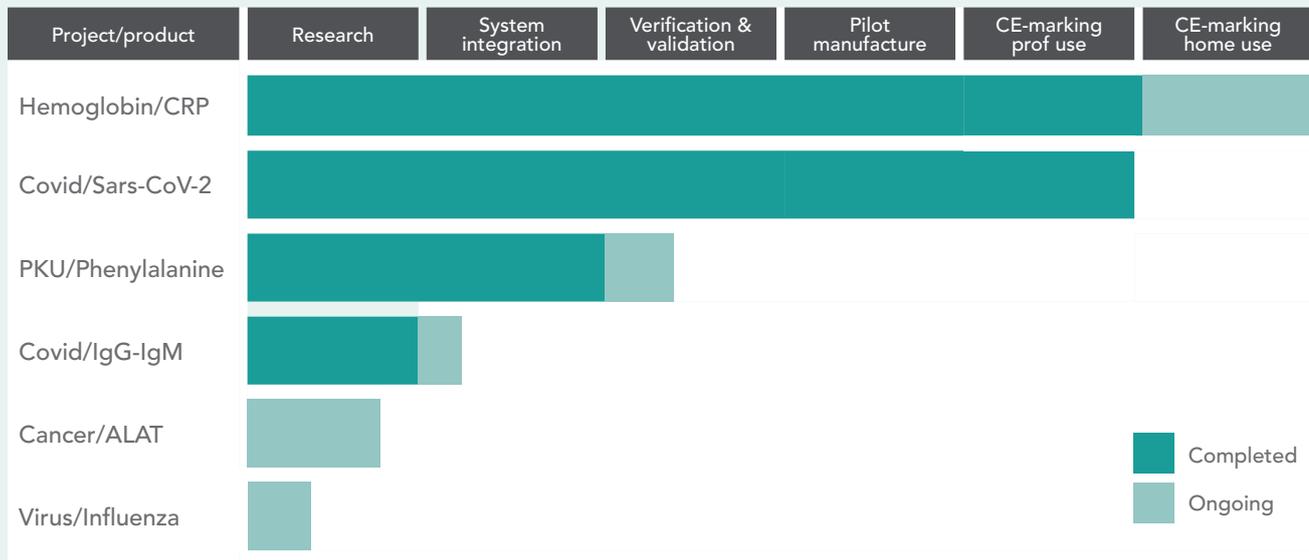
## Objectives 2021:

- Develop and add influenza test to portfolio
- Finalize development of PHE assay for the speciality field PKU

Qlife is constantly developing new biomarkers for various indications. Development takes place in accordance with the regulatory requirements of the new IVDR and each test is required to be CE-marked before being introduced on the market.

In February 2020, Qlife CE-marked its first capsules for Hb and CRP tests. In January 2021, the company CE-marked its RNA Sars-CoV-2 test. These tests can now be used in the professional market. The next step is to CE-mark these tests for home use in order to approach the individual consumers.

Product portfolio



**Hemoglobin/CRP.** To enable a CE-marking for home use, a usability study for the CRP/Hb capsule is being planned. Notified Body response time for this type of dossier under the new IVDR guidelines are expected to be longer.

**Covid/Sars-COV-2.** Qlife will advance usability study with the purpose of documenting the simplicity for a layman user to perform the test, with the aim of obtaining a CE-mark for home use. Given that other throat home use swab-like tests exist on the market already, combined with the high need for innovative new solutions to detect Sars-CoV-2 at home, it is expected that this approval process can be a fast-track designation so that the timeline will be relatively short.

**PKU phenylalanine assay.** Ready to move forward into the clinical comparison phase. Qlife is currently in discussion with health professionals and clinical institutions to arrange best way forward to start the comparison to current ways of detecting phenylalanine.

**IgG/IgM Covid-19 antibody assay.** The external assay development partner has completed development and is ready to deliver antibodies for further implementation onto the Ego platform. This antibody assay supplements the molecular Sars-CoV-2 assay so that the Ego system can both detect the presence of the virus with clinical precision as well as test a person for having developed the Covid-19 antibody immune response. Currently, further development is on hold due to market price decreases.

**ALAT liver assay.** The activities at Herlev Hospital connected to our clinical validation project regarding cancer patients has been on hold since the Covid-19 pandemic outbreak. We have continued the development of the ALAT tests required for the project. At present, we expect a delay in the project, most likely with delivery and patient trials towards the end of 2021.

**Molecular virus assays.** Planning of an outsourced influenza assay is on-going. Qlife’s product development strategy entails to launch further assays that target the field of virus detection, and influenza is one of the most important assays in this field. Besides complementing our Sars-Cov-2 assay there is a big need for a fast way to detect Influenza before inoculation within 48 hours, to be able to give the drug Tamiflu. With the Covid-19 crisis this seems more appropriate than ever before. Qlife expects to continue to launch assays in this category of respiratory and virus detection.

# STRATEGY BUSINESS MODEL

## Patent portfolio

As a tech-driven company it is essential for Qlife to safeguard its technology. A strong patent and intellectual property portfolio is key to protecting existing and future innovations.

In early 2021, Qlife was granted patent for its biomarker detection unit in the Egoe.Health platform in Denmark. A PCT application is being processed by the patent authorities, and grants the right to submit applications in all other jurisdictions.

## Commercial strategy

Qlife's long term ambition is to target both the professional and home use market. The scope of these markets creates a need for building a commercial foundation based on both strategic partnerships and direct sales in prioritized markets.

The most prioritized markets are the Nordic countries in Europe as well as Germany and Netherlands.

In the short term Qlife aims to target the professional use market by placing devices in strategically important locations for KOL acceptance and endorsement. The purpose of gaining KOL acceptance is mainly relevant for the segment monitoring of chronically ill patients, where it is a prerequisite that the treating doctors and clinics relies on the measurements submitted from the home via the Egoe.Health platform. The long term objective is to target the home use market and ultimately make clinical grade biomarker data available to everyone.

The target groups for professional use:

- Hospitals, GPs and Health Centers
- KOL (academia and authorities)
- Sports clubs (professional)

The company business model is the sale of an instrument and adjacent disposable test capsules. Qlife offers contracts to hospitals and institutions and single devices and capsules to GPs, and other customers. A contract is made up of a service agreement, under which Qlife places a set number of devices and capsules, plus maintain the data transfer into a clinical portal for data storage and clinical follow-up.

Qlife, is currently in the process of rolling out the device and targeting the market for professional use.

## Objectives 2021:

- Start commercial roll out in market for professional use
- Strengthen organization with key people and add partnerships in prioritized markets
- Implement freeze drying process in production for shipment and storage in room temperature
- Conduct usability studies to include consumers in technical file to obtain CE-mark for home use

## Optimize production

For the coming 1-2 years Qlife will gradually scale up its production capacity. At the moment, Qlife is currently at a Low-volume production which is 15-50 devices per week and is aiming to reach a Mid-volume of 50-200 devices per week towards the end of the first half of 2021. This is attained by investing in tools that ease assembly and upgrade production. Eventually, Qlife will pursue an outsourcing strategy with a partner that meets the quality and quantity demands Qlife defines. Qlife is expecting to reach High-volume manufacturing of 200-500 instrument units per week by mid 2022.

Qlife regards the capsule production as a core competency and a key factor in the business model of selling disposables, thus in-house production will continue. The company is approaching capsule output 3,000-5,000 capsules per week. The plan is to invest in increasing capsule output, and eventually reach a fully automated output of disposables, along the same timeline as device production.

## Objectives 2021:

- Invest in and upgrade in-house production of device manufacturing until Mid-volume level
- Pursue outsourcing of device manufacturing and identify strategic partner to reach High-volume output
- Invest in upgrade for continued in house production of capsules



*The Ego Health System is an easy and fast way to make clinical-grade biomarker data available.*

# STRICT HYGIENE PLAN MADE EUROPEAN WOMEN'S HANDBALL CHAMPIONSHIP A SAFE SUCCESS



Enhanced hygiene measures including frequent Covid-19 tests with Qlife's Egoo Health System made it possible to conduct the 2020 European Women's Handball Championship.

Imagine the scene where people are living in “bubble zones” without contact to the outside world. That is how the 2020 European Women's Handball Championship in Denmark were conducted. The unusual setting is proof of how modern science can make a difference.

Originally, Norway and Denmark were the hosts of the Women's Handball Championship. But strict demands from Norwegian authorities due to the coronavirus pandemic made it impossible for Norway to host the games. So, in mid-November just a few weeks before the start of the championship, the Danish Handball Federation (DHF) had to find a quick solution to host the whole tournament. Also, the European Handball Federation (EHF) had to ensure a safe championship with a strict hygiene plan.

Sixteen countries qualified for the tournament: Croatia, Czech Republic, Denmark, France, Germany, Hungary, Montenegro, Netherlands, Norway, Poland, Romania, Russia, Serbia, Slovenia, Spain and Sweden.

DHF managed to find a way to host the whole championship themselves, placing all matches in the cities of Herning and Kolding, where they were played from 3 to 20 December 2020. EHF created a comprehensive hygiene plan to ensure a safe tournament. All players, officials, media and fans either participating or attending the tournament had to follow strict hygiene protocols, to reduce the risk of infection. The programme started



with testing two weeks in advance at three-day intervals, and during the championship tests were sometimes taken daily.

With experience from numerous testing for other sports such as the Danish professional football leagues, Qlife quickly delivered a solid setup for qualitative detection of Sars-CoV-2, the virus that causes Covid-19. Two solutions were used, a regular lab test with 8-24 hour result time and an on-site solution with a 30-minute result time. The combination of the two solutions made Qlife's setup a very secure and cost-efficient success and ensured a safe tournament.

Bubble zones with blue, yellow and red zones were created to restrict contact. All 16 teams lived in a fully isolated bubble, without any access to the outside world. The players spent three weeks only in the hotel and the arena, which were classified as red zones.

Every third day, all players were tested with the help of Qlife's service centre and onsite testing.

During the championship, one Romanian and two Serbian players tested positive for Covid-19 before they entered the red zone. They were quarantined before playing their first match so that no one else could be infected.

The tournament was played with a very limited number of spectators due to the pandemic, but broadcasted on TV to a wide audience. Norway won the tournament for the eighth time after defeating France in the final.



Sars Co-V-2 testing was performed frequently during the championship.

When conducting an international competition of this dignity, a strict hygiene protocol and testing setup are crucial to ensure a safe environment for all involved. While the 2021 World Men's Handball Championship in Egypt had difficulties with the setup, the championship in Denmark could be conducted safely and is considered a success.

“All together, we proved that it's possible to organise an event like this in such special situations and circumstances. I really hope other sports federations will follow this example of how we managed to present top handball in a safe environment,” says DHF's secretary general Morten Stig Christensen.

# EGOO SCORES AND KEEPS DANISH FOOTBALL SAFE FROM COVID-19



Qlife's Ego platform made it possible for the professional football leagues in Denmark to play all matches of the 2020 season despite the coronavirus pandemic.

In March 2020, when the coronavirus pandemic had started to accelerate around the globe, Qlife's management realised they could help the world with its newly launched Ego Health System, but in a different way than initially planned. By quickly coming to an agreement with Finnish medical-tech company Aidian on licensing its patented SIBA® technology, it enabled the Ego device to test for the Sars-CoV-2 virus, causing the coronavirus disease, Covid-19.

"We had envisioned molecular virus testing for the Ego platform but at a later stage," says Thomas Warthoe, CEO of Qlife. "As the coronavirus was spreading rapidly and had such a major impact on our society, we decided to prioritise our development plans," he says.

The licensing agreement with Aidian became public on 31 March and five days later, the Danish Divisional Association (Divisionsforeningen) contacted Qlife to find a reliable way to test the country's professional football players for Covid-19. The association had to find a solution swiftly, before the football leagues premiered

on 28 May. "It was absolutely crucial for 3F Superliga to get started with the series and finish all the matches of the season," says Claus Thomsen, director of the Divisional Association. "This could only happen if we could implement it in a responsible way. Physical contact can't be avoided in a football match, and therefore we needed to take extra precautions to minimize the spread of the infection," he says.

Together with KMD, Denmark's largest IT group Qlife developed a turnkey solution that included a complete Covid-19 screening system where Qlife delivered the test capacity and KMD delivered the data infrastructure. With the solution, all players, judges and club staff in the professional football leagues 3F SuperLiga and NordicBet Liga were continuously tested for Covid-19. More than 1,000 people in 26 clubs were tested weekly all throughout the season. If a player hadn't been tested within seven days before a match, he was not allowed to play in the next game.

In fact, Divisionsforeningen was so content with the



*Viktor Fischer plays for FC Copenhagen in the Danish Superliga and is one of many players who were regularly tested for Sars-CoV-2 in order to play.*

setup that the contract was extended beyond the initial three-month agreement. Also, the word spread about the solution among other sport associations, which has resulted in several new requests and contracts for Qlife for similar setups.

To meet the large volume of tests needed, Qlife established a central lab service with technology based on the Egoo Health System. The central lab service delivers 4,000-6,000 samples per week.

The results are uploaded within 24 hours after the grafting has taken place. Via an online tool, all clubs can view the results for their own players and staff.

The solution required a lot of coordination between the two partnering companies Qlife and KMD. “It was an incredibly big logistic challenge to ensure that more than 1,000 people could get tested on 26 different locations and preferably by the same person. At times that meant minimum impact on the athletes’ life and still fitted together with opening hours in the lab and reasonable



*More than 1,000 people in 26 clubs were tested weekly all throughout the football season.*

response times.” says Anita Berntsen, Operations Manager at Qlife. “Especially when you consider that when it came down to it, all had to be organised with a one-week notice. A feat that I am incredibly proud of that we, as a team managed to do,” she adds.

# CONTRIBUTING TO A BETTER LIFE FOR MANY PEOPLE

Sustainability is an essential part of Qlife's business – it permeates all the company's activities and throughout our value chain. In everything we do, we are determined to consistently deliver according to high ethical principles and with strong integrity.

Knowledge is a key concept for Qlife. Our business is characterised by the desire to contribute to influencing our society and its individuals positively through increased knowledge. Qlife does this through research, knowledge building and development in biomarker technology to contribute to a better life for individuals suffering from chronic diseases with a great need for frequent monitoring. In the longer term, our goal is to expand into the growing consumer market to give everyone the opportunity to gain greater insight into their own health.

Qlife's sustainability work is based on the UN's sustainable development goals, which are essential for the business and where the company can contribute the most: gender equality, decent working conditions and economic growth, a sustainable industry, innovations and infrastructure, and sustainable consumption and production.

Qlife summarises our sustainability work in three focus areas:

## Diversity among employees in a healthy environment

Qlife wants to offer all employees a healthy work environment that is characterised by stability and development opportunities. People's values and interests change and therefore Qlife sees a great gain in working for an inclusive corporate culture. The company's research and development activities usually require specific skills and training, but the main principle is that everyone should be offered the same opportunities when recruiting and developing at work. Our business works best when many years of experience are combined with new ideas and perspectives in order to help patients in need of frequent testing and monitoring.



Qliffe strives to create the best conditions for the company's employees through a healthy work environment, independent and inspiring tasks with personal responsibility and a clear connection to the company's development.

### A responsible way of doing business

Qliffe must act responsibly in all relationships and collaborations. In addition to the company's own responsible actions, we place high demands on partners and external suppliers. They must meet and work according to guidelines that meet Qliffe's requirements. Transparency will characterise Qliffe's work to create good conditions for the company's research and development projects. This means that suppliers, hospital clinics and other organisations relevant to us in the medical world with which we collaborate must have documented experience and strictly follow current regulations and requirements from authorities.

### Social responsibility through research

Qliffe's core business is to develop biomarker technology and make it available to as many people as possible. We particularly want to be able to contribute to a better life for individuals suffering from chronic diseases with a great need for frequent monitoring.

Our vision is to democratise access to clinical data. We want to facilitate the measurement of biomarkers in the home. Our goal is to make blood sampling easy, cheap, fast, easily accessible and accurate. This means that blood tests can be done more often to gain insights about one's personal health, which provides increased opportunities to detect diseases earlier. Through its research and development, Qliffe wants to contribute to a better society for more people.



*Qliffe's vision is to democratise access to clinical data.*

# POSITIVE DEVELOPMENT OF STOCK PRICE

Qlife Holdings shares (QLIFE) and warrants (QLIFE TO1) are listed at Nasdaq First North Growth Market, Stockholm since March 2nd, 2020.

### Share and sharecapital

As per December 31, 2020, the company's share capital is SEK 893,955.04, divided into 11,174,438 shares of the same class, with a par value of SEK 0.08.

### Warrants (TO1)

As per December 31, 2020, the company has 4,472,600 issued warrants (TO1). Two (2) warrants entitle to subscribe for one (1) new share during the period 3 – 31 May 2021 at a price per share of SEK 17.50.

Upon full exercise of the TO1 warrants, the company will raise approximately MSEK 39.1 before deduction of issuance costs of approximately MSEK 1.2, and the share capital will be increased by approximately SEK 178,904.

### Ownership and largest shareholders

The table below shows the eleven largest shareholders in the company, as per December 31, 2020, according to public nominee register of shareholders register from Euroclear. The founders of Qlife Aps holds 3 900 000 shares via PKV Consult Aps, included in BNY Melon SA/NV, Belgium holdings.

### Incentive programmes

#### Warrants 2019/2021

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 1-31 December 2022 and have a strike price of SEK 24 per share. If all

## Qlifes stock price



Shareholder	Shares	Percent
BNY Mellon SA/NV, Belgium	4,958,702	44.4%
Försäkringsbolaget Avanza Pension	529,509	4.7%
Nordnet Pensionsförsäkring	429,613	3.8%
Leif Jonsson	330,020	3.0%
KMD Ventures A/S	219,804	2.0%
Morgan Stanley	199,987	1.8%
Jimmie Landerman	157,422	1.4%
Mona Fröström	114,500	1.0%
John Andersson Moll	103,374	0.9%
Oy Conventor	60,000	0.5%
Claes Henrik Andreasson	60,000	0.5%
Others	4,011,507	35.9%
<b>Sum</b>	<b>11,174,438</b>	<b>100%</b>

options in this program are exercised, the Company will issue a total of 194,444 new shares.

### Staff Warrants 2019/2021

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 1–31 December 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.

## Nomination committee

The Nomination Committee consists of the following persons, who together represent approximately 39 percent of the company's shares and votes.

- Sören Skjärbäk, appointed by PKV Consult IVS,
- Sören Amund Henriksen, appointed by KMD Ventures A/S,
- Christian Månsson, appointed by Jimmie Landerman, and
- Mette Gross, Chairman of the Board.

The Nomination Committee's proposal will be presented in the notice convening the Annual General Meeting 2021 and on the company's website, [www.qlifeholding.com](http://www.qlifeholding.com).

# Q-LIFE IN FIGURES 2020



# ADMINISTRATION REPORT

The Board of Directors and the CEO present the following annual report and consolidated accounts for Qlife Holding AB, Id. no. 559224-8040 for the financial year 2020-01-01 – 2020-12-31.

The annual report has been prepared in thousand Swedish kronor, TSEK.

## Operations

Qlife Holding AB conducted an IPO in February 2020 and raised 55 MSEK in equity capital. The company has been listed on Nasdaq, First North Growth Market, Stockholm since March 2, 2020.

Qlife Holding AB is a 100 percent owner of Qlife Aps, a Danish medical technology company that develops an innovative medical technology product with the long-term goal of giving people access to secure and validated biomarker data in the home. Qlife's technical platform, Egoo. health ("Egoo"), is a measuring instrument, Egoo, with associated capsules, where each capsule contains a test for a specific biomarker that can be measured with a blood sample.

Egoo acts as a platform as it can potentially perform tests on various types of biomarkers based on a small amount of blood. To expand the platform to test more biomarkers only requires development of new capsules.

Egoo has the capacity to perform analysis that correlate to over 99 percent with high-performance laboratory instruments.

The company's registered office is in Helsingborg.

Group	2020	2019**
Net sales	20,750	-
Loss after financial items	-31,939	-5,271
Balance sheet total	127,189	76,596
Equity ratio (%)*	70.4%	81.6%

Parent company	2020	2019
Net sales	700	175
Loss after financial items	-43,190	-887
Balance sheet total	88,898	73,154
Equity ratio (%)*	82.2%	91.9%

\* Definitions of key ratios, see notes 15

\*\* The Group was founded October 31 st 2019 and the figures show 2 months

## Ownership

BNY Mellon SA / NV, Belgium holds 44.4%, ie over 10% of the shares in the company as of 2020 12 31. Founders hold 3,900,000 shares included in the BNY Mellon holdings.

## Significant events during year

Qlife issued 4,472,600 units (4,472,600 shares and 4,472,600 warrants series TO1) through a new share issue in February 2020. Equity capital increased with kSEK 48,950 after issuance costs of kSEK 6,063, and net cash flow from IPO amounted to kSEK 44,450 after netting of loans of kSEK 4,500. Two warrants entitle to subscribe for one new share in May 2021.

Qlife Holding AB listed its shares and warrants on Nasdaq First North Growth Market, Stockholm, March 2, 2020.

Net sales during 2020 amounted to SEK 20,750 thousand and are related to sales of COVID-19 tests. (For further information, see page 6 in other information.)

## Significant events after the year end

The Danish Patent Office (Patent- og Varemærkestyrelsen) has in January 2021 granted Qlife ApS patent for its biomarker detection unit.

Qlife received an order from Denmark's infectious disease agency, Statens Serum Institut, of 50 Egoo.Health devices and associated Sars-CoV-2 test capsules. The order represents a value of approximately 1 MDKK.

In January, Qlife CE marked its COVID-19 test in the Egoo.Health system. The current CE-mark applies to the professional use of the test platform Egoo.Health for sale on the European market.

## Changes in shareholders equity, Group

TSEK	Share capital	Other paid in capital	Retained earnings	Total shareholders equity
Balance at the beginning of the year	536	67,572	-5,630	62,478
Share issue	358	54,655	-	55,013
Issuance costs	-	-6,063	-	-6,063
Warrant programmes	-	-	86	86
Loss for the year	-	-	-20,200	-20,200
Foreign exchange rate adjustment	-	-	-1,765	-1,765
Balance at the end of the year	894	116,164	-27,509	89,549

## Changes in shareholders equity, Parent company

TSEK	Share capital	Non-restricted equity	Total shareholders equity
Balance at the beginning of the year	536	66,697	67,233
Share issue	358	54,655	55,013
Issuance costs	-	-6,063	-6,063
Warrant programmes	-	86	86
Loss for the year	-	-43,190	-43,190
Balance at the end of the year	894	72,185	73,079

### Proposed appropriations of profit or loss

The following funds (SEK) are available to the annual general meeting

Retained earnings	115,374,652
Loss for the year	-43,190,664

The Board of Directors proposes the following distribution:

To be retained	72,183,988
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The financial result and position of the company in general is set out in the income statement, balance sheet, cash flow statement and notes below.

# INCOME STATEMENT, GROUP

TSEK		2020-01-01	2019-10-31
	Note	2020-12-31	2019-12-31
<b>Operating income etc.</b>			
Net sales		20,750	-
Capitalized development costs		21,886	1,936
<b>Operating expenses</b>			
Raw material and consumables		-6,953	-940
Other external expenses		-30,826	-1,479
Personnel costs	2	-24,279	-2,677
Depreciation of tangible assets and amortization of intangible assets		-11,902	-1,871
<b>Operating loss</b>		<b>-31,324</b>	<b>-5,031</b>
Interests expenses and similar items	4	-615	-240
<b>Loss after financial items</b>		<b>-31,939</b>	<b>-5,271</b>
Tax		11,739	-
<b>Net loss for the year</b>		<b>-20,200</b>	<b>-5,271</b>

# BALANCE SHEET, GROUP

TSEK	Note	2020-12-31	2019-12-31
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Intangible assets</b>			
Capitalized development costs	5	35,254	15,190
Goodwill	6	41,612	52,468
<b>Tangible assets</b>			
Plant and machinery	7	2,331	944
Equipment, tools, fixtures and fittings	8	2,836	102
<b>Total fixed assets</b>		<b>82,033</b>	<b>68,704</b>
<b>Current assets</b>			
<b>Inventories etc.</b>			
Raw material and consumables		5,377	2,277
<b>Short term receivables</b>			
Accounts receivables		9,329	-
Other receivables		359	594
Tax receivables		7,421	-
Prepaid expenses and accrued income	11	1,848	977
<b>Cash and bank balances</b>			
Cash and bank balances		20,822	4,044
<b>Total current assets</b>		<b>45,156</b>	<b>7,892</b>
<b>TOTAL ASSETS</b>		<b>127,189</b>	<b>76,596</b>

<b>TSEK</b>			
	<b>Note</b>	<b>2020-12-31</b>	<b>2019-12-31</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity, Group</b>			
Share capital	12	894	536
Share premium reserve		116,164	67,571
Retained earnings included the loss for the year		-27,509	-5,629
<b>Total equity, Group</b>		<b>89,549</b>	<b>62,478</b>
<b>Long-term liabilities</b>			
Liabilities to credit institutions	13	3,348	4,190
<b>Total long-term liabilities</b>		<b>3,348</b>	<b>4,190</b>
<b>Current liabilities</b>			
Advance payment from customers		600	621
Liabilities to credit institutions		610	-
Accounts payable		11,607	2,163
Other liabilities		18,222	6,774
Accrued expenses and deferred income		3,163	370
<b>Total current liabilities</b>		<b>34,202</b>	<b>9,928</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>127,189</b>	<b>76,596</b>

# CASH FLOW STATEMENT, GROUP

TSEK		2020-01-01	2019-10-31
	Note	2020-12-31	2019-12-31
<b>Operating activities</b>			
Loss after financial items		-31,939	-5,271
Adjustments for non-cash items, etc.		14,188	1,884
<b>Cash flow from operating activities before working capital changes</b>		<b>-17,751</b>	<b>-3,387</b>
<b>Cash flow from working capital changes</b>			
Increase in inventories		-3,314	-960
Increase in receivables		-10,646	-892
Increase in current liabilities		14,882	1,359
<b>Cash flow from operating activities</b>		<b>-16,829</b>	<b>-3,880</b>
<b>Investing activities</b>			
Acquisition of subsidiary		-	8,029
Investments in intangible assets		-21,448	-1,551
Investments in tangible assets		-5,381	-491
<b>Cash flow from investing activities</b>		<b>-26,829</b>	<b>5,987</b>
<b>Financing activities</b>			
New share issue		44,450	50
Warrant program		-	84
Changes in loans		14,461	2,000
<b>Cash flow from financing activities</b>		<b>58,911</b>	<b>2,134</b>
<b>Cash flow for the year</b>		<b>15,253</b>	<b>4,241</b>
Cash and cash equivalents at the beginning of the year		4,044	-
Exchange rate differences in cash and cash equivalents		1,525	-197
<b>Cash and cash equivalents at the end of the year</b>		<b>20,822</b>	<b>4,044</b>

# INCOME STATEMENT, PARENT COMPANY

TSEK		2020-01-01	2019-10-31
	Note	2020-12-31	2019-12-31
<b>Operating income etc.</b>			
Net sales		700	175
Operating expenses			
Other external expenses		-2,894	-833
Personnel costs	2	-702	-160
<b>Operating loss</b>		<b>-2,896</b>	<b>-818</b>
<b>Resultat från finansiella poster</b>			
Depreciation of investment i subsidiary		-40,476	-
Interests income from group companies	3	266	4
Interests expenses and similar items	4	-84	-73
<b>Loss after financial items</b>		<b>-43,190</b>	<b>-887</b>
<b>Net loss for the year</b>		<b>-43,190</b>	<b>-887</b>

# BALANCE SHEET, PARENT COMPANY

TSEK	Note	2020-12-31	2019-12-31
<b>ASSETS</b>			
<b>Financial assets</b>			
Participation in group companies	9	68,024	68,024
<b>Total financial assets</b>		<b>68,024</b>	<b>68,024</b>
<b>Current assets</b>			
<b>Short term receivables</b>			
Receivables from group companies	10	5,168	3,572
Other receivables		171	185
Prepaid expenses and accrued income	11	8	593
<b>Cash and bank balances</b>			
Cash and bank balances		15,527	780
<b>Total current assets</b>		<b>20,874</b>	<b>5,130</b>
<b>TOTAL ASSETS</b>		<b>88,898</b>	<b>73,154</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	12	894	536
Share premium reserve		116,166	67,488
Retained earnings		-791	96
Loss for the year		-43,190	-887
<b>Total equity</b>		<b>73,079</b>	<b>67,233</b>
<b>Current liabilities</b>			
Accounts payable		198	185
Other liabilities		15,004	5,331
Accrued expenses and deferred income		617	405
<b>Total current liabilities</b>		<b>15,819</b>	<b>5,921</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>88,898</b>	<b>73,154</b>

# CASH FLOW STATEMENT, PARENT COMPANY

TSEK	Note	2020-01-01 2020-12-31	2019-10-31 2019-12-31
<b>Operating activities</b>			
Loss after financial items		-43,190	-818
Adjustments for non-cash items, etc.:			
Depreciation of investment in subsidiary		40,476	
Other		86	12
<b>Cash flow from operating activities before working capital changes</b>		<b>-2,628</b>	<b>-806</b>
<b>Cash flow from working capital changes</b>			
Decrease in receivables		909	-1,128
Increase in accounts payable		13	185
Increase in current liabilities		212	445
<b>Cash flow from operating activities</b>		<b>-1,494</b>	<b>-1,304</b>
<b>Investing activities</b>			
Shareholders contribution to subsidiary		-42,422	--
<b>Cash flow from investing activities</b>		<b>-42,422</b>	<b>-</b>
<b>Financing activities</b>			
New share issue		50,513	-
Issuance cost		-6,063	-
Warrant program		-	84
Changes in loans		14,213	2,000
<b>Cash flow from financing activities</b>		<b>58,663</b>	<b>2,084</b>
<b>Cash flow for the year</b>		<b>14,747</b>	<b>780</b>
Cash and cash equivalents at the beginning of the year		780	-
<b>Cash and cash equivalents at the end of the year</b>		<b>15,527</b>	<b>780</b>

# NOTES

## Note 1 Accounting principles

The annual report has been prepared in accordance with the Swedish Annual Accounts Act and as well as the Swedish Accounting Standards Board BFNAR 2012: 1 Annual Report and Consolidated Accounts (K3).

### Receivables

Receivables have been raised to the amounts by which they are expected to be received.

### Other assets, provisions and liabilities

Other assets, provisions and liabilities have been valued at acquisition value unless otherwise stated below.

### Revenue recognition

Sales of goods

Income is reported at the fair value of what has been received or will be received. Sales of goods are reported when the company has transferred to the buyer the significant risks and benefits associated with ownership, normally when the customer has the goods in his possession. Deductions are made for discounts.

Services

Revenue from consulting services is recognized as revenue when the services are provided.

### Tangible fixed assets

Tangible fixed assets are reported at acquisition value less accumulated depreciation and any write-downs. The assets are amortized on a straight-line basis over the assets' estimated useful life. The useful life is reconsidered on each balance sheet date. The following periods of use apply:

	Number of years
Machinery and other technical installations	5
Equipment, tools and machines	5

### Intangible assets

Intangible fixed assets are reported at acquisition value less accumulated depreciation and any write-downs. The assets are amortized on a straight-line basis over the assets' estimated useful life. The useful life is reconsidered on each balance sheet date. Ongoing projects are not depreciated but are tested for impairment annually. The following periods of use apply:

	Number of years
Capitalized expenditure on development and similar works	5
Goodwill	5

### Capitalization of internally generated intangible fixed assets

The capitalization model

All expenses incurred during the research phase are expensed as incurred. All expenses incurred during the development phase are capitalized when the following conditions are met; the company intends to complete the intangible asset and to use or sell it and the company has the ability to use or sell the asset, it is technically possible for the company to complete the intangible asset so that it can be used or sold and there are adequate technical, financial and other resources to complete the development and to use or sell the asset, it is likely that the intangible asset will generate future economic benefits and the company can reliably calculate the expenses attributable to the asset during its development.

The acquisition value includes personnel costs incurred in the work with the development work together with an appropriate proportion of relevant overheads and borrowing costs.

### Financial instruments

Accounts receivable are valued at acquisition value less feared losses. Accounts payable and other non-interest-bearing liabilities are valued at nominal amounts.

### Leasing

All leasing agreements are expensed on a straight-line basis over the leasing period.

### Inventory

Inventories are valued at the lower of acquisition value, calculated according to first-in-first-out, and net sales value. The net sales value has been calculated at the sales value after deduction of the estimated sales cost, with which obsolescence has been taken into account.

### Income tax

Current tax is income tax for the current financial year that refers to the taxable profit for the year and the part of the previous financial year's income tax that has not yet been reported.

Current tax is valued at the probable amount according to the tax rates and tax rules that apply on the balance sheet date.

In May 2020, the subsidiary Qlife ApS applied for and was granted a tax payment of SEK 4,602 thousand, which corresponds to the tax value of deficits attributable to research and development expenses during the calendar year 2019. The amount is included in reported tax income of SEK 11,739 thousand for the 2020 financial year. The amount that is estimated to be received regarding the tax deficit attributable to research and development expenses during 2020, is reported in the income statement for 2020.

### Share-based payments

On November 13, 2019, it was decided to issue 291,664 warrants, which employees of the subsidiary Qlife ApS were offered to subscribe. The warrants were issued free of charge. Earnings of warrants take place by 1/3 (one third) annually and the cost for the year in the income statement amounts to SEK 72 thousand, which is reported as equity.

Each warrant gives the right to subscribe for a new share in the company against cash payment at a price of SEK 24 / share, between 1 December 2022 and 31 December 2022. The options cannot be transferred.

On November 13, 2019, it was decided to issue 194,444 warrants, which board members in the company was offered to acquire. For all options, an option premium was paid which was reported as equity. The option premium corresponds to the market value of the warrants calculated according to the Black & Scholes option valuation and amounted to SEK 0.43 / option at the time of allotment.

Each warrant gives the right to subscribe for a new share in the company against cash payment at a price of SEK 24 / share, between 1 December 2022 and 31 December 2022.

There are no restrictions regarding the transfer of the options.

On November 19, 2020, it was decided to issue 185,000 warrants, which employees of the subsidiary Qlife ApS was offered to subscribe. The warrants are issued free of charge. Earnings of warrants take place by 1/3 (one third) annually and the cost for the year in the income statement amounts to SEK 13 thousand, which has been reported as equity.

Each warrant gives the right to subscribe for a new share in the company against cash payment at a price of SEK 38 / share, between 1 December 2023 and 31 December 2023.

### Receivables and liabilities in foreign currency

Monetary receivables and liabilities in foreign currency have been translated at the exchange rate on the balance sheet date.

Exchange rate differences that arise when adjusting or translating monetary items are reported in the income statement in the financial year in which they arise, either as an operating item or as a financial item based on the underlying business event.

### Public grants

Public contribution is valued at the fair value of the asset that the company has received or will receive.

Public grants that are not associated with requirements for future performance, so-called unconditional grants, are recognized as income when the conditions for receiving the grant are met, ie usually in connection with receiving a grant. Public grants that are associated with future performance requirements, so-called conditional grants, are recognized as a liability when the grant is received and subsequently

recognized as income when the performance is performed.

Government grants relating to the acquisition of a fixed asset reduce the acquisition value of the asset.

### Consolidated financial statements

#### Subsidiary

Subsidiaries are companies in which the parent company directly or indirectly holds more than 50% of the voting rights or otherwise has a controlling influence. Controlling influence means a right to formulate a company's financial and operational strategies in order to obtain financial benefits. The reporting of business acquisitions is based on the unit view. This means that the acquisition analysis is prepared as of the time when the acquirer acquires a controlling influence. From this point on, the acquirer and the acquired entity are seen as an accounting entity. The application of the unit view also means that all assets (including goodwill) and liabilities as well as income and expenses are included in their entirety also for partly owned subsidiaries.

The acquisition value for subsidiaries is calculated at the sum of fair value at the time of acquisition for paid assets with the addition of incurred and acquired liabilities as well as issued equity instruments, expenses that are directly attributable to the business combination and any additional purchase consideration. The acquisition analysis determines the fair value, with some exceptions, at the time of acquisition of acquired identifiable assets and assumed liabilities as well as minority interests. Minority interest is valued at fair value at the time of acquisition. From the time of acquisition, the consolidated accounts include the acquired company's revenues and expenses, identifiable assets and liabilities as well as any goodwill or negative goodwill incurred.

The financial statements of foreign subsidiaries have been translated into Swedish kronor according to the current exchange rate method. The current exchange rate method means that all assets, provisions and other liabilities are translated at the exchange rate on the balance sheet date and all items in the income statement are translated at the average exchange rate for the year. Translation differences that arise are recognized directly in the Group's equity.

#### Goodwill

Group goodwill arises when the acquisition value upon acquisition of shares in subsidiaries exceeds the value of the acquired company's identifiable net assets determined in the acquisition analysis. Goodwill is reported at acquisition value less accumulated depreciation and any write-downs.

### Employees

Qlife Holding AB has 0 (1) employees, and the Group has 34 (14) employees at the end of 2020.

## Note 2

Employees and personnel costs	Group		Parent company	
	2020	2019	2020	2019
<b>Average number of employees</b>				
Average number of employees	20.3	14.1	0.3	0.3
of which women	9.7	6.1	0.3	0.1
of which men	10.6	8.0	-	0.2
<b>Salaries, remunerations tc.</b>				
Salaries, remunerations, social security and pensions costs has been paid in following amounts:				
Directors and CEO:				
Salaries and remunerations	1,700	350	420	112
Social security	70	36	60	35
Pensions	-	-	-	-
Other employees:				
Salaries and remunerations	20,132	2,080	-	-
Social security	130	16	-	-
Pensions	772	81	-	-
<b>Total Directors, CEO and other</b>	<b>22,804</b>	<b>2,563</b>	<b>480</b>	<b>147</b>
<b>Senior management remuneration</b>				
Fees and other remunerations to members of the board are approved by resolution by the general meeting of shareholders. In 2020 paid board fees amounted to:				
Mette Gross, Chairman of the board*	118	-	118	-
John Andersson Moll, Member of the board	39	-	39	-
Niklas Marschall, Member of the board	39	-	39	-
Remuneration to the chief executive officer and other senior management in subsidiary company:				
Thomas Warthoe, Chief executive officer	1 280	1 285**	-	-
Other members of senior management, (3 individuals)	3 786	3 855**	-	-
<b>Gender distribution of the Board and management</b>				
Board of Directors	4	3	4	3
of which women	1	1	1	1
of which men	3	2	3	2
Management incl. CEO	1	1	1	1
of which women	0	0	0	0
of which men	1	1	1	1

The company has no provisions, accrued pensions or similar obligations due after resignation from board member or member of senior management A 6 months' notice period applies if agreement is terminated.

\* On the 1st of November 2019 the chairman of the board Mette Gross entered a 6-month fixed-term employment as a senior adviser in the parent company. In 2020 the total remuneration was 224 (112) KSEK.

\*\* Full year 2019

### Note 3

Other interest income and similar items	Group		Parent company	
	2020	2019	2020	2019
Interests	-	-	266	4

### Note 4

Other interest costs and similar items	Group		Parent company	
	2020	2019	2020	2019
Exchange differences	-64	-75	-	-1
Other interest costs	-551	-165	-84	-74
<b>Total cost</b>	<b>-615</b>	<b>-240</b>	<b>-84</b>	<b>-74</b>

### Note 5

Capitalized development costs	Group		Parent company	
	2020-12-31	2019-12-31	2020-12-31	2019-12-31
Opening balance	15,190	-	-	-
Acquisition	-	13,639	-	-
Exchange rate difference	-1,384	-	-	-
Purchase	21,448	1,551	-	-
Accumulated cost, closing balance	35,254	15,190	-	-
Depreciation opening balance	-	-	-	-
Depreciation for the year	-	-	-	-
Accumulated depreciation, closing balance	-	-	-	-
<b>Closing balance</b>	<b>35,254</b>	<b>15,190</b>	<b>-</b>	<b>-</b>
Asset purchased with public grant are included with reported cost value	2,548	1,710	-	-

### Note 6

Goodwill	Group		Parent company	
	2020-12-31	2019-12-31	2020-12-31	2019-12-31
Opening balance	54,276	-	-	-
Acquisition	-	54,276	-	-
Accumulated cost, closing balance	54,276	54,276	-	-
Depreciation opening balance	-1,809	-	-	-
Depreciation for the year	-10,855	-1,809	-	-
Accumulated depreciation, closing balance	-12,664	-1,809	-	-
<b>Closing balance</b>	<b>41,612</b>	<b>52,467</b>	<b>-</b>	<b>-</b>

## Note 7

Machinery and other technical equipment	Group		Parent company	
	2020-12-31	2019-12-31	2020-12-31	2019-12-31
Opening balance	999	-	-	-
Acquisition	-	618	-	-
Purchase	2,137	381	-	-
Accumulated cost, closing balance	3,136	999	-	-
Depreciation opening balance	-55	-	-	-
Depreciation for the year	-619	-55	-	-
Accumulated depreciation, closing balance	-674	-55	-	-
Exchange rate difference	-131	-	-	-
<b>Closing balance</b>	<b>2,331</b>	<b>944</b>	-	-

## Note 8

Equipment, tools, fixtures and fittings	Group		Parent company	
	2020-12-31	2019-12-31	2020-12-31	2019-12-31
Opening balance	110	-	-	-
Purchase	3,143	110	-	-
Accumulated cost, closing balance	3,253	110	-	-
Depreciation opening balance	-7	-	-	-
Depreciation for the year	-427	-7	-	-
Accumulated depreciation, closing balance	-434	-7	-	-
Exchange rate difference	17	-	-	-
<b>Closing balance</b>	<b>2,836</b>	<b>102</b>	-	-

## Note 9

Specification of participation in group companies					
Parent company		2020		2019	
<b>Company name</b>		<b>Number/</b>	<b>Booked</b>	<b>Number/</b>	<b>Booked</b>
<b>Reg. No.</b>	<b>Registered office</b>	<b>Voting %</b>	<b>value</b>	<b>Voting %</b>	<b>value</b>
Qlife Aps	Denmark	85,921/100	68,024	85,921/100	68,024
CVR number 39982277					
<b>Information about equity and profit/loss</b>		<b>Equity</b>	<b>Profit/loss</b>		
Qlife Aps		42,882	-8,369		
<b>Information about aquisition value Qlife Aps</b>		<b>2,020</b>			
Opening balance		68,024			
Shareholders contribution		40,476			
Accumulated cost, closing balance		108,500			
Depreciation of investment in subsidiary		-40,476			
Accumulated depreciation, closing balance		-40,476			
<b>Booked value</b>		<b>68,024</b>			

## Note 10

Receivables from group companies	Group		Parent company	
	2020-12-31	2019-12-31	2020-12-31	2019-12-31
Opening balance	-	-	3,572	-
Additions	-	-	42,072	3,572
Shareholders contribution	-	-	-40,476	
<b>Closing balance</b>	<b>-</b>	<b>-</b>	<b>5,168</b>	<b>3,572</b>

## Note 11

Prepaid expenses and accrued income	Group		Parent company	
	2020-12-31	2019-12-31	2020-12-31	2019-12-31
Issuance costs	-	585	-	585
Deposit rental expenses	1,174	356	-	-
Other prepaid expenses	674	35	8	8
<b>Total prepaid expenses and accrued income</b>	<b>1,848</b>	<b>976</b>	<b>8</b>	<b>593</b>

## Note 12

Information about share capital	No shares	Par value
Number/value beginning of the year	6,701,838	0.08
Share issue	4,472,600	0.08
<b>Number/value end of the year</b>	<b>11,174,438</b>	<b>0.08</b>

## Note 13

Long-term liabilities	Group		Parent company	
	2020-12-31	2019-12-31	2020-12-31	2019-12-31
Other long-term liabilities	3,348	4,190	-	-
Amortization within 1 year	-	-	-	-
Amortization within 2 to 5 year	3,348	4,190	-	-
Amortization after 5 year	-	-	-	-
Total amortization within 1 year	-	-	-	-
Total amortization within 2 to 5 year	3,348	4,190	-	-
Total amortization after 5 year	-	-	-	-

## Note 14

Pledged assets	Group		Parent company	
	2020-12-31	2019-12-31	2020-12-31	2019-12-31
Floating charge	4,048	4,190	0	0

## Note 15

### Definition key ratios

Equity ratio:

Adjusted equity in relation to balance sheet total, %

Helsingborg, 9 April, 2021

Mette Gross

Niklas Marschall

John Andersson Moll

Thomas Warthoe  
CEO

Our auditor's report was submitted on 9 April, 2021

Olof Andersson  
Authorized Public Accountant

Jörgen Lövgren  
Authorized Public Accountant

# AUDITOR'S REPORT

To the general meeting of the shareholders of Qlife Holding AB  
Corporate identity number 559224-8040

## Report on the annual accounts and consolidated accounts

### Opinions

We have audited the annual accounts and consolidated accounts of Qlife Holding AB for the year 2020. The annual accounts and consolidated accounts of the company are included on pages 27-43 in this document.

In our opinion, the annual accounts and consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the group as of 31 December 2020 and their financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

### Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the "Auditor's Responsibilities" section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

### Other Information than the annual accounts and consolidated accounts

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises pages 1 to 26 and 46-48 (but does not include the annual accounts, consolidated accounts and our auditor's report thereon).

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated

accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, the Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

### Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts

and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

## Report on other legal and regulatory requirements

### Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Qlife Holding AB for the year 2020 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

### Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the "Auditor's Responsibilities" section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

### Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that

the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

### Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Malmö 9th of April 2021

Olof Andersson  
Authorized Public Accountant

Jörgen Lövgren  
Authorized Public Accountant

# BOARD

## METTE GROSS

*Born: 1972  
Main occupation: own  
Shares: 47 441  
Warrants series 2019/2022: 129 629  
Warrants serie TO1: 40 650  
Chairman since 2019*



*Mette has 20 years of experience from small and large companies as CFO. In recent years, Mette has been involved in the development and listing of two medical technology companies and a SaaS company alongside work with own investments and change management assignments. Mette has an educational background as Master of Finance and Mathematics from Odense University. Previous assignments include: CFO Iconovo AB, CFO Vigmed Holding AB, Director Controlling Coloplast Group and CFO MTG A/S.*

*Independent of the company and its management and major shareholders.*

*Other assignments: Board member of Anatomic Studios AB, Holm & Gross Holding AB (and subsidiaries), MLH Management AB (and subsidiaries) and Queen Invest AB.*

## THOMAS WARTHOE

*Born: 1967  
Main occupation: CEO Qlife Aps  
Shares: 1 445 102  
(1 201 200 via PKV Consult IVS)  
Warrants series TO1: 243 902  
Member of the board since 2020*



*Entrepreneur with over 20 years of experience in the healthcare industry (and specifically diagnostics). Thomas has founded and developed three biotech companies. In two of the companies Thomas founded, Display System Biotech and Ampligon, successful exits were made. He has successfully entered strategic partnerships and licensing agreements with global diagnostic companies such as Backman Coulter, Shionogi Co and Omron Healthcare over the years.*

*Dependent of the company and its management and major shareholders.*

*Other assignments: Board member of Petel Holding A/S, PKV Consult IVS and Chip Diagnostics Inc. Invest AB.*

## NIKLAS MARSCHALL

*Born: 1970  
Main occupation:  
CEO KMD Venture A/S (Denmark)  
Shares: 0 (KMD venture  
A/S holds 219 804 shares)  
Member of the board since 2018  
(Qlife Aps 2018-2019)*



*In addition to KMD Venture's investment in QLife, the companies have jointly formed a strategic partnership for the development of the Ego platform within IT, data and infrastructure. Niklas has been involved in the investment in Qlife and the establishment of the cooperation between the companies. Niklas has extensive experience with many successful investments and holds several board positions. Previous assignments include among others VP Business Development KMD A/S, VP Sales and Marketing DSB.*

*Independent of the company and its management and major shareholders.*

*Other assignments: Board member of YOLI ApS, NAVIGARA ApS, KMD Venture A/S, Scoutbase Aps, DCR Solutions A/S, Cerebriu A/S, Blue Atlas Robotics ApS, Cobira ApS.*

## JOHN MOLL

*Born: 1978  
Main occupation: own  
Shares: 103 374  
Warrants series 2019/2022: 64 815  
Warrants serie TO1: 81 300  
Member of the board since 2018  
(Qlife Aps 2018-2019)*



*John Moll is a Swedish entrepreneur and experienced business angel with a focus on Life Science. John has an educational background as a pharmaceutical chemist from the Faculty of Engineering at Lund University. John has founded and sold two companies and is a board member of three biotech companies in Sweden and Denmark.*

*Independent of the company and its management and major shareholders.*

*Other assignments: Board member of Carbiotix AB, Spermosen AB, TIRMED Pharma AB, Torna Kapital AB.*

# MANAGEMENT



THOMAS WARTHOE  
*CEO, CO-Founder*



HENRIK LJUNG  
*CFO, Qlife Holding AB*



LARS BANGSGAARD  
*CFO, CO-Founder*



EBBE FINDING  
*CTO, CO-Founder*



PETER WARTHOE  
*CSO, CO-Founder*



JAKOB BROBERG LIND  
*Sales Director*

