



# INTERIM REPORT Q1

JANUARY - MARCH 2022





## FINANCIAL CALENDAR

INTERIM REPORT SECOND QUARTER 2022	AUGUST 15, 2022
INTERIM REPORT THIRD QUARTER 2022	NOVEMBER 4, 2022

## SHAREHOLDER INFORMATION

LISTING	NASDAQ FIRST NORTH GROWTH MARKET, STOCKHOLM
TICKER SHARE	QLIFE
ISIN CODE	SE0013486552

## CONTENT

Q1 IN BRIEF	3
CEO COMMENT	4
THE EG00 SYSTEM	5
PRODUCT PORTFOLIO	6
SHARE AND OWNERSHIP	7
FINANCIAL COMMENTS GROUP	8
FINANCIAL COMMENTS PARENT COMPANY	9
ADDITIONAL INFORMATION	10
 GROUP	
Income statement	11
Balance sheet	12
Cash flow statement	13
Changes in equity	13
 PARENT COMPANY	
Income statement	14
Balance sheet	15
Cash flow statement	16
Changes in equity	16
 NOTES AND ACCOUNTING PRINCIPLES	17

# TRANSITIONING TO A POST COVID REALITY

## FINANCIAL SUMMARY – FIRST QUARTER 2022

- Revenue in the period amounted to kSEK 10,905 (11,176). Revenue includes sales of Egoo. Health devices and capsules for the device. We saw strong sales early in the quarter and a beginning slow in down in demand in March as testing activity in Sweden was reduced.
- EBITDA for the period amounted to kSEK -16,295 (-3,114), and net loss kSEK -18,001 (-6,707).
- The total cash flow in the first quarter amounted to kSEK -30,736 (-11,284).
- Earnings per share before/after dilution for the first quarter amounted to SEK -0.99 (-0.36), calculated on weighted average number of shares in the period.

## SIGNIFICANT EVENTS - FIRST QUARTER 2022

- In a Danish clinical evaluation of rapid tests for covid-19, conducted at Hvidovre Hospital and published on the hospital's website in February, the results for the Egoo SARS-CoV-2 test differed from another scientific study performed. The company therefore contacted Hvidovre Hospital and the Danish Medicines Agency to verify the methodology in the evaluation. Deviations in the test execution from intended use and instructions account for incorrect results. Consequently, the Egoo.Health test results will be excluded from the study.
- Kasper Boel Rousøe has taken on the role as Chief Financial Officer (CFO) for Qlife Holding AB and subsidiary Qlife Aps on March 1<sup>st</sup>. Replacing CFO in Qlife Aps Lars Bangsgaard who has decided to retire from his position, and part-time CFO in Qlife Holding AB Henrik Ljung.
- Change in reporting standard to IFRS starting Q1 2022.

## SIGNIFICANT EVENTS AFTER THE END OF FIRST QUARTER 2022

- There has been no significant events after the end of the reporting period

Group - Key figures - kSEK	Jan-Mar, Q1		Jan-Dec
	2022	2021	2021
Revenue	10 905	11 176	39 613
Total Operating expenses	-27 200	-14 290	-100 578
EBITDA	-16 295	-3 114	-35 383
Total cash flow	-30 736	-11 284	52 600
Cash reserve	43 069	9 598	73 461
Shareholders equity	117 700	45 108	163 179
Number of employees	64	34	56

# Progress in our R&D-projects

During the first quarter 2022 we continued the transformation from 2021 and are working intensively to execute on our longterm plans. We have seen continued and solid progress in our attractive R&D-portfolio, and see several signs that underline the trend that people are more willing to perform tests at home, which supports our long-term business concept.

## R&D HIGHLIGHTS

Our R&D-portfolio is attractive and the activity in our R&D department is high and increasing. Our CRP and PHE capsules are undergoing final assay optimization and awaiting freeze drying process so that we can sell these products for room temperature storage. We work with an external freeze-drying company with a technology ideal for storing freeze dried reagents in the Egoo capsule. The work is developing well, and our goal is that all our reagents should be freeze dried. In our FIND project the molecular Sars/Flu isothermal amplification reagents are being developed to work on the platform. We are on-schedule with the developments, and we have been able to eliminate the pipetting step in the testing procedure. This means that the capsule now integrates all reagents including the lysis buffer and execute the analysis without any external pipetting.

On the device side, our main PCB board has been upgraded with a new microprocessor which allows the system to become more robust and versatile regarding IoT connectivity. To prepare a new PCB board and to implement it has been an on-going project for almost a year. On the regulatory side we have passed the mandatory biannual ISO13485 re-certification process and had some good days together with our auditor. We are proud that our quality processes were in good order and that the company fulfills all requirements.

## SALES OPPORTUNITIES IN EUROPE

The future sales for our existing product for Sars-CoV-2 viruses are very hard to predict. We are doing everything we can to increase sales, but the market is declining, and purchases of test capacity have fallen.

During January and the first half of February sales continued on a good level but was very slow during the rest of the quarter as infection rates and national testing requirements lowered significantly. In total sales for the first quarter reached MSEK 10.9 (11.2).

Sales to the Swedish customer Testmottagningen.se has been good during the quarter, despite the lower testing rate. Our distribution partner Aidian has continued to work with the shift towards more decentralized areas, with diverse types of customers in different countries.

We are investigating market interest for selling our CRP test into the clinical retail market, a semi-consumer market where people can get the test done in a retail setting by a professional or purchase the system and self-test at home on a continuous basis. Furthermore, we are focused on building relationships to the PKU community in the EU and USA and are preparing the go-to-market plan within this segment.

## GOOD PRODUCTION CAPACITY

We continuously adapt our production to the demand and now have the ability to scale up quickly. When it comes to capsules, we have increased our production capacity to 30,000 per month. Our target is to further increase the capacity during next quarter.

In parallel we plan to build a semi-automated production line and the plan is to finalize that line during end of 2022. In 2022



Thomas Warthoe

the capacity will be used to produce all required CRP and PKU capsules for R&D and regulatory processes, and simultaneously produce Sars-CoV-2 capsules following demand closely. During 2021 we initiated an outsourcing cooperation with a potential manufacturer for our device production. The current plan is to outsource all production of devices at the end of 2022. Our capacity is still 100 devices per month and our immediate goal is to increase to 1,000 devices per month.

## DEVIATIONS IN TEST EXECUTION EXPLAIN INCORRECT RESULTS

In a Danish clinical evaluation of rapid tests for covid-19 conducted at Hvidovre Hospital, the results for our Egoo SARS-CoV-2 test differed from another scientific study. Previous scientific published study shows that Egoo covid-19 PCR test can deliver test results with almost the same sensitivity and specificity as laboratory tests (qRT-PCR) in 30 minutes without access to specialized laboratory equipment. As the results differed, we

suspected that there could be some mistake with the handling of the product and contacted Hvidovre Hospital and the Danish Medicines Agency. They confirmed that the deviations in the test execution from intended use and instructions accounted for the incorrect results.

Because of the deviations the Egoo.Health test results will be excluded from the study, and further scientific review and future publication will exclude the Egoo.Health results.

## A COMPETENT AND EXPERIENCED ORGANIZATION

During the quarter we have continued to expand the organization with competent and experienced employees and at the end of the period we had 64 employees. We will start the move to our new close to 4,000 m<sup>2</sup> high tech premises in April. The operational cost of the new premises is the same as we have today. This will give us more dedicated production space so that we can make real production lines in cGMP surroundings, which has been a limiting factor. The move also gives us high tech R&D-laboratories and with all necessary equipment in place. And most importantly, we will have all our employees under one roof, which will contribute even more to the company's innovative and diverse nature, which I believe is key to Qlife's future success.

Helsingborg, 5 May 2022

Thomas Warthoe, CEO

# The Egoo system

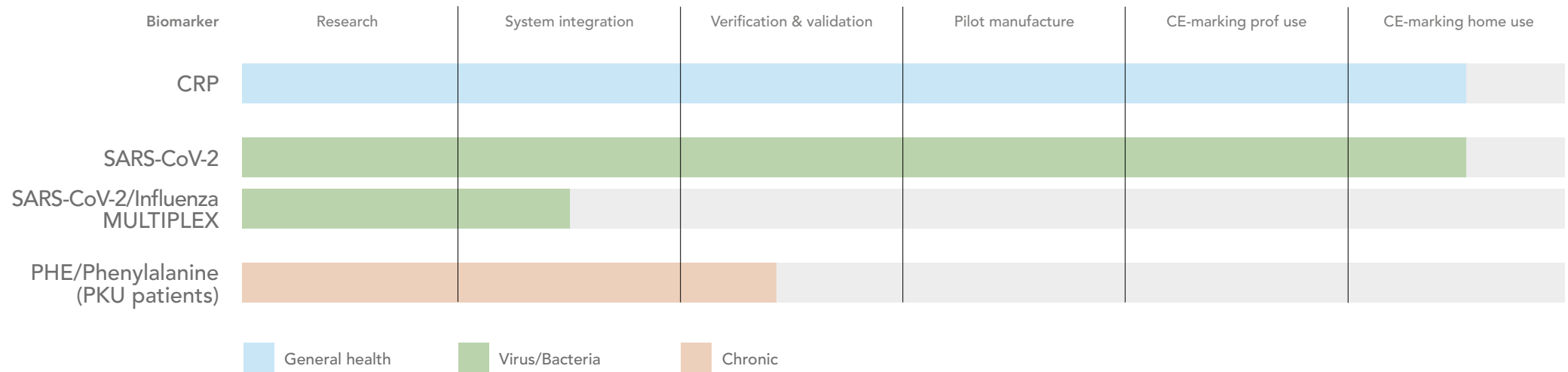


The Egoo device is small, fist sized, and portable. The tests can be made from either blood, plasma or mouth swab depending on the specific test and takes 5-30 minutes for most tests. Results are qualitative on par with existing laboratory tests. The tests are run from either smartphone or laptop and the results shown instantaneously. It is optional to share data with a GP, hospital or other caregiver – in accordance with GDPR regulation.

The Egoo System is the first personalized diagnostics platform that enables self-testing at home for a wide range of clinical biomarkers. Currently one test has been CE-marked for professional use under IVDR and more are under way both for professional and home-use. Many protein-based biomarkers measured in saliva, plasma or blood can be configured to run on the Egoo System. Further, with the addition of an in-licensed DNA amplification technology the field of molecular virus and bacteria testing has been added to the overall business potential.



# Product portfolio



**CRP/C-Reactive Protein.** Due to the IVDR regulation our CE-mark must be updated from IVDD to IVDR. We will finalize CE-mark protocols for CRP during 2022 and run the necessary usability studies that will allow us to file our CE-dossier under the new IVDR to our Notified Body and hence achieve the first clinical-grade CE-mark for a CRP self-testing capsule.

**COVID/SARS-COV-2+Influenza A/B.** With the recent agreement with FIND, the development path within the respiratory area is clear; Qlife will develop a novel two-in-one assay for the detection of influenza and SARS-CoV-2 viruses on the Egoo device, financed by FIND. The test is primarily intended for a regulatory approval of WHO and sales to low- and middle-income countries.

**PHE/Phenylalanine (PKU patients).** we have completed the system integration phase of the PKU biomarker, and initiated verification and validation. Method comparison as well as clinical

data comparisons with samples from the National Center for PKU in the Netherlands, Groningen, and Denmark, Rigshospitalet, are ongoing.

During 2022, we expect to prepare CE marking protocols, file the necessary applications for ethical committees and clinical studies with the authorities, and await approval for a clinical trial can start. This is followed by usability studies, which need to be done to confirm that the PKU patients can perform our test by themselves at home.

In parallel we are setting up pilot production for the PHE capsule to be able to sustain the volume of capsules necessary for running all the studies.

## Technical development

The development of an improved blood transfer pipet (PKU and other biomarkers) is progressing well, the design is finalized, and

the pipet is now being prototyped and then it will be validated and used in our CE-marking protocols.

During 2021, progress was made in the project of freeze drying our reagents to allow capsules to be transported and kept at room temperature. For entry to the home market, freeze drying of all relevant reagents will be essential, and the project is a continued priority.

## Scientific recognition

A scientific study of the company's SARS-CoV-2 test was published in Natures Scientific Reports in November 2021. The study demonstrates the potential of Qlife's mobile test platform Egoo.Health and SARS-CoV-2 tests that can deliver almost the same clinical quality as laboratory tests in 30 minutes. The complete study is available in Scientific Reports (<https://www.nature.com/srep/>).

# Share and ownership

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

## SHARE AND SHARECAPITAL

As per March 31<sup>st</sup> 2022, the company's share capital is SEK 1,238,794.16, divided into 15,484,927 shares of the same class, with a par value of SEK 0.08.

## OWNERSHIP AND LARGEST SHAREHOLDERS

The table below shows the ten largest shareholders in the company, as per March 31<sup>st</sup> 2022, according to public nominee register of shareholders register from Euroclear.

## NOMINATION COMMITTEE

The Nomination Committee for the Company's Annual General Meeting 2022 has consisted of Sören Skjärbäck, appointed by Thomas Warthoe, Anita Otterheim Hjalmarsson, appointed by Peter Warthoe, Lars Bangsgaard, representing own shares, and Mette Gross, Chairman of the Board. The Nomination Committee's proposal are presented in the notice for the Annual General Meeting, published on the company's website, [www qlifeholding.com](http://www qlifeholding.com).

Shareholder	Shares	Percent
BNY Mellon SA/NV, Belgium	3 566 296	23,0%
JP Morgan Chase Bank NA	1 200 850	7,8%
Försäkringsbolaget Avanza Pension	883 945	5,7%
Fjärde AP-Fonden	740 000	4,8%
Nordnet Pensionsförsäkring	260 533	1,7%
Leif Jonsson	253 400	1,6%
Societe General Nantes	238 100	1,5%
KMD Venture A/S	161 851	1,0%
John Andersson Moll	107 874	0,7%
Joel Flink	91 870	0,6%
<b>Total 10</b>	<b>7 504 719</b>	<b>48,5%</b>
Others	7 980 208	51,5%
<b>Sum</b>	<b>15 484 927</b>	<b>100,0%</b>

## 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 December 1-31, 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 194,444 new shares.

### WARRANTS 2021/2024

In May 2021, Qlife issued 40,000 warrants to members of the Board, which entitle holders to subscribe for an equal number of shares. The warrants can be exercised during the period of 1-31 May 2024 at an exercise price of SEK 67.08 per share. In the event that all warrants in this program are exercised, the Company will issue a total of 40,000 new shares.

### STAFF WARRANTS 2019/2022

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 December 1-31, 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.

# Financial comments Group, Q1

JANUARY - MARCH 2022

## FINANCIAL RESULT

Revenue in the period amounted to kSEK 10,905 (11,176). Revenue derives from sales of Egoo.Health devices and capsules for the device.

Capitalized development costs amounted to kSEK 10,150 (5,417) showing a significant increase in the development activities as the group has been able to successfully grow its R&D organization.

Raw materials and consumables amounted to kSEK 9,821 (4,586), which is costs for components and parts for devices and capsules used both for sales and development activities. The raw materials expense is partly offset by an increase in finished goods inventories kSEK 548 (1,012).

Other external expenses amounted to kSEK 12,320 (8,153). Increase in other external expenses is mainly driven by higher external development costs and regulatory consultants.

Personnel costs for the period amounted to kSEK 15,758 (7,980) as the Qlife organization keeps growing. As per 31 March 2022 Qlife Aps had 64 (34) employees an increase by 18 employees during the quarter.

Depreciation of equipment and capitalized development costs amounted to kSEK 2,847 (1,861). Depreciation of development costs is made over 5 years.

Net financial income and expenses amounted to kSEK -242 (-694) is related to interests on loan from Danish Growth Fund and interest on leasing contracts.

In the first quarter of 2022, a tax receivable of kSEK 4,116 (1,691) regarding the period January-March 2022 was accounted. The tax receivable represents the tax value of development costs in the period, and is expected to be paid out in November 2023.

Operating loss for the period amounted to kSEK -19,384 (-5,669) and net loss kSEK -15,268 (-3,978).

## FIXED ASSETS

Capitalized development costs relate to accumulated internal and external product development costs including costs for patent preparation and application. At the end of the quarter the capitalized development costs amounted to kSEK 63,853 (39,704), relating to continued development of device and capsules for the next 3 tests assays in the roadmap.

## CURRENT ASSETS

Inventory amounted to kSEK 11,627 (6,244), consisting of parts and components for instruments, capsules and reagents. Account receivables of kSEK 1,254 (10,832) is related to the sales during March 2022. Cash and cash equivalents amounted to kSEK 43,069 (9,598) at the end of March 2022.

## EQUITY

Equity amounted to kSEK 117,700 (45,108) at the end of March 2022. Shareholder's equity is specified on page 13 – "Group – changes in equity".

## DEBTS

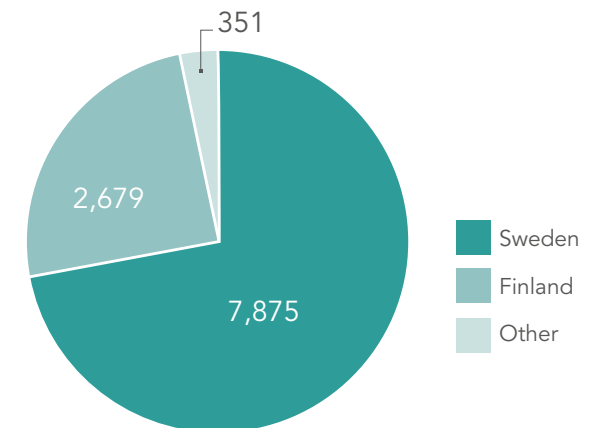
Long term liabilities - kSEK 4,466 (5,433) - consists of a development loan from the Danish Growth Fund and leasing debt.

Short term liabilities consist of development funding for the FIND project, prepayments from customers for future deliveries of Egoo system, trade payables and accruals.

## CASH FLOW

The total cash flow amounted to kSEK -30,736 (-11,284) for the first quarter of 2022. Cash flow from operations and changes in working capital amounted to kSEK -20,175 (-7,170). Cash flow from investing activities amounted to kSEK -10,290 (-4,892) consisting of capitalized development costs kSEK -10,180 (-3,693) and manufacturing equipment kSEK -108 (-1,199). Cash and cash equivalents are specified on page 13 – "Group – Consolidated Cash Flow statement".

## GEOGRAPHICAL DISTRIBUTION OF Q1 REVENUE (KSEK)





# Financial comments Parent company

JANUARY - MARCH, Q1 2022

## FINANCIAL RESULT

Revenue amounted to kSEK 288 (175) in the period and consists of management fee from subsidiary.

Other external expenses consist of various administrative cost.

Personnel costs consist of mainly board fees.

Other Net financial income and expenses kSEK 62 (-465) is related to interest on loan to Qlife ApS

Net loss for the period amounted to kSEK -558 (-1,224).

## FIXED ASSETS

Fixed assets are shares in subsidiary Qlife ApS kSEK 68,024, based on the valuation of the shares at the time of the in-kind share issue in 2019.

## CURRENT ASSETS

Receivables from subsidiary kSEK 41,275 (17,193) is the outstanding loan to Qlife ApS.

Other receivables mainly consist of VAT reimbursement.

Cash and cash equivalents amounted to kSEK 36,167 (2,822) at the end of March 2022.

## EQUITY

Total equity amounted to kSEK 145,640 (72,308) end of March 2022.

Shareholder's equity is specified on page 16 – "Parent company – changes in equity".

## CASH FLOW

The total cash flow amounted to kSEK -20,997 (-12,705) for Q1 2022 driven by an increase in the loan to Qlife ApS of kSEK 19.862.

Cash and cash equivalents are specified on page 16 – "Parent company – Cash Flow statement".

# Additional information

## ACCOUNTING PRINCIPLES

Qlife holding has decided to change the reporting standard for its financial reports to IFRS. This Q1 interim financial report is the first report that has been prepared under the IFRS standard. The Group's interim report is prepared in accordance with IAS 34 interim reporting and the Swedish Accounting Act. The parent company's interim report is prepared in accordance with the Swedish Accounting Act and The Swedish Financial Reporting Board's recommendation RFR 2 Reporting for Legal Entities.

Historic financial reports included in this report for comparison has been adjusted to comply with the IFRS guidelines. Further details on the restatements of the financial reports can be found in the notes to the financial reports section.

## RISKS AND UNCERTAINTIES

Qlifes business is influenced by several factors which cannot be controlled by the Company at all or in part, and with possible effects on the Company's earnings and financial position. In the assessment of the Company's future development, it is important, alongside the possibilities for growth in earnings, to also consider these risks.

Risk factors include, among others, uncertainties with regards to validations and regulatory approvals, collaboration and partnerships, intellectual property issues, market and competition, manufacturing, purchasing and pricing, dependence on key persons and financial risks.

## CONTACT INFORMATION

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### Mette Gross, Chairman of the Board

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### Certified advisor

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111 43 Stockholm  
Sweden

[www.gwkapital.se](http://www.gwkapital.se)

### Auditor

BDO – Certified Public Accountant  
Jörgen Kocksgatan  
211 20 Malmö  
Sweden

## STATEMENT BY THE BOARD OF DIRECTORS

The Board of directors and the CEO hereby affirm that the consolidated statement sfor the period January- March 2022 gives a true and fair representation of result, operations and financial position in Qlife Holding AB and the subsidiary Qlife ApS.

Helsingborg May 5<sup>th</sup> 2022

Mette Gross  
Chairman

John Moll  
Board member

Ulrik Harrysson  
Board member

Mette-Marie Harild  
Board member

Mikael Persson  
Board member

Thomas Warthoe  
Board member, CEO

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

## GROUP - CONSOLIDATED INCOME STATEMENT

kSEK	Jan-Mar		Jan-Dec 2021
	2022	2021	
Revenue	10,905	11,176	39,613
<b>Total operating income</b>	<b>10,905</b>	<b>11,176</b>	<b>39,613</b>
<b>Operating expenses</b>			
Changes in inventories of finished goods	548	1,012	1,161
Capitalized development costs	10,150	5,417	25,581
Raw materials and consumables	-9,821	-4,586	-21,814
Other external expenses	-12,320	-8,153	-39,725
Personnel costs	-15,758	-7,980	-39,869
<b>Total Operating expenses</b>	<b>-27,200</b>	<b>-14,290</b>	<b>-74,666</b>
<b>EBITDA</b>	<b>-16,295</b>	<b>-3,114</b>	<b>-35,052</b>
Amortization and depreciation	-2,847	-1,861	-8,813
<b>EBIT</b>	<b>-19,142</b>	<b>-4,975</b>	<b>-43,865</b>
Net financial income and expenses	-242	-694	-1,555
<b>Loss before tax</b>	<b>-19,384</b>	<b>-5,669</b>	<b>-45,420</b>
Tax	4,116	1,691	7,503
<b>Net loss for the period</b>	<b>-15,268</b>	<b>-3,978</b>	<b>-37,918</b>
Other comprehensive income	425	1,067	1,076
<b>Total comprehensive profit/loss for the period attributable to owner of Parent Company</b>	<b>-14,843</b>	<b>-2,911</b>	<b>-36,842</b>
Earnings per share before and after dilution - SEK	-0,99	-0,36	-2,97
Weighted average number of shares in the period before dilution	15,484,927	11,174,438	12,766,840
Weighted average number of shares in the period after dilution	16,196,035	14,084,846	13,477,948
Total number of shares end of period	15,484,927	11,174,438	15,484,927

## GROUP - CONSOLIDATED BALANCE SHEET

kSEK	Mar. 31, 2022	Mar. 31, 2021	Dec. 31, 2021	Jan 1, 2021
<b>ASSETS</b>				
<u>Intangible fixed assets</u>				
Capitalized development costs	63,853	39,704	55,193	35,254
<b>Total Intangible fixed assets</b>	<b>63,853</b>	<b>39,704</b>	<b>55,193</b>	<b>35,254</b>
<u>Tangible fixed assets</u>				
Manufacturing equipment and fixtures	4,679	5,904	5,414	6,469
<b>Total Tangible fixed assets</b>	<b>4,679</b>	<b>5,904</b>	<b>5,414</b>	<b>6,469</b>
<b>Total fixed assets</b>	<b>68,533</b>	<b>45,608</b>	<b>60,607</b>	<b>41,723</b>
<u>Current assets</u>				
Inventory	11,627	6,244	8,309	5,377
<b>Receivables</b>				
Accounts receivables	1,254	10,832	2,755	9,329
Other receivables	3,404	199	3,885	359
Current Tax receivables	11,706	9,282	7,564	7,421
Prepaid expenses and accrued income	7,812	2,028	7,211	1,848
<b>Total receivables</b>	<b>24,176</b>	<b>22,340</b>	<b>21,415</b>	<b>24,333</b>
<b>Cash and cash equivalents</b>	<b>43,069</b>	<b>9,598</b>	<b>73,461</b>	<b>20,822</b>
<b>Total currents assets</b>	<b>78,872</b>	<b>38,182</b>	<b>103,185</b>	<b>45,156</b>
<b>TOTAL ASSETS</b>	<b>147,405</b>	<b>83,790</b>	<b>163,791</b>	<b>86,879</b>

kSEK	Mar. 31, 2022	Mar. 31, 2021	Dec. 31, 2021	Jan 1, 2021
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share Capital	1,239	894	1,239	894
Additional paid-in capital	182,730	61,985	182,730	61,887
Retained earnings	-66,269	-17,771	-51,453	-14,816
<b>Total equity</b>	<b>117,700</b>	<b>45,108</b>	<b>132,516</b>	<b>47,965</b>
<u>Long term liabilities</u>				
Loan from credit institution	4,466	5,433	3,782	5,322
<b>Total long term liabilities</b>	<b>4,466</b>	<b>5,433</b>	<b>3,782</b>	<b>5,322</b>
<u>Short term liabilities</u>				
Prepayments from customers	12,079	612	-	600
Loan from credit institution	-	15,494	939	11,607
Accounts payables	8,541	5,631	10,027	15,004
Other liabilities	77	5,748	1,091	3,218
Accrued expenses and deferred income	4,542	5,763	15,436	3,163
<b>Total short term liabilities</b>	<b>25,238</b>	<b>33,249</b>	<b>27,493</b>	<b>33,592</b>
<b>Total liabilities</b>	<b>29,705</b>	<b>38,683</b>	<b>31,275</b>	<b>38,914</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>147,405</b>	<b>83,790</b>	<b>163,791</b>	<b>86,879</b>

## GROUP - CONSOLIDATED CASH FLOW STATEMENT

kSEK	Jan-Mar, Q1		Jan-Dec 2021
	2022	2021	
<u>Cash flow from operating activities</u>			
Net loss before tax for the period	-19,403	-5,669	-56,340
Depreciations	2,799	1,861	19,479
Other non-cash adjustments	-206	67	631
Repaid tax	4,116	-	7,503
<b>Cash flow from operations before changes in working capital</b>	<b>-12,694</b>	<b>-3,741</b>	<b>-28,727</b>
<u>Cash flow from changes in working capital</u>			
Change in inventory	-3,273	-749	-2,805
Change in receivables	-2,591	-1,241	-2,025
Change in current payables	-1,616	-1,439	7 507
<b>Cash flow from operating activities</b>	<b>-20,175</b>	<b>-7,170</b>	<b>-26,050</b>
<u>Cash flow from investing activities</u>			
Investments in intangible assets	-10,182	-3,693	-25,062
Investments in tangible assets	-108	-1,199	-1,706
<b>Cash flow from investing activities</b>	<b>-10,290</b>	<b>-4,892</b>	<b>-26,768</b>
<u>Cash flow from financing activities</u>			
Share issue / warrant program	-	-	127,574
Issuance costs	-	-	-6,731
Changes in loans	-271	778	-15,425
<b>Cash flow from financing activities</b>	<b>-271</b>	<b>778</b>	<b>105,418</b>
<b>Total Cash flow in period</b>	<b>-30,736</b>	<b>-11,284</b>	<b>52,600</b>
Cash and cash equivalents at the period start	73,461	20,822	20,822
Foreign exchange difference	344	60	39
<b>Cash and cash equivalents at the period end</b>	<b>43,069</b>	<b>9,598</b>	<b>73,461</b>

## GROUP - STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY

kSEK	Share capital	Other paid in capital	Retained earnings	Total shareholders equity
<b>Equity on January 1, 2021</b>	<b>894</b>	<b>116,164</b>	<b>-27,509</b>	<b>89,549</b>
Profit / Loss per December 31, 2021			-48,838	<b>-48,838</b>
Other comprehensive income			1,076	<b>1,076</b>
<b>Total comprehensive income for the period</b>	<b>894</b>	<b>116,164</b>	<b>-75,271</b>	<b>41,787</b>
<b>Transactions with owners</b>				
Share Issue	345	127,330		<b>127 675</b>
Issuance costs		-6,731		<b>-6,731</b>
Warrant programmes		244	204	<b>448</b>
<b>Total Transactions with owners</b>	<b>345</b>	<b>120,843</b>	<b>204</b>	<b>121,392</b>
<b>Equity on December 31, 2021</b>	<b>1,239</b>	<b>237,007</b>	<b>-75,067</b>	<b>163,179</b>
<b>Adjustments IFRS</b>				
Depreciation Goodwill		-54,277		<b>-54,277</b>
Retained earnings			12,693	<b>12,693</b>
Profit /loss			10,921	<b>10,921</b>
<b>Equity at December 31, 2021</b>	<b>1,239</b>	<b>182,730</b>	<b>-51,453</b>	<b>132,516</b>
<b>Equity at January 1, 2022</b>	<b>1,239</b>	<b>182,730</b>	<b>-51,453</b>	<b>132,516</b>
Profit / Loss per March 31, 2022			-15,268	<b>-15,268</b>
Other comprehensive income			425	<b>425</b>
<b>Total comprehensive income for the period</b>	<b>1,239</b>	<b>182,730</b>	<b>-66 296</b>	<b>117,673</b>
<b>Transactions with owners</b>				
Warrant programmes			27	<b>27</b>
<b>Total Transactions with owners</b>	<b>0</b>	<b>0</b>	<b>27</b>	<b>27</b>
<b>Equity on March 31, 2022</b>	<b>1,239</b>	<b>182,730</b>	<b>-66,269</b>	<b>117,700</b>

## PARENT COMPANY - INCOME STATEMENT

kSEK	Jan-Mar, Q1		Jan-Dec 2021
	2022	2021	
Revenue	288	175	700
Other external costs	-685	-770	-6,179
Personnel costs	-224	-164	-966
<b>Operating result</b>	<b>-620</b>	<b>-760</b>	<b>-6,445</b>
Depreciation of investment i subsidiary	-	-	-41,259
Net financial income and expenses	62	-924	-1,455
<b>Loss before tax</b>	<b>-558</b>	<b>-1,683</b>	<b>-49,159</b>
Tax	-	-	-
<b>Net loss for the period</b>	<b>-558</b>	<b>-1,683</b>	<b>-49,159</b>
Other comprehensive income	-	-	-
<b>Total comprehensive profit/loss for the period attributable to owner of Parent Company</b>	<b>-558</b>	<b>-1 683</b>	<b>-49 159</b>



## PARENT COMPANY - BALANCE SHEET

kSEK	Mar. 31, 2022	Mar. 31, 2021	Dec. 31, 2021
<b>ASSETS</b>			
<u>Financial fixed assets</u>			
Shares in subsidiary	68,024	68,024	68,024
<b>Total financial fixed assets</b>	<b>68,024</b>	<b>68,024</b>	<b>68,024</b>
<b>Total fixed assets</b>	<b>68,024</b>	<b>68,024</b>	<b>68,024</b>
<u>Current assets</u>			
<b>Receivables</b>			
Receivables from subsidiary	41,275	17,193	21,386
Other receivables	669	199	109
Prepaid expenses and accrued income	68	149	8
<b>Total receivables</b>	<b>42,012</b>	<b>17,540</b>	<b>21,502</b>
<b>Cash and cash equivalents</b>	<b>36,167</b>	<b>2,822</b>	<b>57,164</b>
<b>Total current assets</b>	<b>78,178</b>	<b>20,362</b>	<b>78,666</b>
<b>TOTAL ASSETS</b>	<b>146,202</b>	<b>88,386</b>	<b>146,690</b>

kSEK	Mar. 31, 2022	Mar. 31, 2021	Dec. 31, 2021
<b>EQUITY and LIABILITIES</b>			
<b>Equity</b>			
Share Capital	1,239	894	1 239
Share premium	236,595	48,592	237,009
Other paid in capital	328	235	-
Retained earnings	-91,964	24,270	-42,918
Profit / Loss	-558	-1,683	-49,159
<b>Total equity</b>	<b>145,640</b>	<b>72,308</b>	<b>146,171</b>
<u>Short term liabilities</u>			
Accounts payables	190	98	128
Short term loan	-	15,094	-
Accrued expenses and deferred income	372	886	390
<b>Total short term liabilities</b>	<b>562</b>	<b>16,078</b>	<b>518</b>
<b>Total liabilities</b>	<b>562</b>	<b>16,078</b>	<b>518</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>146,202</b>	<b>88,386</b>	<b>146,690</b>

## PARENT COMPANY - STATEMENT OF CASH FLOW

kSEK	Jan-Mar, Q1		Jan-Dec 2021
	2022	2021	
Cash flow from operating activities			
Profit/loss before tax	-558	-1,683	-49,159
Other items	-	513	41,462
<b>Cash flow from operations before change in working capital</b>	<b>-558</b>	<b>-1,170</b>	<b>-7,697</b>
Cash flow from working activities			
Change in receivables	-620	-168	63
Change in current payables	43	659	-297
<b>Cash flow from working activities</b>	<b>-1,135</b>	<b>-680</b>	<b>-7,931</b>
Cash flow from financing activities			
Share issues	-	-	127,919
Issuance cost	-	-	-6,730
Loans to subsidiary	-19,862	-12,024	-57,476
Changes in loans	-	-	-14 145
<b>Cash flow from financing activities</b>	<b>-19,862</b>	<b>-12,024</b>	<b>49,568</b>
<b>Total cash flow in period</b>	<b>-20,997</b>	<b>-12,704</b>	<b>41,637</b>
Cash and cash equivalents at period start	57,164	15,527	15,527
<b>Cash cash equivalents at period end</b>	<b>36,167</b>	<b>2,822</b>	<b>57,164</b>

PARENT COMPANY  
- STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY

kSEK	Share capital	Share premium	Other paid in capital	Retained earnings	Total shareholders equity
<b>Equity at January 1, 2021</b>	<b>894</b>	<b>115,996</b>	<b>84</b>	<b>-43,895</b>	<b>73,079</b>
Profit / Loss until December 31, 2021				-48,300	<b>-48,300</b>
Other comprehensive income					
<b>Total comprehensive income for the period</b>	<b>894</b>	<b>115,996</b>	<b>84</b>	<b>-92,195</b>	<b>24,779</b>
<b>Transactions with owners</b>					
Share issue	345	127,330			<b>127,675</b>
Issuance cost		-6,731			<b>-6,731</b>
Warrant programmes			244	204	<b>448</b>
<b>Total Transactions with owners</b>	<b>345</b>	<b>120,599</b>	<b>244</b>	<b>204</b>	<b>121,392</b>
<b>Equity on December 31, 2021</b>	<b>1,239</b>	<b>236,595</b>	<b>328</b>	<b>-91,991</b>	<b>146,171</b>
<b>Equity at January 1, 2022</b>	<b>1,239</b>	<b>236,595</b>	<b>328</b>	<b>-91,991</b>	<b>146,171</b>
Profit / Loss per March 31, 2022				-558	<b>-558</b>
Other comprehensive income					
<b>Total comprehensive income for the period</b>	<b>1,239</b>	<b>236,595</b>	<b>328</b>	<b>-92,549</b>	<b>145,613</b>
<b>Transactions with owners</b>					
Warrant programmes				27	<b>27</b>
<b>Total Transactions with owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27</b>	<b>27</b>
<b>Equity at March 31, 2022</b>	<b>1,239</b>	<b>236,595</b>	<b>328</b>	<b>-92,522</b>	<b>145,640</b>

## NOTE 1 ACCOUNTING PRINCIPLES

### GENERAL INFORMATION

This interim report covers the Swedish parent company Qlife Holding AB (publ), corporate registration number 559224-8040, and its subsidiaries. The parent company is a limited liability company with its registered office in Helsingborg, Sweden. The address of the main office is Redaregaten 48, 252 36 Helsingborg, Sweden. The main operation of the group is development and sales of sales of the Ego system and test capsules for the system. The report for the first quarter 2022 was approved for publication on May 5, 2022, in accordance with a board decision on May 5, 2022.

This interim report for the group has been prepared in accordance with IAS 34 Interim Financial Reporting. The Group reporting of Qlife is based on International Financial Reporting Standards (IFRS) as adopted by the EU. The Group's interim report is prepared in accordance with IAS 34 Interim Reporting and the Swedish Accounting Act. The parent company's interim report is prepared in accordance with the Swedish Accounting Act and The Swedish Financial Reporting Board's recommendation RFR 2 Reporting for Legal Entities. The date for transition to IFRS has been set to January 1st 2022, resulting in that the Qlife Group has prepared consolidated accounts as from January 1st 2022. Information according to IAS 34 Interim Reporting is given in notes as well as in other places in the interim report.

### Basis of preparation

Group  
The Group applies International Financial Reporting Standards (IFRS) as endorsed by the EU Commission and interpretations of these (IFRIC). The Group also applies the Swedish Annual Accounts Act and the recommendation from the Swedish Financial Reporting Board, RFR 1, Supplementary accounting rules for groups.

The consolidated financial reports are prepared in accordance with IFRS 1, First time adoption of International Financial Reporting Standards. This means that the Group has applied the same accounting principles, the principles that apply at the end of the period, in the report on the period's opening financial position and during all periods reported in this report. The consolidated financial statements have been prepared in accordance with the acquisition value method, with the exception of certain financial assets that are valued at fair value.

### Parent Company

The year-end report for the Parent Company has been prepared in accordance with RFR 2 Accounting for Legal Entities and the Annual Accounts Act. RFR 2 means that the annual report for the legal entity must apply all IFRSs and statements approved by the EU as far as possible within the framework of the Annual Accounts Act and with regard to the connection between accounting and taxation. The recommendation states which exceptions and additions are to be made from IFRS. Previously, the Parent Company applied the Swedish Accounting Standards Board's general advice 2012: 1 Annual Report and Consolidated Accounts (K3) and the Swedish Annual Accounts Act. The transition date to RFR 2 has been set to January 1st 2022, which means that the comparative figures for the 1st quarter 2021 and the financial year 2021 have been recalculated in accordance with RFR 2. Description and quantification of transition effects are presented in Note 6.

### New standards, interpretations, and amendments not yet effective

There is a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the group has decided not to adopt early. None of these are expected to have a significant impact of the financial reports of the group.

### Consolidation

Subsidiaries are all entities over which the group has control. Control exists when Qlife is exposed to variability in returns from its investments in another entity and has the ability to affect those returns through its power over the other entity. Intragroup transactions and balances between the consolidated group undertakings are eliminated. The group undertakings are included in the consolidated accounts as from the date on which control is transferred to Qlife and are no longer consolidated as from the date on which control ceases.

### Receivables and liabilities in foreign currencies

The functional currency of the parent company and the reporting currency of the group is Swedish Kronor (SEK). Items in the financial reports of the different entities in the group are measured in the currency of the financial environment where each entity operates (functional currency). Transactions in foreign currencies are translated to the functional currency at the average rate for the period. Currency exchange gains and losses which arise on payment of those transactions and in translation of monetary assets and liabilities in foreign currency at closing rate, are recognized in the operating profit/loss. Foreign exchange gains and losses applicable to liabilities and cash are recognized as financial income or financial expense in the income statement. In the consolidation, assets and liabilities of foreign subsidiaries are translated at the closing rate. Revenue and expenses are translated at the average exchange rate for the reporting period. Foreign exchange rate differences are recognized as other comprehensive income, as part of the translation reserve.

### Segment information

An operating segment is a part of a group that conducts operations from which it can generate revenue and incur costs and for which independent financial information is available. The group's

division into operating segments is in line with the internal reports that the group's highest executive decision-makers use to monitor operations and allocate resources between operating segments. The CEO is the group's highest executive decision-maker. In Qlife, it is therefore the reports that the CEO receives on the results in different parts of the group that form the basis for the segment information. Currently one segment has been identified in the group; SARS-CoV-2. Segment information is provided only for the group.

### Revenue

The group reports revenues from sales of goods. Revenue recognition is performed in accordance with the five-step model specified in IFRS 15.

Grants that have been received before the conditions of the grant have been fulfilled are recognized as liabilities.

### Financial items

Interest income and interest expense are recognized in profit or loss by using the effective interest rate method. Financial expense is comprised of interest and other financing expenses.

### Employee benefits

Employee benefits such as salaries and social expenses, paid vacation and paid sick leave are recognized as expenses in the period when the employees have performed services to Qlife. Post-employment benefits are funded with defined contribution plans. Plans where Qlife's obligation is limited to the agreed fee are defined as defined contribution plans. For those plans, the size of the employee benefit depends on the fees paid by Qlife to the plan and the return on that capital, thus the employee takes the actuarial risk and the investment risk. Qlife's obligation for fees to defined contribution plans are recognized as expenses in the period when the employees have performed services to Qlife.

### Income taxes

The item "Income tax expense" in the income statement

comprises current and deferred income tax. The current tax expense is the expected tax expense on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are recognized, using the balance sheet method, for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognized for temporary differences arising on initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Deferred tax assets are recognized only to the extent that there is a high probability that future taxable profits will be available against which the temporary differences, tax losses carry forward and unused tax credits can be utilized.

### Intangible assets

Separate acquisitions

Separately acquired intangible assets are recognized at cost less accumulated amortization and impairment. The assets are depreciated on a straight-line basis over the estimated useful life of the asset. Current estimated useful life for patents is 5 years.

#### *Internally generated intangible assets*

Product development is divided into a research phase and a development phase. All expenses during the research phase are recognized as expenses in the income statement as they are incurred. All expenditures are capitalized if the following conditions are fulfilled:

It is technically feasible to complete the intangible asset so that it will be available for use or sale

- The group has the intention of completing the asset
- The group has the ability to use or sell the asset
- It is probable that the asset will generate future economic benefits

- The group has the adequate technical, financial and other resources to complete the development and to use or sell the intangible asset
- The expenditure attributable to the asset can be reliably measured

Capitalized directly attributable expenses include employee expenses, expenses for services and direct material. At each balance sheet date internally generated intangible assets are recognized at cost less accumulated amortization and impairment. Amortization begins when the asset can be taken into use. Capitalized expenses are depreciated on a straight-line basis over an estimated useful life of five years.

#### *Reassessment of useful life*

Estimated useful lives and amortization methods are reassessed when there is an indication of a change since the estimate on the prior balance sheet date. The effect of changes in estimates are recognized forward-looking. Amortization begins when the asset can be taken into use.

#### *Removal from the balance sheet*

An intangible asset is removed from the balance sheet when the asset is scrapped or sold or when no future economic advantages are expected from the use of the asset. Any profit or loss that arises upon removal of the asset from the balance sheet is the difference between consideration received, after deduction of direct selling expenses, and the carrying amount of the asset. This profit or loss is recognized as other operating income or other operating expenses.

### Tangible assets

Tangible assets are recognized at cost less accumulated amortization and impairment. Cost includes all expenditure directly attributable to bringing the asset to the location and condition necessary for its intended use. The cost also includes the estimated cost of its dismantlement, removal or restoration. Additional expenses that qualify for asset recognition are added to the carrying amount of the asset. Expenses for repairs are recognized as expenses as they are incurred. Tangible assets are depreciated

on a straight-line basis over the estimated useful life of the asset. Amortization begins when the asset can be taken into use. Tangible assets of the group consist of equipment and have an estimated useful life of 5-10 years.

Any profit or loss from sales of a tangible asset is recognized as Other operating income or Other operating expenses.

### Impairment of intangible and tangible assets

At each balance sheet date, the group analyzes the carrying amounts of tangible and intangible assets to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount is calculated in order to determine the amount of an impairment. If the recoverable amount for an individual asset cannot be determined, the recoverable amount is calculated for the cash-generating unit to which the asset belongs. Development not yet taken into use are not amortized but tested for impairment annually irrespective of any indications of impairment.

The recoverable amount is the highest of fair value less costs of disposal and the value in use of the asset. Fair value less costs of disposal is the price expected to be received in a transaction less costs directly attributable to the transaction. When determining value in use future cash flows are discounted to present value using a discount rate before tax reflecting current market conditions of the time value of money and the risks associated with the asset.

At each balance sheet date, the group estimates whether a previous impairment is no longer motivated. If this is the case, the impairment is reversed. A reversal of an impairment is recognized in the income statement.

### The group as a lessee

The group has lease agreements for premises and production equipment. The group recognizes all lease agreements in the balance sheet as a lease liability for the obligation to pay future fixed lease payments, and a right-of-use asset reflecting the right to use an underlying asset. The lease liability is recognized at amortized cost using the effective interest rate method which

distributes lease payments between amortization of the lease liability and interest expense. Lease liabilities are recognized as the present value of all remaining lease payments in the balance sheet and includes the following lease payments:

- Fixed payments
- Variable payments that depend on an index or a rate
- The exercise price of a purchase option if the group is reasonably certain to exercise that option

The lease liability is measured as the lease payments discounted with the incremental borrowing rate of the lessee. To calculate the lease liability, the lease payments are discounted with the implicit interest in the lease agreement. If this interest rate cannot be easily determined, the lessee's marginal borrowing rate is used.

The right-of-use asset is measured at cost and recognized at the amount of the lease liability with adjustment for initial expenses and expenses for restoring the lease asset according to the lease agreement. Right-of-use assets are amortized on a straight-line basis over the shortest of the useful life of the asset or the lease term. If the group is reasonably certain to exercise a purchase option, the right-of-use asset is amortized over the useful life of the underlying asset.

The group has chosen not to report in the statement of financial position leasing agreements for which the underlying asset is of low value or with a leasing period (including an extension period that the group is reasonably sure is expected to utilize) of less than 12 months. The group reports leasing fees that are covered by the exemption rules as a leasing cost on a straight-line basis over the leasing period. The group has chosen to apply the practical solution that gives a lessee the opportunity to choose not to separate leasing components from non-leasing components for premises leases and instead report each leasing component and non-leasing component as a single leasing component.

### Financial instruments

The group's financial instruments consist of:

- Accounts receivable

- Short-term investments
- Cash and bank
- Liabilities to credit institutions
- Other long-term liabilities
- Accounts payable

The group has no derivatives and does not use hedge accounting.

### Financial assets

#### *Financial assets at amortized cost*

Assets in this category primarily arise from the sales of goods and services to customers but also include other types of financial assets where the objective is to hold the assets to collect the contractual cash flows and these cash flows are exclusively payments of principal and interest. These assets are initially recognized at fair value plus costs of transaction directly attributable to the acquisition, and are carried at amortized cost in subsequent periods, using the effective interest rate method.

#### *Impairment*

Impairment requirements for account receivables are reported based on the simplified approach using the expected credit losses for the entire remaining life of the contract. To calculate the credit loss reserve on accounts receivable, the group uses a matrix. The historical loss rates are adjusted to reflect current and forward-looking information that affects customers' ability to pay the claim. For account receivables, which are reported net, provisions are reported in a separate reserve for feared customer losses, and the cost is reported as a sales cost in the income statement. Upon confirmation that the accounts receivable will not be payable by the customer, the gross value of the asset is depreciated against the associated reserve. The group has historically reported low customer losses, customer loans are relatively short-term, and the company has relatively few unpaid outstanding overdue accounts receivable. The credit risk is assessed as low.

#### *Cash and cash equivalents*

Cash and cash equivalents include cash, bank deposits, other short-term high-liquidity investments with original maturities of three months or less. Cash and cash equivalents in the cash flow

analysis also include, for example, overdrafts on bank accounts and overdraft facilities. However, these are reported as current liabilities in the consolidated balance sheet.

*Financial assets valued at fair value via the income statement*  
Financial assets valued at fair value via the income statement refer to the group's holdings in listed shares. All changes in value in these items are reported directly in the income statement.

### Financial liabilities

The financial liabilities are classified and valued as liabilities valued at accrued acquisition value. Financial liabilities include the following items:

- Bank loans and other loans are initially reported at fair value less transaction costs directly attributable to the instrument's issue. These interest-bearing liabilities are then measured at amortized cost using the effective interest method, which ensures that the interest expense is calculated based on a fixed interest rate on the reported amount of the liability in the balance sheet. The reported effective interest rate includes initial transaction costs and any premiums to be paid upon redemption as well as interest or coupons that are paid while the debt is outstanding.
- Accounts payable are obligations to pay for goods or services that have been acquired in the current accounts. Accounts payable and are classified as current liabilities if they fall due within a year or earlier (or during the normal business cycle if this is longer).

### Inventories

Inventories have been valued according to the lowest value principle, i.e. at the lower of acquisition value and net sales value. The acquisition value consists of direct cost of goods, direct salary, and attributable indirect manufacturing costs (based on normal manufacturing capacity). The acquisition value for individual items in the inventory is distributed based on weighted average costs calculated according to the manufacturing price calculation. In determining the acquisition value, the first-in first-out principle has been applied. The net sales value consists of estimated sales value less estimated sales cost.

### Provisions

Provisions are recognized when the group has a present obligation as a result of a past event and it is likely that payments will be required to settle the obligation. One condition is that it is possible to make a reliable estimate of the amount to be paid. The provisions are calculated as the present value of the amounts expected to be paid to settle the obligation. In the calculation, a discount rate before tax is used, reflecting a current valuation of the time value of money and of the risks associated with the provision. Any increase in the provision caused by the passage of time is accounted for as a financial expense.

### Contingent liabilities

The group provides information on contingent liabilities if there is a possible commitment that is confirmed only by several uncertain future events and it is not probable that an outflow of resources is required or that the size of the commitment cannot be determined with sufficient certainty.

### Contingent assets

The group provides information on contingent assets as a result of events that have occurred, the occurrence of which will only be confirmed by the occurrence or absence of one or more uncertain future events, which are not entirely within the company's control.

### Statement of cash flows

The group prepares its statement of cash flows using the indirect method, whereby adjustments have been made for transactions not generating any payments during the reported period. Adjustments have also been made for cash flows of revenue and expenses belonging to investment or financing activities.

### Earnings per share

Basic earnings per share are calculated by dividing the profit or loss attributable to shareholders of the parent company by the weighted average number of ordinary shares outstanding during the period. For the periods reported there were no potential ordinary shares requiring an adjustment for dilution.

## NOTE 2

### IMPORTANT SOURCES OF UNCERTAINTY IN ESTIMATES

#### Important sources of uncertainty in estimates

The most important assumptions about the future and other important sources of uncertainty in estimates as of the balance sheet date, which entails a significant risk of significant adjustments in reported values of assets and liabilities during the coming financial year, are described below.

#### Important assessments when applying the group's accounting principles

The following sections describe the most important assessments, in addition to those that include estimates (see above), that management has made in applying the group's accounting principles and that have the most significant effect on the reported amounts in the financial statements. Intangible assets - capitalization of development expenses The group conducts development activities. An intangible asset that arises through development shall only be recognized as an asset in the balance sheet if all the conditions in IAS 38 are met. For each development project, the group's management team takes an ongoing position on whether there are conditions for selling the finished product and whether there are technical expertise and financial resources to complete the supply.

## NOTE 3

### TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties refer to transactions in the form of remuneration to senior executives, in accordance with what is stated in the annual report for 2021 on page 43 note 2. The members of the Board are remunerated in accordance with a resolution at the Annual General Meeting.



## NOTE 4 FAIR VALUE OF FINANCIAL INSTRUMENTS

Below is information on how fair value has been determined for the financial instruments that are valued at fair value in the statement of financial position. The division of how fair value is determined is made on the basis of the following three levels:

- Level 1: according to prices quoted on an active market for the same instrument
- Level 2: based on directly or indirectly observable market data not included in level 1
- Level 3: based on input data that is not observable on the market.

Qlife's financial instruments mainly consist of accounts receivable, positive derivative instruments (classified as financial assets/short-term investments), cash and cash equivalents, borrowing, leasing liabilities, accounts payable and accrued expenses. Derivative instruments with a positive value are repeatedly valued at fair value, where fair value is determined in accordance with level 1. There have been no transfers between level 1 and level 2 for recurring valuations at fair value during the quarter.

For financial assets and other financial liabilities, the reported values are judged to be a good approximation of the fair values due to the maturity and/or fixed interest rate being less than six months, which means that a discount based on current market conditions is not considered to lead to any significant effect.

## NOTE 5 COMPOSITION OF INCOME

### SARS-CoV-2 sales revenue Q1 2022

kSEK	
Sweden	7,875
Finland	2,679
Other countries	351
<b>Total Sales</b>	<b>10,905</b>

## NOTE 6 TRANSITION TO IFRS

Qlife Holding AB has previously applied the Annual Accounts Act and BFNAR 2012: 1 Annual Report and Consolidated Accounts ("K3"). As of 1 January 2022, Qlife Holding AB prepares its annual and consolidated financial statements in accordance with EU approved International Financial Reporting Standards (IFRS) and interpretations from the IFRS Interpretations Committee (IFRIC).

The transition date to IFRS has been set for January 1, 2022. The transition to IFRS is reported in accordance with IFRS 1 The first time International Financial Reporting Standards are applied. The main rule in IFRS 1 is that a company applies all advice retroactively when determining the opening balance. However, there are some mandatory and voluntary exceptions to the retroactive application. The Group has chosen to apply the following exceptions:

- Inventory value of finished products has been recorded inclusive of production labor, but excl. other indirect production cost in the opening balance as per Jan 1<sup>st</sup> 2022.

## RESTATEMENTS TO GROUP FINANCIAL STATEMENTS

In the following tables, the effects assessed by the company management on the Group's income statement & balance sheet at the transition to IFRS for the group are presented and quantified for the financial years 2020 and 2021. The effect on the financial reports for Q1 2021 has also been included as these are used as reference for the Q1 2022 report. The following adjustments have been made in the transition to IFRS for the Group reflecting the elimination of goodwill and activation of leasing contracts:

### Group - Consolidated Income Statement

kSEK	K3 Jan-Dec 2021	Adjustment to IFRS		IFRS Jan-Dec 2021	K3 Jan-Dec 2020	Adjustment to IFRS		IFRS Jan-Dec 2020
		Goodwill	Leasing			Goodwill	Leasing	
Revenue	39.613			39.613	20.750			20.750
<b>Total operating income</b>	<b>39.613</b>			<b>39.613</b>	<b>20.750</b>			<b>20.750</b>
<b>Operating expenses</b>								
Changes in inventories of finished goods	1.161			1.161	0			0
Capitalized development costs	25.581			25.581	21.886			21.886
Raw materials and consumables	-21.814			-21.814	-6.953			-6.953
Other external expenses	-40.056		331	-39.725	-30.826		159	-30.667
Personnel costs	-39.869			-39.869	-24.279			-24.279
<b>Total Operating expenses</b>	<b>-74.997</b>		331	<b>-74.666</b>	<b>-40.172</b>		159	<b>-40.013</b>
<b>EBITDA</b>	<b>-35.383</b>		331	<b>-35.052</b>	<b>-19.422</b>		159	<b>-19.263</b>
Amortization and depreciation	-19.479	10.855	-189	-8.813	-11.902	10.855	-92	-1.139
<b>EBIT</b>	<b>-54.862</b>	<b>10.855</b>	<b>142</b>	<b>-43.865</b>	<b>-31.324</b>	<b>10.855</b>	<b>67</b>	<b>-20.402</b>
Net financial income and expenses	-1.478		-77	-1.555	-615		-39	-654
<b>Loss before tax</b>	<b>-56.340</b>	<b>10.855</b>	<b>65</b>	<b>-45.420</b>	<b>-31.939</b>	<b>10.855</b>	<b>28</b>	<b>-21.056</b>
Tax	7.503			7.503	11.739			11.739
<b>Net loss for the period</b>	<b>-48.838</b>	<b>10.855</b>	<b>65</b>	<b>-37.918</b>	<b>-20.200</b>	<b>10.855</b>	<b>28</b>	<b>-9.317</b>
<i>Earnings per share before and after dilution - SEK</i>	-3,83			-2,97	-1,91			-0,88
<i>Weighted average number of shares in the period before dilution</i>	12.766.840			12.766.840	10.548.385			10.548.385
<i>Weighted average number of shares in the period after dilution</i>	13.477.948			13.477.948	13.455.793			13.455.793
<i>Total number of shares end of fourth quarter 2021</i>	15.484.927			15.484.927	11.174.438			11.174.438

## Group - Consolidated Income Statement

kSEK	K3	Adjustment to IFRS		IFRS
	Jan-Mar, Q1 2021	Goodwill	Leasing	Jan-Mar, Q1 2021
Revenue	11.176			11.176
<b>Total operating income</b>	<b>11.176</b>			<b>11.176</b>
<b>Operating expenses</b>				
Changes in inventories of finished good	1.012			1.012
Capitalized development costs	5.417			5.417
Raw materials and consumables	-4.586			-4.586
Other external expenses	-8.236		83	-8.153
Personnel costs	-7.980			-7.980
<b>Total Operating expenses</b>	<b>-14.373</b>		83	<b>-14.290</b>
<b>EBITDA</b>	<b>-3.197</b>			<b>-3.114</b>
Amortization and depreciation	-4.528	2.714	-47	-1.861
<b>EBIT</b>	<b>-7.725</b>	<b>2.714</b>	<b>36</b>	<b>-4.975</b>
Net financial income and expenses	-673		-21	-694
<b>Loss before tax</b>	<b>-8.398</b>	<b>2.714</b>	<b>15</b>	<b>-5.669</b>
Tax	1.691			1.691
<b>Net loss for the period</b>	<b>-6.707</b>	<b>2.714</b>	<b>15</b>	<b>-3.978</b>
<i>Earnings per share before and after dilution - SEK</i>	<i>-0,60</i>			<i>-0,36</i>
<i>Weighted average number of shares in the period before dilution</i>	<i>11.174.438</i>			<i>11.174.438</i>
<i>Weighted average number of shares in the period after dilution</i>	<i>14.084.846</i>			<i>14.084.846</i>
<i>Total number of shares end of first quarter 2021</i>	<i>11.174.438</i>			<i>11.174.438</i>

## Group - Consolidated Balance sheet

kSEK	K3	Adjustment to IFRS		IFRS	K3	Adjustment to IFRS		IFRS
	Dec. 31, 2021	Goodwill	Leasing	Dec. 31, 2021	Dec. 31, 2020	Goodwill	Leasing	Dec. 31, 2020
<b>ASSETS</b>								
<u>Intangible fixed assets</u>								
Capitalized development costs	55.193			55.193	35.254			35.254
Goodwill	30.757	-30.757		0	41.612	-41.612		0
<b>Total Intangible fixed assets</b>	<b>85.950</b>	<b>-30.757</b>		<b>55.193</b>	<b>76.866</b>	<b>-41.612</b>		<b>35.254</b>
<u>Tangible fixed assets</u>								
Manufacturing equipment and fixtures	4.301		1.113	5.414	5.167		1.302	6.469
<b>Total Tangible fixed assets</b>	<b>4.301</b>		<b>1.113</b>	<b>5.414</b>	<b>5.167</b>		<b>1.302</b>	<b>6.469</b>
<b>Total fixed assets</b>	<b>90.251</b>	<b>-30.757</b>	<b>1.113</b>	<b>60.607</b>	<b>82.033</b>	<b>-41.612</b>	<b>1.302</b>	<b>41.723</b>
<u>Current assets</u>								
<b>Inventory</b>	<b>8.309</b>			8.309	<b>5.377</b>			5.377
<b>Receivables</b>				0				0
Accounts receivables	2.755			2.755	9329			9.329
Other receivables	3.885			3.885	359			359
Tax receivables	7.564			7.564	7.421			7.421
Prepaid expenses and accrued income	7.211			7.211	1.848			1.848
<b>Total receivables</b>	<b>21.415</b>			<b>21.415</b>	<b>18.956</b>			<b>24.333</b>
<b>Cash and cash equivalents</b>	<b>73.461</b>			73.461	<b>20.822</b>			20.822
<b>Total current assets</b>	<b>103.185</b>			103.185	<b>45.156</b>			45.156
<b>TOTAL ASSETS</b>	<b>193.435</b>	<b>-30.757</b>	<b>1.113</b>	<b>163.791</b>	<b>127.189</b>	<b>-41.612</b>	<b>1.302</b>	<b>86.879</b>

kSEK	K3	Adjustment to IFRS		IFRS	K3	Adjustment to IFRS		IFRS
	Dec. 31, 2021	Goodwill	Leasing	Dec. 31, 2021	Dec. 31, 2020	Goodwill	Leasing	Dec. 31, 2020
<b>EQUITY AND LIABILITIES</b>								
<u>Equity</u>								
Share Capital	1.239			1.239	894			894
Other equity	237.007	-54.277		182.730	116.164	-54.277		61.887
Retained earnings	-75.067	23.520	94	-51.453	-27.509	12.665	28	-14.816
<b>Total equity</b>	<b>163.179</b>	<b>-30.757</b>	<b>94</b>	<b>132.516</b>	<b>89.549</b>	<b>-41.612</b>	<b>28</b>	<b>47.965</b>
<u>Long term liabilities</u>								
Loan from credit institution	3.702		1.019	4.721	3.348		1.274	4.622
<b>Total long term liabilities</b>	<b>3.702</b>		<b>1.019</b>	<b>4.721</b>	<b>3.348</b>		<b>1.274</b>	<b>4.622</b>
<u>Short term liabilities</u>								
Prepayments from customers	0			0	600			600
Loan from credit institution	0			0	700			700
Accounts payables	10.027			10.027	11.607			11.607
Other liabilities	1.091			1.091	18.222			18.222
Accrued expenses and deferred income	15.436			15.436	3.163			3.163
<b>Total short term liabilities</b>	<b>26.554</b>			<b>26.554</b>	<b>34.292</b>			<b>34.292</b>
<b>Total liabilities</b>	<b>30.256</b>		<b>1.019</b>	<b>31.275</b>	<b>37.640</b>			<b>38.914</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>193.435</b>	<b>-30.757</b>	<b>1.113</b>	<b>163.791</b>	<b>127.189</b>	<b>-41.612</b>	<b>1.302</b>	<b>86.879</b>

## Group - Consolidated Balance sheet

kSEK	K3	Adjustment to IFRS		IFRS
	Mar. 31, 2021	Goodwill	Leasing	Mar. 31, 2021
<b>ASSETS</b>				
<u>Intangible fixed assets</u>				
Capitalized development costs	39,704			39,704
Goodwill	38,898	-38,898		0
<b>Total Intangible fixed assets</b>	<b>78.602</b>	<b>-38.898</b>		<b>39.704</b>
<u>Tangible fixed assets</u>				
Manufacturing equipment and fixtures	4,649		1,255	5,904
<b>Total Tangible fixed assets</b>	<b>4.649</b>		<b>1.255</b>	<b>5.904</b>
<b>Total fixed assets</b>	<b>83.251</b>	<b>-38.898</b>	<b>1.255</b>	<b>45.608</b>
<u>Current assets</u>				
<b>Inventory</b>	<b>6.244</b>			<b>6.244</b>
<b>Receivables</b>				
Accounts receivables	10,832			10,832
Other receivables	199			199
Tax receivables	9,282			9,282
Prepaid expenses and accrued income	2,028			2,028
<b>Total receivables</b>	<b>22.340</b>			<b>22.340</b>
<b>Cash and cash equivalents</b>	<b>9.598</b>			<b>9.598</b>
<b>Total currents assets</b>	<b>38.182</b>			<b>38.182</b>
<b>TOTAL ASSETS</b>	<b>121.433</b>	<b>-38.898</b>		<b>83.790</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share Capital	894			894
Other equity	116,262	-54,277		61,985
Retained earnings	-33,194	15,379	44	-17,771
<b>Total equity</b>	<b>83.962</b>	<b>-38.898</b>		<b>45.108</b>
<u>Long term liabilities</u>				
Loan from credit institution	4,222		1,211	5,433
<b>Total long term liabilities</b>	<b>4.222</b>		<b>1.211</b>	<b>5.433</b>
<u>Short term liabilities</u>				
Prepayments from customers	612			612
Accounts payables	5,631			5,631
Short term loans	15,494			15,494
Other liabilities	5,748			5,748
Accrued expenses and deferred income	5,763			5,763
<b>Total short term liabilities</b>	<b>33.249</b>			<b>33.249</b>
<b>Total liabilities</b>	<b>37.471</b>			<b>38.682</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>121.433</b>	<b>-38.898</b>		<b>83.790</b>

## Group - Statement of changes in shareholders equity

kSEK	Share capital	Other paid in capital	Retained earnings	Total shareholders equity
<b>Equity at January 1, 2020</b>	<b>536</b>	<b>67.572</b>	<b>-5.630</b>	<b>62.478</b>
Share Issue	358	54,655		<b>55.013</b>
Issuance costs		-6,063		<b>-6.063</b>
Warrant programmes			86	<b>86</b>
Profit / Loss per December 31, 2020			-20,200	<b>-20.200</b>
Foreign exchange rate adjustment			-1,765	<b>-1.765</b>
<b>Equity at December 31, 2020</b>	<b>894</b>	<b>116.164</b>	<b>-27.509</b>	<b>89.549</b>
<b>Adjustments IFRS</b>				
Depreciation Goodwill		-54,277		-54,277
Retained earnings			1,810	1,810
Profit /loss			10,883	10,883
<b>Equity at December 31, 2020</b>	<b>894</b>	<b>61.887</b>	<b>-14.816</b>	<b>47.965</b>
<b>Equity at January 1, 2021</b>				
<b>Equity at January 1, 2021</b>	<b>894</b>	<b>116.164</b>	<b>-27.509</b>	<b>89.549</b>
Share Issue	345	127,330		<b>127.675</b>
Issuance costs		-6,731		<b>-6.731</b>
Warrant programmes		244	204	<b>448</b>
Profit / Loss per December 31, 2021			-48,838	<b>-48.838</b>
Foreign exchange rate adjustment			1,076	<b>1.076</b>
<b>Equity at December 31, 2021</b>	<b>1.239</b>	<b>237.007</b>	<b>-75.067</b>	<b>163.179</b>
<b>Adjustments IFRS</b>				
Depreciation Goodwill		-54,277		-54,277
Retained earnings			12,693	12,693
Profit /loss			10,921	10,921
<b>Equity at December 31, 2021</b>	<b>1.239</b>	<b>182.730</b>	<b>-51.453</b>	<b>132.516</b>

## RESTATEMENTS TO PARENT COMPANY FINANCIAL STATEMENTS

In the following tables, the effects assessed by the company management on the Parent Company's income statement & balance sheet at the transition to IFRS are presented and quantified for the financial year 2020 and for Q1 2021. The effect on the financial reports for Q1 2021 has also been included as these are used as reference for the Q1 2022 report. The following adjustments have been made in the transition to IFRS for the Parent Company representing activation of facilitation fee on a short term loan.

### Parent - Income Statement

kSEK	Jan-Mar, Q1			Jan-Dec		
	K3 2021	Adjustm IFRS	IFRS 2021	K3 2020	Adjustm IFRS	IFRS 2020
Revenue	175		175	700		700
Other external costs	-770		-770	-2.894	900	-1.994
Personnel costs	-164		-164	-702		-702
<b>Operating result</b>	<b>-760</b>		<b>-760</b>	<b>-2.896</b>	<b>900</b>	<b>-1.996</b>
Depreciation of investment i subsidiary	-		-	-40.476		-40.476
Net financial income and expenses	-465	-459	-924	182	-41	141
<b>Loss before tax</b>	<b>-1.224</b>	<b>-459</b>	<b>-1.683</b>	<b>-43.190</b>	<b>859</b>	<b>-42.331</b>
Tax	0		0	0	0	0
<b>Net loss for the period</b>	<b>-1.224</b>	<b>-459</b>	<b>-1.683</b>	<b>-43.190</b>	<b>859</b>	<b>-42.331</b>



**Parent - Balance sheet**

kSEK	Mar. 31, 2021			Dec. 31, 2020		
	K3	Adjustm	IFRS	K3	Adjustm	IFRS
<b>ASSETS</b>						
<u>Financial fixed assets</u>						
Shares in subsidiary	68.024		68.024	68.024		68.024
<b>Total financial fixed assets</b>	<b>68.024</b>		<b>68.024</b>	<b>68.024</b>		<b>68.024</b>
<b>Total fixed assets</b>	<b>68.024</b>		<b>68.024</b>	<b>68.024</b>		<b>68.024</b>
<u>Current assets</u>						
<b>Receivables</b>						
Receivables from subsidiary	17.193		17.193	5.168		5.168
Other receivables	199		199	171		171
Prepaid expenses and accrued income	149		149	8		8
<b>Total receivables</b>	<b>17.540</b>		<b>17.540</b>	<b>5.347</b>		<b>5.347</b>
<b>Cash and cash equivalents</b>	<b>2.822</b>		<b>2.822</b>	<b>15.527</b>		<b>15.527</b>
<b>Total current assets</b>	<b>20.362</b>		<b>20.362</b>	<b>20.874</b>		<b>20.874</b>
<b>TOTAL ASSETS</b>	<b>88.386</b>		<b>88.386</b>	<b>88.898</b>		<b>88.898</b>
<b>EQUITY AND LIABILITIES</b>						
<u>Equity</u>						
Share Capital	894		894	894		894
Share premium	48.592		48.592	48.592		48.592
Other paid in capital	235		235	182		182
Retained earnings	23.411	859	24.270	66.601		66.601
Profit / Loss	-1.224	-459	-1.683	-43.190	859	-42.331
<b>Total equity</b>	<b>71.908</b>	<b>400</b>	<b>72.308</b>	<b>73.079</b>	<b>859</b>	<b>73.938</b>
<u>Short term liabilities</u>						
Accounts payables	98		98	198		198
Short term loan	15.494	-400	15.094	15.004	-859	14.145
Accrued expenses and deferred income	886		886	617		617
<b>Total short term liabilities</b>	<b>16.478</b>	<b>-400</b>	<b>16.078</b>	<b>15.819</b>	<b>-859</b>	<b>14.960</b>
<b>Total liabilities</b>	<b>16.478</b>	<b>-400</b>	<b>16.078</b>	<b>15.819</b>	<b>-859</b>	<b>14.960</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>88.385</b>	<b>0</b>	<b>88.385</b>	<b>88.898</b>	<b>0</b>	<b>88.898</b>

