

# Important information for investors regarding the issue of units in Qlife Holding AB in light of the Screening of Foreign Direct Investments Act (2023:560)

The Screening of Foreign Direct Investments Act (*Sw. lagen (2023:560) om granskning av utländska direktinvesteringar*) (the “FDI-Act”) entered into force on 1 December 2023. Qlife Holding AB (the “Company” or “Qlife”) is covered by the FDI-Act. Important information for investors regarding the notification obligation for certain investments which may be applicable in connection with the issue of units in Qlife is provided below.

## BACKGROUND

The FDI-Act aims to prevent foreign direct investments in Swedish protected activities, which could potentially cause harm to Swedish security, public order or public safety in Sweden.

Foreign direct investments are investments made by:

- (i) Natural persons with citizenship in a non-EU state;
- (ii) Legal entities with a registered office in a non-EU state;
- (iii) Legal entities directly or indirectly owned or controlled by a non-EU state; or
- (iv) Legal entities directly or indirectly owned or controlled by a legal entity with a registered office in a non-EU state, or by a natural person with citizenship in such a state.

Investments made on behalf of anyone covered by any of the categories above are also considered to be foreign direct investments.

The Inspectorate of Strategic Products (“ISP”) is the responsible supervisory authority. The FDI-Act introduces a mandatory and suspensory obligation to notify certain investments in protected activities, meaning that notifiable investments must not be concluded before the ISP has decided to either authorise the investments or decline to act upon the notifications.

The obligation to notify applies to all investors regardless of their nationality, registered office, or ownership structure. However, the ISP is only able to prohibit foreign direct investments, which means that the ISP may not hinder investments made by Swedish or EU investors (these investments only need to be notified to the authority). In the event an investment is carried out in violation of the provisions of the FDI-Act, the ISP may decide to impose administrative fines.

## QLIFE IS COVERED BY THE FDI-ACT

The FDI-Act applies to companies conducting protected activities. Protected activities refers to a number of different activities, inter alia essential services. The Swedish Civil Contingencies Agency (“MSB”) has issued regulations defining which type of activities are considered essential services.

According to MSB’s regulations, manufacturing of medical devices is considered an essential service. Qlife is a med-tech company developing and manufacturing a medical technology platform for testing clinical biomarker data at home and is therefore deemed to be engaged in protected activities under the FDI-Act. Qlife’s obligation to inform investors that the FDI-Act applies to the Company’s activities is fulfilled through this information document.

## **CONSEQUENCES FOR INVESTORS OF THE APPLICABILITY OF THE FDI-ACT ON QLIFE**

According to the FDI-Act, investments in Qlife must be notified to the ISP if the investor, anyone in the investor's ownership structure, or anyone on behalf of which the investor is acting, acquires votes in the Company equalling or exceeding 10, 20, 30, 50, 65 or 90 per cent, as a result of the investment. Investments are also notifiable if they in any other way would give the investor, anyone in the investor's ownership structure or anyone on behalf of which the investor is acting a direct or indirect influence on the management of Qlife.

The notification obligation also covers investments carried out by new issues (however, see exception for issues with preferential rights below).

When calculating the number of votes in accordance with the above, votes held directly or indirectly by a related party shall be included. Related parties are defined as spouses, registered partners, common-law spouses, parents and children, as well as the spouses, registered partners and common-law spouses of any children.

Investments in Qlife must be notified by each investor before the investment is concluded, but not before the investment is imminent.

### **EXCEPTION FOR ISSUES WITH PREFERENTIAL RIGHTS**

A notification according to the above is not required for the acquisition of shares, warrants and/or convertibles that are acquired in an issue with preferential rights in relation to the number of shares in Qlife held by the investor. Consequently, the notification obligation does not apply to investors who in the current rights issue only subscribe for their pro rata right.

However, investors who subscribe for more than their pro rata right and thereby acquire votes in Qlife equalling or exceeding 10, 20, 30, 50, 65 or 90 per cent of the votes in the Company must notify the ISP before the investment can be concluded.

### **NOTIFICATION PROCEDURE**

The notification to the ISP can either be submitted via the authority's digital case management system *Kundwebben* (a separate log-in as well as civil registration in Sweden is required) or by sending a notification form by e-mail or mail to the authority. The form is available on the ISP's website ([www.isp.se/eng/foreign-direct-investment/](http://www.isp.se/eng/foreign-direct-investment/)) and can be completed in either Swedish or English.

Once a complete notification has been submitted to the ISP, the authority has 25 working days to decide to either leave the notification without action or initiate screening of the investment. If the ISP decides to initiate screening, the authority has an additional three months to issue a decision (this deadline may be extended to up to six months if special grounds exist). The investment may be concluded once the ISP has decided to either leave the notification without action or authorise the investment.

The submission of an incomplete notification does not cause the deadlines to start running. Therefore, it is important that investors, at the request of the ISP, provide the information or documents that the authority requires for its screening or to verify compliance with issued conditions.

The ISP requires information regarding inter alia the investor's ownership structure, information on the investment, and information on Qlife. Qlife will provide the information required by the Company for the notification.