

*The English text is an unofficial translation. In case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.*

## **Proposal for resolution on whether the company shall enter into liquidation or continue its operations**

The board of directors of Qlife Holding AB, Reg. No. 559224-8040, has prepared a balance sheet for liquidation purposes (Sw. kontrollbalansräkning) (the “**Liquidation Balance Sheet**”) as per 31 January 2024 according to Chapter 25 Section 13 of the Swedish Companies Act (Sw. aktieföretagslagen (2005:551)) and had it reviewed by the company’s auditor, who has issued a statement over the same.

The Liquidation Balance Sheet outlines that the company’s equity is less than half of the registered share capital. For this reason, the board of directors of the company is obliged to convene a general meeting (the first meeting for liquidation purposes). If the company’s equity at the time of the meeting does not amount to at least the registered share capital, the meeting shall consider whether the company should enter into liquidation or continue to run the business, which is why the board of directors proposes the following.

### **The board of directors’ primary proposal – continued operations**

In connection with the rights issue, which was completed in February 2024, the company issued shares and free of charge warrants in two series. Upon full exercise of all warrants of the first series issued within the framework of the rights issue, the company may in June 2024 receive additional capital contributions of a total of approximately SEK 21 million before issue costs. In addition, the board of directors has proposed that the company’s share capital shall be reduced by SEK 38,252,899.474350 to cover losses in accordance with item 8 on the agenda. The board of directors is hopeful that the above measures, potentially in combination with additional measures, will enable the company’s equity to be restored and against this background, the board of directors primarily proposes that the company shall not enter into liquidation, but that the company shall continue its operations. It is the opinion of the board of directors that the shareholders and the company are best served by the meeting resolving to continue the company’s operations in order to safeguard the company’s interests in the best possible way.

A decision to continue the business means that the general meeting shall be convened within eight months of this first meeting for liquidation purposes in order to re-examine the question of whether the company should enter into liquidation (second meeting for liquidation purposes). Prior to the second meeting for liquidation purposes, the board of directors shall prepare a new Liquidation Balance Sheet and have it reviewed by the company’s auditor. If this Liquidation Balance Sheet does not show that the equity has been restored and amounts to at least the registered share capital, the company is obliged to enter into liquidation.

### **The board of directors’ secondary proposal – liquidation**

Notwithstanding its primary proposal to continue the business operations, the board of directors is required pursuant to the Swedish Companies Act to also prepare a proposal for resolution on liquidation to be presented at the meeting. The board of directors therefore secondarily proposes, provided that the meeting does not resolve that the company shall continue its operations in accordance with the above, that the meeting resolves that the company shall enter into liquidation.

The reason for the board of directors’ secondary proposal is that the company’s equity, according to the Liquidation Balance Sheet prepared by the board of directors, is less than half of the registered share capital. A resolution on liquidation is proposed to apply from the date on which the Swedish Companies Registration Office (Sw. Bolagsverket) has appointed a liquidator. The board of directors’ primary assessment is that the distribution is expected to take place within seven to twelve months of the Swedish Companies Registration

Office's decision on appointment of a liquidator. A distribution of proceeds is precautionarily not to be expected. The board of directors has no proposal for a liquidator.

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Helsingborg in March 2024

Qlife Holding AB (publ)

The Board of Directors