Qlife

INTERIM REPORT Q4

JANUARY – DECEMBER

YEAR END REPORT 2020

FINANCIAL CALENDAR

ANNUAL REPORT 2020	APRIL12, 2021
INTERIM REPORT FIRST QUARTER 2021	MAY 5, 2021
ANNUAL GENERAL MEETING 2021	MAY 5, 2021
INTERIM REPORT SECOND QUARTER 2021	AUGUST 16, 2021
INTERIM REPORT THIRD QUARTER 2021	NOVEMBER 8, 2021
YEAR END REPORT	FEBRUARY 17, 2022

SHAREHOLDER INFORMATION

LISTING	NASDAQ FIRST NORTH GROWTH MARKET, STOCKHOLM
TICKER SHARE	QLIFE
TICKER WARRANT	QLIFE TO1
ISIN SHARE	SE0013486552
ISIN WARRANT	SE0013719333

CONTENT

Demand for COVID-19 tests remains

FINANCIAL SUMMARY – FOURTH QUARTER 2020*

- Revenue in the period amounted to kSEK 9,122 (0). Sales regards COVID-19 test capacity to customers mainly within sports, through the partner KMD.
- EBITDA for the period amounted to kSEK -6,501 (-3,645), and net loss kSEK -7,602 (-4,009).
- The total cash flow in the fourth quarter amounted to kSEK -1,013 (-5,817).
- Shareholders equity as of 31 December 2020 amounted to kSEK 89,549 (62,478).
- Earnings per share before/after dilution for the fourth quarter amounted to SEK -0,68 (-46,66), calculated on weighted average number of shares in the period.

FINANCIAL SUMMARY – JANUARY-DECEMBER 2020*

- Revenue in the period amounted to kSEK 20,750 (714). Sales mainly regards COVID-19 test capacity to customers within sports, through the partner KMD.
- EBITDA for the period amounted to kSEK -19,422 (-10,682) and net loss kSEK -20,200 (-11,624).
- 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.
- The total cash flow for the year amounted to kSEK 15,253 (840).
- Earnings per share before/after dilution for the full year amounted to SEK -1,91 (-167,00), calculated on weighted average number of shares in the period.
- In May, Qlife applied for a tax credit of kSEK 4,062 under the Danish Tax credit scheme related to 2019. The amount was paid out in cash in June 2020. A new application for tax credit will be prepared for 2020 and the amount for January - December is estimated to kSEK 7,677 and is accounted as a tax receivable.

SIGNIFICANT EVENTS - FOURTH QUARTER 2020

- In October, Qlife announced that a delay had incurred in obtaining a CE mark for professional use on the COVID-19 tests in the Egoo Home system. The delay is caused by increased regulatory requirements.
- Qlife submitted an application to the Danish Medicines Agency (Lægemiddelstyrelsen) for placing the company's COVID-19 test on the market prior to CE-marking in a direct response to the pandemic. The application was rejected on 13th November. The Danish Medicines Agency saw no reason to grant an exemption for medical equipment that does not currently have a CE-mark when there are other diagnostic alternatives on the market.
- On 19th November, at an extraordinary shareholders meeting, it was decided to implement an Employee Option Program 2020 with a maximum of 185,000 employee stock options.
- In accordance with the decision at Qlife Holding's Annual General assembly a Nomination committee has been convened. The Nomination committee consist of the following persons; Sören Skjärbäk, Sören Amund Henriksen, Christian Månsson and Mette Gross.
- Qlife was selected supplier for all COVID-19 testing during the European women's handball tournament 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.
- Qlife raised loans of SEK 15 Million to increase the pace and scale up capsule production ahead of upcoming market launch.

* (Comparative figures 2019 Qlife Aps)

SIGNIFICANT EVENTS – FIRST TO THIRD QUARTER 2020

- In September, Qlife opened a streamlined testcenter at Symbion in Copenhagen. The testcenter has a capacity of up to 10,000 weekly tests, and is staffed 7 days a week by 5 FTE. Qlife is currently delivering 3,000 - 5,000 tests on a weekly basis.
- In september, Jakob Broberg Lind started his position as Global Sales Director Clinical.
- 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 Superligaen and NordicBet Ligaen, in Denmark.
- In cooperation with Geelmuyden Kiese (GK) and KMD, several international COVID-19 testing contracts have been closed within professional cycling.
- Qlife expanded their COVID-19 testing to include all professional handball in Denmark, as from August.
- Henrik Ljung was hired as CFO in Qlife Holding AB, as from 1st July.
- In cooperation with KMD, Qlife delivered testcapacity to Badminton Denmark to COVID-19 test all players in the final games 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. The test capacity is delivered by Qlife.
- In May, Qlife applied for a tax credit of kSEK 4,062 (relating to 2019) under the Danish Tax credit scheme. The amount was paid out in cash in June.
- Qlife Holding AB held its Annual General Meeting 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 Chairman of the Board. The Meeting resolved to elect the audit firm BDO Malmö as the company's auditor, with authorized public accountants Olof Andersson and Jörgen Lövgren as responsible auditors.
- 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.
- Qlife entered an agreement with Nordsjællands Hospital to start validation of COVID-19 test.
- Qlife entered a license and supply agreement with Aidian Oy focused on expanding the Egoo systems product portfolio with COVID-19 test.
- Qlife announced their strategic decision to develop the Egoo system's ability to perform both protein-based and molecular-based tests.
- Qlife Holding AB listed its shares and warrants at Nasdaq First North Growth Market, Stockholm, on March 2nd 2020.
- Qlife received CE-mark on the Egoo home system for professional use for its first biomarker capsule CRP/HB.

SIGNIFICANT EVENTS AFTER THE YEAR END 2020

- 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, and Qlife expects to complete the delivery in February 2021.
- The Danish Patent Office has granted Qlife patent number DK180348 B1 for its biomarker detection unit. The new patent is valid until 2039 and gives Qlife a stronger intellectual property position as the company enters commercialization.
- 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. The CE-mark covers the test platform Egoo.Health, i.e. mobile test unit, disposable capsules and software. The CE-mark enables the commercialization to begin immediately.

	Okt-Dec, Q4		Jan-Dec, Q1-Q4	
Group - Key figures - kSEK	2020	2019*	2020	2019*
Revenue	9,122	0	20,750	714
Total operating income	20,716	3,340	42,636	11,413
Total Operating expenses	-27,217	-6,985	-62,058	-22,095
EBITDA	-6,501	-3,645	-19,422	-10,682
Total cash flow	-1,013	-5,817	15,253	840
Cash reserve	20,822	4,044	20,822	4,044
Shareholders´ equity	89,549	62,478	89,549	62,478
Number of employees	34	14	34	14

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

Prepared for commercialization

Our focus during the quarter was on preparing documentation for our CE-mark, and just into the new year, we succeeded and placed a CE-mark on our Sars-CoV2- test in the Egoo.Health system. We now have a CE-marked product in accordance with the new IVDR, which brings us in a rather favorable situation to market the product.

Further, we made sure that Women's Handball World Cup was managed corona-safely. The tournament was a success without any Covid infectious outbreaks, which underpins that decentral PCR testing can aide in keeping important infrastructure and events open. We also continued to service the Danish premier football leagues as well as a range of other service customers.

GROWING DEMAND FOR ONSITE TESTING

The interest for our product is high from many different customer categories; hospitals, corporations, GPs, municipalities, health centers, sports world, private institutions, and many more. 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 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 9)

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 so with pandemic situations. With the CRP biomarker capsule, the Egoo 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.

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.

Qlife already has a development program for ALAT and a clinical program at Herlev Hospital targeted towards kidney cancer patients. The program has been on hold during the pandemic and we expect it to be reignited during 2021.

PRODUCTION OUTPUT

Qlife is currently at a Low-volume production stage with 15-50 devices per week. We plan to be able to reach a Mid-volume of 50-200 devices per week towards the end of the second quarter. To reach this level we are now investing in tools that can ease the manual assembly and upgrade production.

We have from an early stage aimed for outsourcing the device production, as 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 at a satisfactory level of 1,000-2,000 capsules per week in early January, and is expected to increase to 3,000-5,000 per week during the second quarter. We do continous investments in upgrading capsule output, and will eventually 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. Currently we are producing more capsules than device output is expected to require. Given the regulatory requirements under the new IVDR, each of our future CE-marks will require larger obligatory studies, which requires a substantial number of capsules, hence the capsule production output is balanced between sales and internal usage for regulatory studies.

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 have tested 3,000–5,000 per week during the quarter. We expect the demand during the first quarter 2021 to be at a slightly lower level depending on how many mutations develop and the impact in general. For the UK mutation we have developed an assay format together with Statens Serum Institute (SSI), which we are now in the process of implementing in our Service Test Center. KMD remains our exclusive sales partner for the Test Service Center.

FUTURE BIOMARKER TESTS

In conjunction with the development of our Sars-CoV2 test we have previously 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 total 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 intend to deliver on the home-use promise for the biomarkers that are already CE-marked for professional use.

FINANCIAL PERFORMANCE

Qlife is satisfied to end the year with Q4 revenues of MSEK 9,1 and MSEK 20,8 for the 12 months. Most of the revenues are coming from our Service Test Center which has been a strong contribution to build up the company and the competencies that all together form the basis for our Egoo.Health platform in the future. Our burn rate remains high, but the company is also in a better position than ever to be able to capitalize on years of development. We expect a capital increase in May 2021 from proceeds of the warrant issued in the IPO. The new IVDR will clearly become a challenge for any upstart 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. The commercialization has started.

Helsingborg February 2021

Thomas Warthoe - CEO Qlife Holding AB

Thomas Warthoe

NEW IVDR REGULATION COMING INTO FORCE

On 5 April 2017, the European Parliament adopted a new IVDR legislation that applies to all IVD manufacturers, including Qlife. The new regulation will apply after a transitional period after which the IVDD will be fully enforced from 26 May 2022. None of the existing requirements under the current IVDD have been removed, while the new IVDR introduces additional requirements, most notably

a) Re-assessment of products regarding their intended purpose and risk classification, leading to up-classification and increased involvement of notified body;
b) Broadened requirements for clinical /performance evaluation;
c) Clinical evidence must be based upon scientific validity, analytical performance and clinical performance data providing a sufficient level of clinical performance studies as part of design validation.

This means, that a product cannot be launched without successfully completed and concluded in the form of a performance evaluation report. For point-of-care devices the technical documentation must now also be reviewed by the Notified Body prior to placing the product on the market, as opposed to previously being a self-certification process.

Qlife is already adhering to this new up-classification of regulatory requirements. Technical data packages and software documentation have become a resource consuming process. Qlife's regulatory department has therefore increased rapidly and is thus the company's biggest with 10 people working on fulfilling all IVDR requirements.

STRATEGY AND BUSINESS MODEL

Qlife envisions that most patients will appreciate the possibility of monitoring crucial health and disease indicators from home, while being able to share results with health professionals for diagnosis and care optimization. The company expects a huge market of consumers having an interest in their health, with a desire to monitor health parameters much like pulse, temperature and blood pressure, either for specific reasons like optimizing athletic results, or monitoring a genetic risk parameter or following lifestyle changes impact on various biomarkers.

Public and private healthcare professionals appreciate the possibility to monitor patients at home without bringing them into the care facility. This will be a huge improvement in providing efficient care for those who need it the most while offering easy and safe processes for the patients.

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.

The company business model is the sale of an instrument and adjacent disposable test capsules. Qlife CE marked its first capsules in February 2020 and can market capsules for Hb and CRP tests. In January 2021, the company CE marked it's highly sensitive RNA Sars-CoV-2 test for the professional market.

Qlife is constantly developing new capsules for various indicators and follows a regulatory pathway towards a CE mark for each test before they can be taken to the market. Please see details of the pipeline in the section "Products and pipeline". It is the intention that health professionals – and ultimately consumers - shall be able to use the same device to make various tests and get fast and reliable test results.

For the coming 1-2 years Qlife will scale its production capacity not compromising quality to meet the expected increasing demand. It is the company's intention to serve customers in carefully selected and well-defined segments to gain valuable user experience and ensure a pipeline that fits the most needed tests. The first segments Qlife aim to address are care homes and hospital departments or clinics who are regularly monitoring patients for disease progression and medication efficiency.

Qlife is successively establishing its own commercial organization, to launch the product in the mentioned segments. Market launch is planned first in the Nordic countries, followed by Europe.

With the arrival of the corona virus pandemic in 2020, the company added molecular testing (DNA/RNA) capability to the system for the detection of SARS-CoV-2, the virus that causes COVID-19. The test provides a clinical-grade answer in 20-30 minutes with less than a minute of preparatory hands-on time. The ability to test for viruses was envisioned for a later stage but was prioritized by the company as the demand increased dramatically. We see a huge demand for fast and reliable tests from everywhere in society, care homes, airports, companies, events and sports, dentists, and many more. Qlife expects the demand to continue for at least the coming year.

Qlife has the fastest decentral PCR test in the market, and is currently offering two different solutions;

1. Volume testing collected and analysed at our test centre, giving results in 6-24 hours
2. Testing through Egoo devices placed at the hand of any health professional at any physical location, giving results in 30 minutes

To support deliveries of volume test results, Qlife has established a streamlined and efficient test centre at Symbion in Copenhagen. The location is staffed 7 days a week and delivers COVID-19 test results daily to a range of customers, mainly within sports and events. The test centre fulfils two main purposes for Qlife. It services customers with fast and reliable results and provides access to samples for assay validation, which otherwise could be difficult and expensive to acquire. The need for validation data will remain crucial when developing further molecular tests, like influenza.

Due to the positive technology integration and the significantly increased demand for virus testing, the company has decided to prioritize further product development of molecular tests. Qlife evaluates that there is a significant business potential and a relatively low risk in the development of further virus tests.

During 2020, KMD and their partners has been acting sales channels for Qlife's COVID-19 tests. It is a valuable corporation where Qlife gains access to well-established and agile sales professionals, and KMD and partners gains access to offer their customers an innovative and flexible product with an extraordinary service package. Both parties intend to prolong the corporation and continue to deliver test results in a streamlined and efficient way.

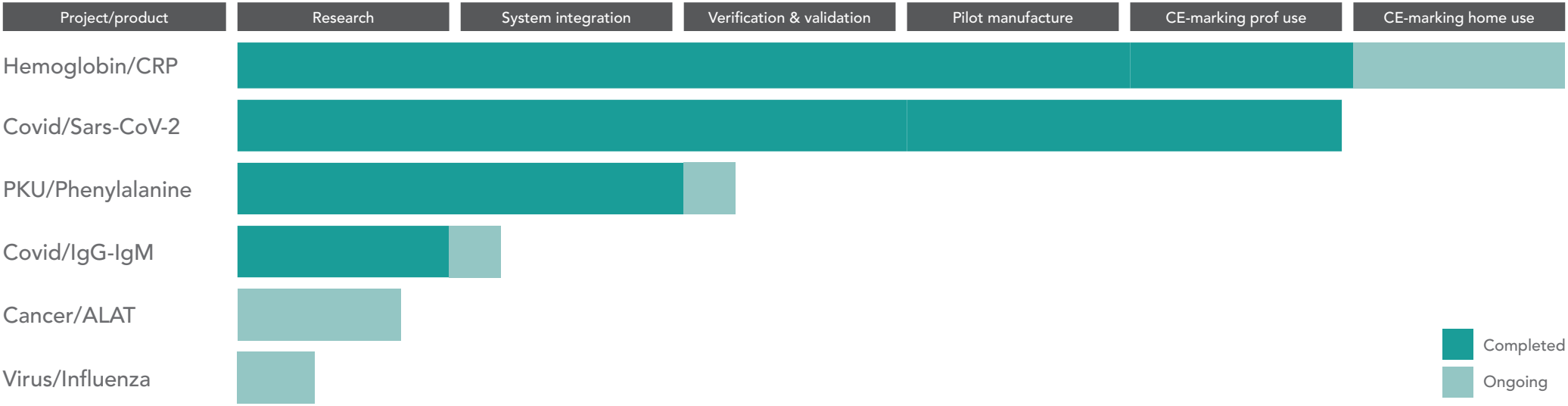
In 2019 the company obtained the ISO 13485:2016 certification related to the manufacture and sale of in-vitro diagnostic tests. Early 2021, The Danish Patent Office granted Qlife patent for its biomarker detection unit. The new patent is valid until 2039 and gives Qlife a strong intellectual property position as the company enters commercialization. The organisation is growing rapidly and consists currently of 32 full time employees and 8 temporary consultants that are assisting in the CE-mark documentation, all on a mission to make clinical-grade diagnostic testing easier, faster, and accessible for everyone.

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 instanteniously. 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 three tests have been CE-marked for professional use and more is 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



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 Swap-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 Egoo platform. This antibody assay supplements the molecular Sars-CoV-2 assay so that the Egoo 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.

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 break out. 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.

Share and ownership

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.

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%
Sum	**11,174,438**	**100%**

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 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.

Financial comments Group, Q4

OCTOBER – DECEMBER, Q4

FINANCIAL RESULT

Revenue in the period amounted to kSEK 9,122 (0). Sales regards COVID-19 test capacity to customers mainly within sports, through the partner KMD.

The market price level for COVID-19 testing has decreased during the year, as supply has increased rapidly.

Qlifes revenue per test varies with the volume commitment from the customer, as well as the logistical solution provided.

Capitalized development costs amounted to kSEK 11,594 (3,340) which reflects the significant development activities.

Raw materials and consumables amounted to kSEK 4 799 (-415), which is mainly costs for components for produced capsules and devices.

Other external expenses amounted to kSEK 13,706 (3,174). Increased other external expenses mainly regards external development costs and regulatory consultants, enforcing the team during the completion phase of the CE mark proceedings.

Total expenses in the fourth quarter related to COVID-19 testing amounted to kSEK 2,847 and are included in other external expenses.

Personnel costs for the period amounted to kSEK 8,712 (4,226) reflecting the larger organization. As per 31 December 2019 Qlife Aps had 9 employees, and as per 31 December 2020 Qlife Group had 39 employees, with added headcount in regulatory, production, development and administration.

Amortization on goodwill amounted to kSEK 2,713 (0) and depreciation on equipment kSEK 540 (84).

Net financial income and expenses amounted to kSEK -115 (-280) is related to interests regarding loan from Danish Growth Fund.

In the fourth quarter, a tax receivable of kSEK 2,268 regarding the period October-December 2020 was accounted. The tax credit regards the tax value of development costs in the period, expected to be paid out in 2021.

Operating loss for the period amounted to kSEK -6,501 (-3,645) and net loss kSEK -7,602 (-4,009).

CASH FLOW

Cash flow from operations and changes in working capital amounted to kSEK -2,602 (-2,069).

Cash flow from investing activities amounted to kSEK -13,426 (-3,709) consisting of capitalized development costs kSEK -11,794 (-3,221) and manufacturing equipment kSEK -1,632 (-488).

Qlife Holding raised a loan of kSEK 15,000 in December.

The total cash flow amounted to kSEK -1,013 (-5,817) in the fourth quarter of 2020.

Financial comments Group, Q1-Q4

JANUARY – DECEMBER 2020, FULL YEAR

FINANCIAL RESULT

Revenue in the period amounted to kSEK 20,750 (714) is mainly related to income from COVID-19 testing.

Capitalized development costs increased to kSEK 21,886 (10,699) which reflects the significantly increased development activities.

Raw materials and consumables amounted to kSEK 6,953 (952), which is mainly costs for components and parts for device and capsules.

Other external expenses amounted to kSEK 30,826 (9,763) of which app. kSEK 250 constituted one-time costs regarding the listing of the shares, kSEK 900 commitment fee when entering external loan agreements, and other administrative costs of Qlife Holding AB of app. kSEK 2,446. Increased other external expenses in Qlife Aps mainly regards external development costs, regulatory consultants, offices, travel and IT. Total expenses related to COVID-19 testing amounted to kSEK 5,842 and are included in other external expenses.

Personnel costs for the period amounted to kSEK 24,279 (11,380) reflecting the larger organization.

Amortization of goodwill amounted to kSEK 10,855 (0) and depreciation on equipment kSEK 1,046 (220).

Financial costs in the period regards interest for loan from Danish Growth Fund, bridge loans and a founder's loan. The loans were netted with shares in the IPO or repaid during the first quarter 2020, except loan from Danish Growth Fund.

Operating loss for the period amounted to kSEK -19,422 (-10,682) and net loss kSEK -20,200 (-11,624).

The tax amount of 11,739 is related to a "Tax Credit Scheme". The Danish tax legislation opens an opportunity for companies with high development costs to have the tax value of the calculated development costs paid out. In 2020 the tax credit regarding 2019 was accounted for and paid out (kSEK 4,062) and the amount receivable regarding 2020 is kSEK 7,677 as per end December.

FIXED ASSETS

Capitalized development costs relate to accumulated internal and external product development costs including costs for patent preparation and application. In the full year 2020 the capitalized development costs amounted to kSEK 21,886 (10,699), relating to continued development of device and capsules.

Goodwill concerning acquisition of subsidiary Qlife ApS amounted to kSEK 41,612 at the end of December 31, 2020 and is being depreciated over 5 years.

CURRENT ASSETS

Inventory amounted to kSEK 5,377 (2,277) – consisting of parts and components for instruments and capsules.

Accounts receivables of kSEK 9,329 is related to the sales during fourth quarter.

Cash and cash equivalents amounted to kSEK 20,822 (4,044) at the end of December 2020.

EQUITY

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 the IPO amounted to kSEK 44,450 after netting of loans of kSEK 4,500.

Shareholder's equity is specified on page 17 – "Group – changes in equity"

DEBTS

Long term liabilities – kSEK 4,048 - consists of a development loan from Danish Growth Fund.

Qlife Holding raised loans of kSEK 15 000 in December. The loan terms runs over eleven months from december 2020 to November 2021. The loans are on market terms of 1% monthly interest and an additional 6% commitment fee.

Short term liabilities consist of prepayments from customers for future deliveries of Egoo system, trade payables and accruals.

CASH FLOW

The total cash flow amounted to kSEK 15,253 (840) for the full year of 2020.

Cash flow from operations and changes in working capital amounted to kSEK –16,829 (-8,434).

Cash flow from investing activities amounted to kSEK -26,829 (-11,328) consisting of capitalized development costs kSEK -21,448 (-10,354) manufacturing equipment and lab equipment for the test center kSEK -5,381(-974) and deducted with kSEK 2,641 received grant from the Danish Innovation Fund.

Qlife Holding raised in total kSEK 55,013 in the IPO in February. Three bridge loans were converted in the transaction. Costs for the IPO transaction amounted to kSEK 6,063 – net cash flow from IPO kSEK 44,450.

Qlife Holding raised loans of kSEK 15,000 in December.

Cash and cash equivalents are specified on page 17 – "Group – Consolidated Cash Flow statement".

Financial comments Parent company

OCTOBER-DECEMBER, Q4 2020

FINANCIAL RESULT

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

Other external expenses consist of administrative costs, and includes kSEK 900 commitment fee for external loans.

Personnel costs consist of salary for a part time employee and board fees.

Depreciation of investment in subsidiary kSEK -40 476 is related to loans to subsidiary, Qlife Aps, that have been converted to shareholders contribution in December.

Other Net financial income is related to interest on loan to Qlife Aps.

Net loss for the period amounted to kSEK -42,120.

CASH FLOW

The total cash flow amounted to kSEK 4,741 in the fourth quarter of 2020 and consists of raising external loans of KSEK 15,000 and loan to Qlife Aps of KSEK 9,000.

JANUARY – DECEMBER 2020

FINANCIAL RESULT

Revenue amounted to kSEK 700 in the period and consists of management fee from subsidiary.

Other external expenses consist of one-off Nasdaq listing cost of app. kSEK 250, kSEK 900 commitment fee when entering external loan agreements, other IPO related costs and administrative costs.

Personnel costs consist of salary for a part time employee and Board fee.

Net financial income is related to interest on loan to Qlife Aps.

Net loss for the period amounted to kSEK -43,190 and kSEK -40 476 is related to loans to subsidiary, Qlife Aps, that have been converted to shareholders contribution in December.

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 5,168 regards loans to Qlife Aps.

Cash and cash equivalents amounted to kSEK 15,527 end of December 2020.

EQUITY

Total equity amounted to kSEK 73,079 end of December 2020.

Shareholder's equity is specified on page 20 – "Parent company – changes in equity"

CASH FLOW

Other items kSEK 40,476 is loan to Qlife Aps that have been converted to shareholders contribution.

Qlife Holding raised in total kSEK 55,013 in the IPO prior to listing at Nasdaq First North Growth Market. Three bridge loans – kSEK 4,500 – were converted in the transaction. Issuance costs amounted to kSEK 6,063.

The total cash flow amounted to kSEK 14,747 for the twelve months period of 2020 and contains external loans of kSEK 15,000.

Cash and cash equivalents are specified on page 20 – "Parent company – Cash Flow statement".

Additional information

ACCOUNTING PRINCIPLES

Qlife Holding AB is preparing annual reports according to Annual Accounts Act and K3 accounting principles. Quarterly reports are prepared under the same principles.

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.

In the prospectus (page 18-20) available at Qlifes website, the risks which are considered to have greatest significance for Qlifes future development are described in more detail.

CONTACT INFORMATION

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STATEMENT BY THE BOARD OF DIRECTORS

The board of directors and CEO hereby affirm that the consolidated financial statements for the period January-December 2020 gives a true and fair view of result, operations and financial position in Qlife Holding AB and subsidiary Qlife ApS.

Helsingborg, February 18th, 2021

Mette Gross Chairman	John Moll Board member
Niklas Marschall Board member	Thomas Warthoe Board member, CEO

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

GROUP - CONSOLIDATED INCOME STATEMENT

kSEK	Oct-Dec, Q4 2020	Oct-Dec, Q4 2019*	Jan-Dec 2020	Jan-Dec 2019*
Revenue	9 122	0	20 750	714
Capitalized development costs	11 594	3 340	21 886	10 699
Total operating income	**20 716**	**3 340**	**42 636**	**11 413**
Operating expenses				
Raw materials and consumables	-4 799	415	-6 953	-952
Other external expenses	-13 706	-3 174	-30 826	-9 763
Personnel costs	-8 712	-4 226	-24 279	-11 380
Total Operating expenses	**-27 217**	**-6 985**	**-62 058**	**-22 095**
EBITDA	**-6 501**	**-3 645**	**-19 422**	**-10 682**
Amortization and depreciation	-3 254	-84	-11 902	-220
EBIT	**-9 755**	**-3 729**	**-31 324**	**-10 902**
Net fianacial income and expenses	-115	-280	-615	-722
Profit before tax	**-9 870**	**-4 009**	**-31 939**	**-11 624**
Tax	2 268	0	11 739	0
Net loss for the period	**-7 602**	**-4 009**	**-20 200**	**-11 624**
Earnings per share before and after dilution - SEK	-0,68	-46,66	-1,91	-167,00
Weighted average number of shares in the period before dilution	11 174 438	85 921	10 548 385	69 604
Weighted average number of shares in the period after dilution	14 084 846		13 455 793	
Total number af shares end of fourth quarter 2020	11 174 438		11 174 438	

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

GROUP - CONSOLIDATED BALANCE SHEET

kSEK	Dec. 31, 2020	Dec. 31, 2019
ASSETS		
Intangible fixed assets		
Capitalized development costs	35 254	15 190
Goodwill	41 612	52 467
Total Intangible fixed assets	**76 866**	**67 657**
Tangible fixed assets		
Manufacturing equipment and fixtures	5 167	1 047
Total Tangible fixed assets	**5 167**	**1 047**
Total fixed assets	**82 033**	**68 704**
Current assets		
Inventory	**5 377**	**2 277**
Recievables		
Accounts receivables	9 329	0
Other recievables	359	594
Tax receivables	7 421	0
Prepaid expenses and accrued income	1 848	977
Total recievables	**18 956**	**1 571**
Cash and cash equivalents	**20 822**	**4 044**
Total currents assets	**45 156**	**7 892**
TOTAL ASSETS	**127 189**	**76 596**

kSEK	Dec. 31, 2020	Dec. 31, 2019
EQUITY and LIABILITIES		
Share Capital	894	536
Other equity	116 164	67 211
Retained earnings	-27 509	-5 269
Total equity	**89 549**	**62 478**
Long term liabilities		
Loan from credit institution	4 048	4 190
Total long term liabilities	**4 048**	**4 190**
Short term liabilities		
Prepayments from customers	600	621
Accounts payables	11 607	2 163
Short term loans	15 004	0
Other liabilities	3 218	6 774
Accrued expenses and deferred income	3 163	370
Total short term liabilities	**33 592**	**9 928**
Total liabilities	**37 640**	**14 118**
TOTAL EQUITY AND LIABILITIES	**127 189**	**76 596**

GROUP - CONSOLIDATED CASH FLOW STATEMENT

kSEK	Okt-Dec 2020	Okt-Dec 2019*	Jan-Dec 2020	Jan-Dec 2019*
Cash flow from operating activities				
Profit/loss before tax	-13 896	-4 009	-31 939	-11 624
Depreciations	3 254	84	11 902	220
Other non-cash adjustments	2 267	0	2 286	
Cash flow from operations before changes in working capital	**-8 375**	**-3 925**	**-17 751**	**-11 404**
Cash flow from changes in working capital				
Change in inventory	207	-1 267	-3 314	-1 685
Change in recievables	- 6 517	0	-10 646	0
Change in current payables	12 083	3 123	14 822	4 655
Cash flow from operating activities	**-2 602**	**-2 069**	**-16 829**	**-8 434**
Cash flow from investing activities				
Investments in intangible assets	-11 794	-3 221	-21 448	-10 354
Investments in tangible assets	-1 632	-488	-5 381	-974
Cash flow from investing activities	**-13 426**	**-3 709**	**-26 829**	**-11 328**
Cash flow from financing activities				
Share issue /	0	0	50 513	19 582
Issuance costs	0	-450	-6 063	-2 552
Changes in loans	15 015	411	14 461	3 572
Cash flow from financing activities	**15 015**	**-39**	**58 911**	**20 602**
Total Cash flow in period	**-1 013**	**-5 817**	**15 253**	**840**
Cash and cash equivalents at the period start	20 354	8 890	4 044	2 007
Foreign exchange difference	1 481	143	1 525	369
Cash and cash equivalents at the period end	**20 822**	**3 216**	**20 822**	**3 216**

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

GROUP - STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY

kSEK	Share capital	Other paid in capital	Retained earnings	Total shareholders equity
October 31, 2019				
Incorperation	50			**50**
In kind issue	486	67 488		**67 974**
Warrant programmes		84	12	**96**
Profit / Loss per December 31, 2019			-5 271	**-5 271**
Foreign exchange rate adjustment	0	0	-371	**-371**
Equity at December 31, 2019	**536**	**67 572**	**-5 630**	**62 478**
Share Issue	358	54 655		**55 013**
Issuance costs		-6 063		**-6 063**
Warrant programmes			86	**86**
Profit / Loss per December 31, 2020			-20 200	**-20 200**
Foreign exchange rate adjustment			-1 765	**-1 765**
Equity at December 31, 2020	**894**	**116 164**	**-27 509**	**89 549**

PARENT COMPANY - INCOME STATEMENT

kSEK	Okt-Dec 2020, Q4	Jan-Dec 2020
Revenue	175	700
Other external costs	-1 752	-2 894
Personnel costs	-163	-702
Operating result	**-1 740**	**-2 896**
Depreciation of investment i subsidiary	-40 476	-40 476
Net financial income and expenses	96	182
Loss before tax	**-42 120**	**-43 190**
Tax	0	0
Net loss for the period	**-42 120**	**-43 190**

PARENT COMPANY - BALANCE SHEET

kSEK	Dec. 31, 2020	Dec. 31, 2019
ASSETS		
Financial fixed assets		
Shares in subsidiary	68 024	68 024
Total financial fixed assets	**68 024**	**68 024**
Total fixed assets	**68 024**	**68 024**
Current assets		
Recievables		
Recievables from subsidiary	5 168	3 572
Other recievables	171	185
Prepaid expenses and accured income	8	593
Total recievables	**5 347**	**4 350**
Cash and cash equivalents	**15 527**	**780**
Total current assets	**20 874**	**5 130**
TOTAL ASSETS	**88 898**	**73 154**

kSEK	Dec. 31, 2020	Dec. 31, 2019
EQUITY and LIABILITIES		
Equity		
Share Capital	894	536
Share premium	48 592	-
Other paid in capital	182	84
Retained earnings	66 601	66 613
Profit / Loss	-43 190	-887
Total equity	**73 079**	**67 233**
Short term liabilities		
Accounts payables	198	185
Short term loan	15 004	5 331
Accrued expenses and deferred income	617	405
Total short term liabilities	**15 819**	**5 921**
Total liabilities	**15 819**	**5 921**
TOTAL EQUITY AND LIABILITIES	**88 898**	**73 154**

PARENT COMPANY - STATEMENT OF CASH FLOW

kSEK	Okt-Dec 2020	Jan-Dec 2020
Cash flow from operating activities		
Profit/loss before tax	-42 120	-43 190
Other items	40 400	40 476
Cash flow from operations before change in working capital	**-1 720**	**-2 714**
Cash flow from working activities		
Change in receivables	-34	599
Change in current payables	491	429
Cash flow from working activities	**-1 263**	**-1 686**
Cash flow from investing activities		
Loans to subsidiary	-9 000	-42 230
Cash flow from investing activities	**-9 000**	**-42 230**
Cash flow from financing activities		
Share issues	0	50 513
Issuance cost	0	-6 063
Changes in loans	15 004	14 213
Cash flow from financing activities	**15 004**	**58 663**
Total cash flow in period	**4 741**	**14 747**
Cash and cash equivalents at period start	10 786	780
Cash cash equivalents at period end	**15 527**	**15 527**

PARENT COMPANY - STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY

kSEK	Share capital	Share premium	Other paid in capital	Retained earnings	Total shareholders equity
October 31, 2019					
Incorporation	50				**50**
In kind issue	486			67 488	**67 974**
Warrant programmes			84	12	**96**
Profit / Loss per December 31, 2019				-887	**-887**
Equity at December 31, 2019	**536**	**0**	**84**	**66 613**	**67 233**
Share issue	358	54 655			**55 013**
Issuance cost		-6 063			**-6 063**
Warrant programmes				86	**86**
Profit / Loss until December 31 2020				-43 190	**-43 190**
Equity at December 31, 2020	**894**	**48 592**	**84**	**23 509**	**73 079**

Qlife

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