

Q-linea initiates cost-saving program

Q-linea AB (publ) (OMX: QLINEA) is today initiating a cost-saving program with the purpose of enabling investment in the updated commercialisation strategy. The cost savings are estimated to amount to approximately SEK 45 million on an annual basis and are expected to result in restructuring costs of approximately SEK 9 million in 2023. The cost savings are expected to result in a positive contribution to the result and cash flow from the fourth quarter of 2023.

As previously communicated, Q-linea has implemented an updated commercialisation strategy where the company will focus on selected regions of strategic interest and pursuing these regions by expanding Q-linea's internal sales organisation with subsidiaries in key geographies and working with distributors to enable broader reach. The company has previously signed a distribution partnership for ASTar instruments and consumables for the UK and Polish markets.

The updated commercialisation strategy entails a need to implement organisational changes, which is why Q-linea has now decided to implement a cost-saving program that will run throughout 2023. The cost-saving program entails an increased focus on the commercialisation of the company's products, as well as the postponement of certain research and development activities. The cost-saving program mainly affects personnel and consultants within Q-linea's development departments but also includes a review of all costs in the company. Full effect from the cost-saving program is expected from Q4 2023. In total, the savings program will affect approximately 50 employees and consultants compared to the end of 2022, when Q-linea had 151 employees and 18 consultants. A notification will be submitted to the Swedish Employment Agency (Swe. Arbetsförmedlingen).

"As a co-founder of the company, I have been part of, and experienced a fantastic development of the company and its products in the course of the past 15 years. It therefore feels very sad to have to reduce the workforce. I feel for the people who will have to leave the company and wish them success in other companies. However, it is the right decision for the company in the long term and an important step to reach our goals. We need to adjust costs in certain areas to focus on sales of ASTar", said Jonas Jarvius, CEO of Q-linea.

ASTar instruments and consumables (ASTar BC G-Kit) are CE marked and approved for sale in Europe. Q-linea submitted an application for US market approval to the FDA in June 2022, where ASTar has previously been classified as a "breakthrough device" by the FDA.

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About Q-linea

Q-linea is an innovative infection diagnostics company that primarily develops instruments and disposables for rapid and reliable infection diagnostics. Our vision is to help save lives by ensuring antibiotics continue to be an effective treatment for future generations. Q-linea develops and delivers preferred solutions for healthcare providers, enabling them to accurately diagnose and treat infectious disease in the shortest possible time. The company's lead product ASTar® is a fully automated instrument for antibiotic susceptibility testing (AST), giving a susceptibility profile within six hours directly from a positive blood culture. For more information, please visit www.qlinea.com.

This information is information that Q-linea is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2023-04-24 10:35 CEST.

Attachments

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