

## **Q-linea initiates cost savings program**

Q-linea AB (publ) (OMX: QLINEA) is today initiating a cost savings program with the aim of focusing on the commercial operations. The product development work for the European and American markets has reached a point where a reduction in the development organization is possible. The cost savings are estimated to amount to approximately SEK 50 million per year and are expected to result in restructuring costs of approximately SEK 5 million in 2024. The cost savings are expected to contribute positively to both earnings and cash flow from and including the third quarter of 2024.

During 2023, Q-linea announced and implemented a revised commercialization strategy for the company's subsidiaries and key distribution partners. The company can now conclude that the new strategy has started to generate positive results in Europe. The company recently won its first tender in Italy and is now preparing for several procurements in Italy and other European countries. In parallel with this, the company is approaching a market launch in the US market. However, the sales cycles are still long, which affects the company's sales strategy. The company now wants to complete the above-mentioned commercial strategy and at the same time prepare for market-building activities in the US market during 2024.

The company believes that ASTar's competitiveness makes it possible to further reduce the size of the company's product development organization, a work that began last year to the benefit of the commercial organization.

The revised strategy entails the need for organizational changes, which motivates the initiation of a cost savings program that will run during the first half of 2024. The cost savings program includes an increased focus on commercialization of the company's products, as well as the postponement of certain development and research activities.

The program will mainly affect personnel and consultants in Q-linea's development departments, but also includes a review of all costs in the company. The full effect on earnings is expected from and including the third quarter of 2024. In total, the savings program includes around 40 employees and consultants. As a comparison, it can be mentioned that Q-linea at the end of 2023 had 123 employees and three consultants. Notification will be submitted to Arbetsförmedlingen (the Swedish Public Employment Service).

"We see a positive development in the area of rapid AST and have recently won our first tender, which confirms the product's competitiveness. We also see that Italy and other European countries are preparing for additional public tenders. When it comes to the important US market, we have taken some important and gratifying steps, including the installation of two ASTar systems just before the turn of the year. Despite this progress, we continue to see long sales cycles, which justifies the initiation of the cost savings program. It is of course sad to have to reduce the workforce, but it is a measure that we unfortunately consider to be necessary and in the interests of the company and the shareholders. We feel strongly for the people who need to leave the company and wish them every success in other jobs," says Jonas Jarvius, CEO of Q-linea.

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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](http://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 2024-01-30 10:00 CET.*

## Attachments

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