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Q-linea announces intention to carry out a directed share issue

Q-linea AB (publ) ("Q-linea" or the "Company") (Nasdaq Stockholm: QLINEA) hereby announces its intention to carry out a directed issue of approximately 2 million new shares to Swedish and international institutional investors and sector specialist investors (the "Directed Issue"). Q-linea has appointed ABG Sundal Collier, Carnegie Investment Bank and Kempen & Co to act as Joint Bookrunners in connection with the Directed Issue.

The Directed Issue

The Directed Issue is intended to be carried out by the Board of Directors with deviation from the shareholders' preferential right and in accordance with the issue authorization granted by the Annual General Meeting on May 25, 2021. The offer price per share and the total number of new shares in the Directed Issue will be determined through an accelerated book building procedure, which will commence immediately following publication of this press release. Pricing and allocation of the new shares is expected to take place before the beginning of trading on Nasdaq Stockholm at 09.00 CEST on June 11, 2021. By establishing the offer price in the Directed Issue through an accelerated book building procedure, it is the assessment of the Board of Directors that the offer price will accurately reflect current market conditions and demand. The closing, pricing and allocation in the book building procedure is at the discretion of the Company and may be cancelled at any time. The Company will announce the outcome of the Directed Issue in a subsequent press release after the book building procedure has been completed.

The reason for deviating from the shareholders' preferential right is to carry out a capital raise for the development of ongoing projects in a time and cost-effective manner. Moreover, the Company intends to further diversify the shareholder base with Swedish and international institutional investors and sector specialist investors.

The Company intends to use the net proceeds from the Directed Issue for:

- i. • funding of the final stages of the commercial launch of ASTar® together with its Global sales partner; including ramp-up and increased preparedness to meet higher than initially expected sales volumes, as its Global sales partner increases internal application and sales personnel numbers for their joint conceptual launch;
- ii. • acceleration of development of ASTar® additional assays, including urine and isolates, as well as acceleration of development of the portable blood culturing technology product, preparing for the start of clinical studies in 2022;
- iii. • enhancement of the Company's financial flexibility to pursue additional commercialization activities and geographical expansion; and
- iv. • general corporate purposes.

Jonas Jarvius, CEO of Q-linea, intends to divest 95,000 existing shares in the Company to the Company's largest shareholder Nexttobe AB. Jonas Jarvius remains highly committed to Q-linea where he will retain approximately 75% of his existing current fully diluted holding. Jonas Jarvius co-founded Q-linea in 2008 and has been the CEO from start.

In connection with the Directed Issue, the Company has agreed to a lock-up undertaking, with customary exceptions, on future share issuances for a period of 180 days after the completion of the Directed Issue. In addition, the Company's largest shareholder Nexttobe AB, members of the Board of Directors and management representatives, have agreed not to sell any shares in Q-linea for a period of 180 days after the completion of the Directed Issue, subject to customary exceptions. Jonas Jarvius, CEO, has agreed to not sell any shares in Q-linea for a period of 365 days after the completion of the Directed Issue.

The Directed Issue is conditional upon, *inter alia*, the Board of Directors resolving on the Directed Issue by virtue of the issue authorization granted by the Annual General Meeting on May 25, 2021.

Advisers

ABC Sundal Collier, Carnegie Investment Bank and Kempen & Co are Joint Bookrunners in connection with the Directed Issue. Advokatfirman Lindahl is legal adviser to the Company and White & Case Advokatbyrå is legal adviser to the Joint Bookrunners in connection with the Directed Issue.

Important information

The release, announcement or distribution of this press release may, in certain jurisdictions, be subject to restrictions. The recipients of this press release in jurisdictions where this press release has been published or distributed shall inform themselves of and follow such restrictions. This press release does not constitute an offer, or a solicitation of any offer, to buy or subscribe for any securities in Q-linea in any jurisdiction, neither from Q-linea nor from anyone else.

Any investment decision in connection with the Issue must be made on the basis of all publicly available information relating to the Company and the Company's shares. Such information has not been independently verified by the Joint Bookrunners. The information contained in this announcement is for background purposes only and does not purport to be full or complete. No reliance may be placed for any purpose on the information contained in this announcement or its accuracy or completeness.

This press release does not constitute or form part of an offer or solicitation to purchase or subscribe for securities in the United States. The securities referred to herein may not be sold in the United States absent registration or an exemption from registration under the US Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold within the United States absent registration or an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There is no intention to register any securities referred to herein in the United States or to make a public offering of the securities in the United States. The information in this press release may not be announced, published, copied or distributed, directly or indirectly, in whole or in part, to Australia, Canada, Japan or the United States of America or in any other jurisdiction where the announcement, publication or distribution of the information would not comply with applicable laws and regulations or where such actions are subject to legal restrictions or would require additional registration or other measures than what is required under Swedish law. Actions taken in violation of this instruction may constitute a crime against applicable securities laws and regulations.

This press release is not a prospectus for the purposes of Regulation (EU) 2017/1129 (the “Prospectus Regulation”) and has not been approved by any regulatory authority in any jurisdiction. Q-linea has not authorized any offer to the public of shares or rights in any member state of the EEA and no prospectus has been or will be prepared in connection with the Directed Issue. In any EEA Member State, this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Regulation.

In the United Kingdom, this document and any other materials in relation to the securities described herein is only being distributed to, and is only directed at, and any investment or investment activity to which this document relates is available only to, and will be engaged in only with, “qualified investors” (within the meaning of the Prospectus Regulation as it forms part of domestic law in the United Kingdom by virtue of the European Union (Withdrawal) Act 2018) who are (i) persons having professional experience in matters relating to investments who fall within the definition of “investment professionals” in Article 19 (5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “Order”); or (ii) high net worth entities falling within Article 49 (2)(a) to (d) of the Order (all such persons together being referred to as “relevant persons”). In the United Kingdom, any investment or investment activity to which this communication relates is available only to, and will be engaged in only with, relevant persons. Persons who are not relevant persons should not take any action on the basis of this document and should not act or rely on it.

Information to distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65 /EU on markets in financial instruments, as amended (“MiFID II”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “MiFID II Product Governance Requirements”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the shares in Q-linea have been subject to a product approval process, which has determined that the shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “Target Market Assessment”). Notwithstanding the Target Market Assessment, distributors should note that: the price of the shares may decline and investors could lose all or part of their investment; the shares offer no guaranteed income and no capital protection; and an investment in the shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offer. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Joint Bookrunners will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the shares in Q-linea.

Each distributor is responsible for undertaking its own target market assessment in respect of the shares in Q-linea and determining appropriate distribution channels.

Forward-looking statements

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors nor does it accept any responsibility for the future accuracy of the opinions expressed in this press release or any obligation to update or revise the statements in this press release to reflect subsequent events. Undue reliance should not be placed on the forward-looking statements in this press release. The information, opinions and forward-looking statements contained in this press release speak only as at its date and are subject to change without notice. The Company does not undertake any obligation to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release.

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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 2021-06-10 17:31 CEST.

Attachments

[Q-linea announces intention to carry out a directed share issue](#)