gradientech

Interim report January-March 2025
Gradientech AB (publ)

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Corporate Registration Number 556788-9505

gradientech.se

Company development

Gradientech AB *SEK thousand*	Jan-Mar 2025	Jan-Mar 2024	Jan-Dec 2024
Net sales	943	485	4,457
Profit for the period	-18,950	-15,648	-63,620
Cash flow from operating activities	-19,916	-14,813	-62,044
Cash and cash equivalents at end of the period	35,571	21,336	24,596
Equity at the Balance sheet date	47,905	32,800	35,424

First quarter 2025

- Net sales amounted to SEK 943 thousand (485).
- Net profit/loss amounted to SEK -18,950 thousand (-15,648).
- Earnings per share before and after dilution were SEK -0.63 (-0.68).
- Cash flow from operating activities amounted to SEK -19,916 thousand (-14,813).
- Cash and cash equivalents amounted to SEK 35,571 thousand (21,336) as of March 31, 2025.
- Equity amounted to SEK 47,905 thousand (32,800) as of March 31, 2025.
- Gradientech announced in January to have started its third FDA 510(k) clinical study site in the US for the QuickMIC® system to ensure comprehensive clinical data collection for the regulatory FDA submission of the QuickMIC system and its gram-negative CSLI panel.
- In the beginning of February Gradientech announced the outcome of the new issue of shares with preferential rights for existing shareholders, resolved by the board on 17 December, 2024. The rights issue was fully subscribed, which meant that Gradientech received approximately SEK 60.6 million before deduction of issue costs. Part of the issue was registered on 11 February and affects the first quarter's cash flow by SEK 31.7 million before deduction of issue costs. The registration increased the number of shares by 1,813,908 shares and the share capital by SEK 181,390.80. The registration meant that the share capital as of 31 March 2025 amounted to a total of SEK 3,068,108.10 and the number of shares to 30,681,081. For the second part registration, see further below under “Significant events after the end of the period”.
- Gradientech announced at the end of February that a.d.a. SRL, its exclusive distributor for the Italian market, is starting a multicenter study in the Milan area of Italy for the QuickMIC® system. The multicenter study will be performed at four hospitals in collaboration with the Italian Society for Clinical Microbiology (AMCLI) and aims at developing new recommendations for rapid AST for Italian healthcare.
- Gradientech announced in March that the company will present new study data from clinical, real-world evaluations with its QuickMIC® system for ultra-rapid antibiotic susceptibility testing (AST) at ESCMID Global 2025 in Vienna, Austria, April 11th-15th.
- During March Gradientech announced that Mark Lischeid was appointed as the company’s new Sales Manager for Central Europe. Mark has extensive knowledge from strategic sales and commercial organisations, with over 25 years of experience in the diagnostic sector.

Significant events after the end of the period

- In the beginning of April Gradientech announced that its new CU product that comes with its already award-winning QuickMIC® system has received the prestigious Red Dot Design Award: Product Design 2025.
- On 7 April, 2025, the second of two registrations was carried out with the Swedish Companies Registration Office regarding the rights Issue decided by the board on December 17, 2024. After the second registration, the cash flow of which affects the second quarter of 2025, the share capital amounts to SEK 3,233,123.20 and the number of shares to 32,331,232.
- Gradientech announced at the end of April that Prof. Gian Maria Rossolini, Professor of Microbiology and Clinical Microbiology at the University of Florence, joins as a new member of the company's prominent international Scientific Advisory Board.

Gradientech in brief

About the company

Gradientech is a Swedish in vitro diagnostic company that develops, manufactures and sells next-generation solutions for infectious diseases. Our market-approved QuickMIC® system positions us as a world leader in ultra-rapid antibiotic susceptibility testing (AST), enabling sepsis patients with bloodstream infections to receive personalised treatment with the right antibiotic at the right dose – in record time. This helps save lives, reduce healthcare costs, and combat the spread of antibiotic resistance, one of the greatest global health threats of our time.

Our strategic focus is on selling instruments and associated tests to establish the QuickMIC® system as a routine diagnostic tool in clinical microbiology laboratories in hospitals across Europe. Following FDA approval, Gradientech plans to launch QuickMIC® for diagnostic use in the US market, in collaboration with our commercial partner, Hardy Diagnostics.

About QuickMIC®

QuickMIC® diagnoses which antibiotic a patient with bacteria in the blood should be treated with, as well as which antibiotics the bacteria are resistant to. By providing quantitative resistance values in just 2-4 hours, QuickMIC® is currently the fastest AST system on the market, offering direct sampling from blood culture. Its patent-protected technology ensures unique measurement precision, which, combined with the rapid test times, creates the ideal conditions for precision diagnostics and rapid, individualised antibiotic treatment for sepsis patients.

The modular instrument design makes the system scalable, appealing to both small and large hospitals, and offers the potential for sales without the need for procurement processes. QuickMIC® has earned several prestigious industrial design awards and, through its breakthrough device classification, benefits from a prioritised review path with the US FDA.

CEO statement

In April, over 15,000 clinicians, researchers, laboratory personnel and industrial players from nearly 150 countries gathered at ESCMID Global, the year's largest congress in infectious diseases and clinical microbiology. We put a lot of effort into preparing ESCMID congresses, both the exhibition and booking meetings with existing and potential new customers, distributors, industrial players and suppliers. ESCMID Global is an important sales channel, and in addition, we send the important message that Gradientech is an international diagnostics player when we exhibit together with the major industrial players within the market. From this year's congress in Vienna, we bring with us contacts from nearly 400 visits to our exhibition stand, and the realisation that rapid AST is becoming a well-known product category in clinical microbiology laboratories in general, not just the most innovation-oriented ones.

Our American distributor Hardy Diagnostics has begun preparations for a market introduction of the QuickMIC system in the US. Earlier this year, we had one of Hardy Diagnostics' service engineers from the USA with us for a few weeks for complete training on instrument service and basic application support. This is an important first cornerstone as Hardy personnel can now help with support and installations of new instruments at the hospitals that perform tests as part of our ongoing clinical studies in the US. Our next major goal in the clinical studies is in mid-autumn to submit our application to the FDA on bacterial isolates as sample type. The study with blood culture samples is larger in scope. In connection with this, the plan is to introduce the QuickMIC system on the US market already this autumn. This will then be done with the restriction that the test results will not be used for diagnostic use and patients.

Clinical microbiology laboratories are rarely cinematically white and spacious, the reality is rather the opposite with a lack of bench space and well-stocked premises. In short, modular instruments that take up little space are highly preferred. We have therefore developed an integrated screen solution, QuickMIC CU (control unit), which replaces the need for an external computer and barcode scanner for our QuickMIC instruments. We took the opportunity to showcase the CU product in our exhibition stand at the ESCMID congress and the reception was warm ahead of our planned launch later in 2025. As a further testament to its success, our new CU was recently awarded the Red Dot Design Award 2025, one of the world's leading industrial design awards, which is awarded to products that excel in functionality, user-friendliness, aesthetic expression and sustainability. We are delighted to add the award to our previous industrial design awards and to participate in the festivities in Essen, Germany this summer together with product developers from all corners of the world.

Finally, in addition to the Annual General Meeting on May 21, we have invited you, our shareholders, to listen to a digital company update. We hope to see you at one of these events!

Sara Thorslund, CEO Gradientech

Financial development in brief

Gradientech AB *SEK thousand (if not stated otherwise)*	Jan-Mar 2025	Jan-Mar 2024	Jan-Dec 2024
Net sales	943	485	4,457
Operating expenses	-21,626	-15,508	-65,530
Operating result	-18,891	-15,644	-64,007
Profit before tax	-18,950	-15,648	-63,620
Profit for the period	-18,950	-15,648	-63,620
Cash flow from operating activities	-19,916	-14,813	-62,044
Investments in tangible assets	-484	0	-198
Cash and cash equivalents at end of the period	35,571	21,336	24,596
Equity at the Balance sheet date	47,905	32,800	35,424
Key ratios			
Return on equity, %	neg	neg	neg
Return on capital employed, %	neg	neg	neg
Earning per share, before dilution, SEK	-0.63	-0.68	-2.50
Earning per share, after dilution, SEK	-0.63	-0.68	-2.50
Equity/asset ratio	87%	80%	86%
Equity per share, SEK	1.56	1.37	1.23
Cash flow from operating activities per share, SEK	-0.67	-0.64	-2.44
Employees at end of period, #	37	33	33

First quarter 2025

Net sales

Net sales for the quarter amounted to SEK 943 thousand (485) and are attributable to sales of QuickMIC® instruments and associated consumables.

Expenses

Expenses during the quarter amounted to SEK 21,626 thousand (15,508) and including Change in inventories to, net SEK 19,903 thousand (16,231). Raw materials and purchased services including Change in inventories amounted to net, SEK -4,428 thousand (-2,564) and Other external expenses to SEK 6,317 thousand (5,630). Personnel costs amounted to SEK 8,681 thousand (7,545) and number of employees amounted to 37 (33) at the end of the quarter.

Profit for the period

Profit/loss after financial items was SEK -18,950 (-15,648) thousand, or SEK -0.63 (-0.68) per share before and after dilution.

Cash flow, investments and financial position

Cash flow for the quarter amounted to SEK 10,975 thousand (10,525) and cash flow from operating activities amounted to SEK -19,916 thousand (-14,813) or SEK -0.67 (-0.64) per share. Cash flow from operating activities includes changes in working capital of SEK -1,413 thousand (358), including SEK -1,722 thousand (723) from changes in inventories and SEK -1,080 thousand (-1,222) from changes in receivables as well as SEK 1,390 thousand (856) from changes in liabilities.

Cash flow from investing activities amounted to SEK -484 thousand (0).

Cash flow from financing activities amounted to SEK 31,374 thousand (25,339) and is fully attributable to contributed issue capital from issue of shares, net after issue costs. The issue capital received in 2025 relates to the rights issue of shares decided by the board on 17 December 2024. The issue capital received in the first quarter of 2024 relates to the rights issue of shares decided by the board on 13 November 2023.

Employees

At the end of the period, the number of employees amounted to 37 (33). In addition, at the end of the period, 6 consultants (7) were working full- or part-time for the company.

Share capital

The rights issue, decided by the board on 17 December 2024, was registered at the Swedish Companies Registration Office at two occasions: 11 February and as a - significant event after the end of the period - on 7 April. The registration at the Swedish Companies Registration Office on 11 February increased number of shares with 1,813,908 shares and the share capital with 181,390.80 SEK. After this registration, the share capital amounted to a total of SEK 3,068,108.10 and the number of shares to 30,681,081.

Equity

Equity at the end of the period amounted to SEK 47,905 thousand (32,800) or SEK 1.56 (1.37) per share. The equity/assets ratio at the end of the period was 87 percent (80).

Tax loss carryforward

Gradientech's current operations are initially expected to generate negative earnings and tax losses. There is currently insufficient reason to capitalise the value of the tax loss carryforward, and no deferred tax asset has therefore been recognised. As of December 31, 2024 the total unutilised loss carryforward amounts to to SEK 382,206 thousand (315,788).

Pledged assets

The company’s pledged assets consist of pledged bank funds of SEK 50 thousand (50).

Incentive programs

At the AGM on May 7, 2024, the shareholders decided to introduce an employee stock option program of 1,131,125 options that entitle the holders to subscribe for 1,131,125 shares in Gradientech at a price of SEK 17.50 per share upon the achievement of milestones and a vesting period of three years. The dilutive effect is estimated at approximately 4.5 percent on full subscription. The shareholders also decided at the AGM to cancel the previous employee stock option program issued in 2021.

Related party transactions

No transactions between Gradientech and its related parties were carried out during the period.

Financing

The rights issue of shares decided by the board on 17 December, 2024 was fully subscribed and brought Gradientech SEK 60.6 million before deduction for issue costs. The issue was registered with the Swedish Companies Registration Office on two occasions, one of which as an significant event after the end of the period. The registration on February 11, which affects the first quarter of 2025, brought Gradientech with SEK 31.7 million before deduction for issue costs. The registration on 7

April, brought Gradientech with SEK 28.9 million before deduction for issue costs and will affect cash flow during the second quarter of 2025.

The Board of Directors' assessment is that the issue proceeds together with existing cash will cover the Company's liquidity needs until the end of 2025/2026. Due to uncertainty in the forecast, this means that financing at the time of submission of this interim report is not secured for at least twelve months ahead. In the current market situation, the Company's board of Directors has chosen to finance the coming twelve-month period on more than one occasion. This means that additional issues need to be carried out during the next twelve-month period to ensure the Company's continued financing.

Condensed income statement

Gradientech AB *SEK thousand*	Jan-Mar 2025	Jan-Mar 2024	Jan-Dec 2024
Net sales	943	485	4,457
Change in inventories	1,722	-723	-3,111
Other operating income	69	102	177
Purchased goods and services	-6,150	-1,840	-11,376
Other external expenses	-6,317	-5,630	-22,593
Personnel costs	-8,681	-7,545	-29,551
Depreciation	-447	-476	-1,869
Other operating expenses	-30	-17	-142
Operating result	**-18,891**	**-15,644**	**-64,007**
Financial net	-59	-3	387
Profit before tax	**-18,950**	**-15,648**	**-63,620**
Income tax	0	0	0
Profit for the period	**-18,950**	**-15,648**	**-63,620**
Average numbers of shares, thousands, before dilution	29,855	23,128	25,444
Average numbers of shares, thousands, after dilution	30,986	23,743	26,575
Number of shares outstanding on the Balance sheet date, thousands	30,681	23,961	28,867
Basic earnings per share, SEK	-0.63	-0.68	-2.50
Diluted earnings per share, SEK	-0.63	-0.68	-2.50

Condensed balance sheet

Gradientech AB	31 Mar		31 Dec
SEK thousand	**2025**	**2024**	**2024**
ASSETS			
Subscribed but unpaid capital	0	0	0
Tangible assets			
Equipment, tools, fixtures and fittings	3,880	5,037	3,843
Total non-current assets	**3,880**	**5,037**	**3,843**
Current assets			
Inventories	**4,207**	**4,872**	**2,485**
Current receivables			
Accounts receivables and other receivables	11,121	9,701	10,041
Cash and bank balances	35,571	21,336	24,596
Total current assets	**46,692**	**31,037**	**34,636**
TOTAL ASSETS	**54,779**	**40,947**	**40,964**
EQUITY AND LIABILITIES			
Equity			
Restricted equity	3,068	2,396	2,887
Non-restricted equity	44,837	30,404	32,537
Total equity	**47,905**	**32,800**	**35,424**
Liabilities			
Current liabilities	6,874	8,147	5,540
Total liabilities	**6,874**	**8,147**	**5,540**
TOTAL EQUITY AND LIABILITIES	**54,779**	**40,947**	**40,964**
Pledged assets	**50**	**50**	**50**

Statement of changes in equity

Gradientech AB *SEK thousand*	Share capital	Unregistered share capital	Share premium reserve	Retained earnings	Total
Opening balance, Jan 1, 2024	1,780	617	346,798	-300,744	48,451
Profit/Loss					
Loss for the period				-15,648	-15,648
Total profit/loss	0	0	0	-15,648	-15,648
Transactions with shareholders					
New share issue, registered share capital	617	-617			0
Issue costs			-3		-3
Total transactions with shareholders	617	-617	-3	0	-3
Closing balance, Mar 31, 2024	**2,396**	**0**	**346,795**	**-316,392**	**32,800**
Opening balance, Jan 1, 2025	2,887	0	396,901	-364,364	35,424
Profit/Loss					
Loss for the period				-18,950	-18,950
Total profit/loss	0	0	0	-18,950	-18,950
Transactions with shareholders					
New share issue	181		31,562		31,743
Issue costs			-313		-313
Total transactions with shareholders	181	0	31,249	0	31,431
Closing balance, Mar 31, 2025	**3,068**	**0**	**428,150**	**-383,314**	**47,905**

Condensed cash-flow statement

Gradientech AB *SEK thousand*	Jan-Mar 2025	Jan-Mar 2024	Jan-Dec 2024
OPERATING ACTIVITIES			
Result after financial items	-18,950	-15,648	-63,620
Depreciation	447	476	1,869
Profit from disposal of non-current assets	0	0	0
Interest Convertible Loan	0	0	0
Cash flow from operating activites before change in working capital	**-18,503**	**-15,172**	**-61,751**
Changes in working capital	-1,413	358	-293
Cash flow from operating activites	**-19,916**	**-14,813**	**-62,044**
INVESTING ACTIVITIES			
Investments in tangible fixed assets	-484	0	-198
Cash flow from investing activites	**-484**	**0**	**-198**
Cash flow before financing activities	**-20,399**	**-14,813**	**-62,243**
FINANCING ACTIVITIES			
New share issues, convertible loan and issue costs	31,374	25,339	76,028
Cash flow from financing activites	**31,374**	**25,339**	**76,028**
CASH FLOW FOR THE PERIOD	**10,975**	**10,525**	**13,785**
Cash and cash equivalents at beginning of the period	24,596	10,811	10,811
Cash and cash equivalents at end of the period	35,571	21,336	24,596

Accounting principles

This interim report has been prepared in accordance with the Swedish Accounting Standards Board's General Advice and the accounting principles are unchanged compared with the annual report for 2024.

Significant risks and uncertainties

Through its operations, Gradientech is exposed to risks and uncertainties. Information about the company's risks and uncertainties can be found on page 46 in the company's annual report for 2024, which is available on the company's website www.gradientech.se.

Patents and intellectual property rights

Patent

Current patent situation

Gradientech is the owner of six patent families and works with Barker Brettell Sweden AB in Stockholm as patent advisor.

The first patent family concerns a microfluidic device and was filed in November 2009. The patent family comprises four approved patents in Germany, France, the UK and Sweden. The patent family was abandoned in 2024.

The second patent family relates to a stable microfluidic capsule and was filed in June 2011. The patent family includes six approved patents in Germany, France, Great Britain, Ireland, Sweden and the United States. The patent family was abandoned in 2024.

The third patent family relates to the use of the company's microfluidic technology for precise antibiotic susceptibility testing and was filed in July 2014. The patent family includes eight approved patents in Germany, France, UK, Sweden, Japan, China and the US (two approved patents in the US).

The fourth patent family concerns the design and functions of the microfluidic cassette that constitutes the consumable in the QuickMIC system. A US provisional patent application was filed in April 2019, and was supplemented with an international patent application in April 2020. In 2021, national patent applications have been filed in Europe, the US, China and Japan. The patent family currently includes six approved patents in Germany, France, UK, Sweden, China and Japan.

The fifth patent family concerns a surface modification of plastic surfaces to improve the adhesion of hydrogel to it. A Swedish patent application was filed in April 2022, and was supplemented with an international patent application in March 2023.

The sixth patent family concerns the use of machine learning-based methods to be able to detect antibiotic resistance and resistance mechanisms early during a QuickMIC test run. A Swedish patent application was submitted in August 2023 and was supplemented with an international patent application in March 2024.

IP Strategy

Gradientech develops, manufactures and sells microfluidic products for cell study applications, in infectious disease diagnostics specifically. We regularly review our innovations to determine whether they are patentable and strategically significant for us to seek patent protection. We do this in consultation with our patent office and patent attorney, who have worked with our patent families for a long time. Our strategy is to protect technological solutions and applications in commercially viable markets, mainly in Europe and the US, but also in other selected markets in Asia, for example. The trademark portfolio is managed in partnership with an external legal partner specialised in trademarks.

Trademarks

Gradientech currently has three different brand families.

The first brand family refers to GRADIENTECH® and was filed in January 2010 in trademark classes 1, 5, 9 and 42. The trademark family includes a Swedish registered trademark.

The second brand family refers to CELLDIRECTOR® and was submitted in January 2010 in trademark classes 1, 5 and 9 (as well as class 10 in Sweden). The trademark family includes registered trademarks in Sweden, the USA (only class 1 and 9) and EU trademarks.

The third brand family relates to QUICKMIC® and was submitted in November 2017 in trademark classes 5 and 10. The trademark family includes registered trademarks in the United States and EU trademarks.

Definitions and key ratios

Earnings per share

Net income divided by average number of shares.

Average number of shares

The average number of shares in Gradientech has been calculated based on a weighting of the historical number of outstanding shares in Gradientech after each completed new share issue per its settlement date times the number of days that each number of shares has been outstanding.

Solidity

Equity in relation to balance sheet total (total assets).

Return on equity

Profit after tax in relation to equity.

Return on capital employed

Profit after net financial items in relation to capital employed.

Capital employed

Total assets less non-interest-bearing liabilities.

Equity per share

Equity divided by the number of shares at the balance sheet date.

Cash flow from operating activities per share

Cash flow from operating activities divided by the average number of shares.

Definitions

AST
Antibiotic Susceptibility Testing

Bloodstream infection
Presence of bacteria in the blood

Breakthrough device
Classification by the US FDA of a medical device that is deemed to offer a more effective treatment or diagnosis of life-threatening diseases compared to what is available on the market, provides a prioritised regulatory review process

BSI
The company's Certification Body for the ISO13485 certification and Notified Body for IVDR review

CE
Conformité Européenne, product marking mainly within the European Union and the European Economic Area

CE-IVD
Regulatory marking of diagnostic medical devices that have met a number of requirements, including safety, quality, validity and traceability, that are necessary for the product to be used for diagnostic testing

ESCMID
The European Society of Clinical Microbiology and Infectious Diseases, a European organisation in clinical microbiology and infection diagnostics, organises the annual world conference *ESCMID Global*

FDA
The United States Food and Drug Administration, approves and clears IVD-products for the US market

Gram-negative
The difference between gram-negative and gram-positive bacteria is the structure of their cell walls

Isolate
A single species of a bacterium obtained in a pure culture

IVD
In vitro diagnostics, refers to medical devices for in vitro diagnostics

IVDR
Regulation (EU) 2017/746 of the European Parliament and of the Council of 5 April 2017 on in vitro diagnostic medical devices

Microfluidics
The study of how liquids that are physically confined to the micrometer scale in at least one dimension behave, are measured and manipulated

QuickMIC®
Registered trademark of Gradientech, the company's diagnostic system for ultra-rapid antibiotic susceptibility testing

Sepsis
A condition of life-threatening organ dysfunction caused by a disturbed systemic response to infection

Upcoming reports

Annual General Meeting	May 21, 2025
Interim report Q2 2025	August 21, 2025
Interim report Q3 2025	November 13, 2025
Year-end report 2025	February 20, 2026

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

Board of Directors

The Board of Directors and the CEO affirm that interim report provides a true and fair overview of the operations, position and earnings of the company.

Uppsala, May 16, 2025

Gisela Sitbon
Chair of the Board

Henrik Didner
Board member

Rolf Ehrström
Board member

Laura Chirica
Board member

Hilja Ibert
Board member

Nedal Safwat
Board member

Sara Thorslund
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