

H1/2025

Half-year financial report (unaudited)

January–June 2025

CANAU

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About Canatu

Canatu (CANATU, Nasdaq First North, Finland) is a fast-growing deep technology company creating advanced carbon nanotubes (Canatu CNTs), related products, and manufacturing equipment for the semiconductor, automotive, and medical diagnostics industries. Canatu partners with forerunner companies, together transforming products for better tomorrows with nano carbon.

Canatu's versatile platform technology has broad potential applications. Its current core includes CNT membranes for extreme ultraviolet (EUV) processes in the semiconductor industry, enabling more effective manufacturing of the most advanced chips, as well as film heaters for advanced driver-assistance systems (ADAS) in the automotive industry. Additionally, electrochemical sensors for medical diagnostics are in the development phase. Canatu's patented CNT reactors and Dry Deposition™ method yield clean and pristine CNTs. The company operates through two business models: selling CNT products directly, as well as selling CNT reactors and licensing the related technology so that customers can produce CNT products under a limited license.

Headquartered in Finland, Canatu also operates in the US, Japan and Taiwan. Founded in 2004 as a spin-off from Aalto University's Nanomaterials Group, Canatu currently has close to 150 employees representing over 30 nationalities, with nearly 20% holding or pursuing doctorates. Discover more at www.canatu.com and follow us on [LinkedIn](#).

Operational performance and competitive position strengthened, despite delay in revenue

January–June 2025 in brief*

- During H1, Canatu received customer approval for its first CNT100 SEMI reactor and post-processing equipment, which are now ready to start mass production of CNT pellicle membranes
- Revenue decreased by 34.1% to EUR 7.3 million (11.1)
- Gross profit decreased by 28.5% to EUR 4.9 million (6.9), i.e. 67.3% (62.1%) of revenue
- EBITDA was EUR -4.0 million (-1.7), i.e. -55.5% (-15.1%) of revenue
- Adjusted EBIT was EUR -4.8 million (-2.3), i.e. -66.4% (-20.6%) of revenue
- Operating profit (loss) was EUR -5.1 million (-2.5)
- Earnings per share, basic and diluted were EUR -0.12 (-0.02)
- The amount of full-time equivalent employees increased to 132 (117), ending the reporting period with a total headcount of 147 (128).

* Comparison period in pro forma figures

January–June 2025 in brief (consolidated as of 17 Sep 2024)

- Revenue was EUR 7.3 million (–)
- Gross profit was EUR 4.9 million (–), i.e. 67.3% (N/A) of revenue
- EBITDA was EUR -4.0 million (-0.9), i.e. -55.5% (N/A) of revenue
- Adjusted EBIT was EUR -4.8 million (-0.9), i.e. -66.4% (N/A) of revenue
- Operating profit (loss) was EUR -5.1 million (-0.9)
- Earnings per share, basic and diluted were EUR -0.12 (0.08)

Basis of presentation

Canatu Plc (CANATU, Nasdaq First North, Finland) was listed on the Nasdaq First North Growth Market Finland on 17 September 2024 after a combination between Lifeline SPAC I Plc and Canatu Finland Oy. Canatu’s **consolidated** financial information presented in this report include parent company Canatu Plc’s (former Lifeline SPAC I Plc) financial information for half–year periods 1 January to 30 June, and its subsidiaries Canatu Finland Oy and Canatu Inc. from 17 September 2024, and is prepared in accordance with the laws and regulations governing the preparation of financial statements in Finland (“Finnish Accounting Standards” or “FAS”).

As the consolidated financial information does not provide a relevant view of the operating result and cash flows of Canatu for the half–year period and full–year for the comparison year, this Half-year financial report provides also additional unaudited **pro forma** financial information. It illustrates the result of Canatu as if the combination with Canatu Finland had taken place on 1 January 2023. These unaudited pro forma financial figures are prepared to illustrate the comparable operational performance of Canatu’s business for the periods presented. A more detailed description of the compilation of the pro forma information is provided in **table section** of this Half-year financial report.

Unless otherwise specified, the figures in round brackets refer to the year-on-year comparison period, i.e. the same period in the previous year.

Juha Kokkonen, CEO of Canatu:

Rapid AI growth is fueling demand for advanced chips, driving adoption of CNT pellicles. Despite delayed revenue, our competitive edge in CNT pellicles has remained strong or improved. Solid operational progress was marked by customer approval of the first CNT100 SEMI reactor and post-processing equipment, now ready for mass production of CNT pellicle membranes. To drive further growth and diversification, we made the decision to double our premises, reinforced our strategic, long-term commitment to Medical Diagnostics, and recreated new business development to accelerate time-to-market for high-value applications. We are confident that Canatu's competitive position in CNT pellicles is now significantly stronger compared to the time of our listing in 2024.

Advanced chips (< 7nm features) are the fastest growing segment in the semiconductor industry, projected to grow at roughly 20% annually, with logic chips growing at 10–20% and DRAM 15–25% annually between 2025–2030. (ASML). Industry sources anticipate that advanced chip manufacturing with 600W power scanners will start by 2027. This is expected to be the inflection point for wider usage of CNT pellicles. However, we expect some usage of CNT pellicles also with 500W scanners due to their high transmission and productivity gains. Although the adoption of 600W scanners is delayed, Canatu's competitive edge in CNT pellicles has remained strong or improved. In parallel, we are negotiating new orders with existing and prospective customers across the ecosystem.

Although our fundamentals remain strong, H1 revenue did not meet our expectations. Revenue declined to EUR 7.3 million, down from EUR 11.1 million in H1 2024, representing a decrease of 34.1%. Decrease was mainly caused by semiconductor industry's delay to adopt high-power scanners, slower-than-anticipated customer approvals (Site Acceptance Test, SAT) of CNT100 SEMI reactors—which delayed both revenue recognition and potential follow-on reactor orders from existing customers—and general market uncertainty. Gross profit was EUR 4.9 million, a decrease of 28.5%. Gross margin increased to 67.3% (62.1%) and was driven by the changes in product mix. The development of adjusted EBIT margin, -66.4% (-20.6%), was primarily attributable to the decrease in revenue and secondarily to the increase in headcount.

Despite delayed revenue, we made strong operative progress. The first CNT100 SEMI reactor and post-processing equipment received customer approval and are now ready to start mass production of CNT pellicle membranes. Before pilot and risk mass production, the customer must secure approval for the complete coated CNT pellicle product. After successful pilot and risk production, high-volume production of CNT pellicle membranes will commence. Mass production will generate Canatu revenue from consumables and sold CNT pellicles.

For the second reactor, the timeline for obtaining the customer approval (SAT) is not fully within Canatu's control and the risk of delays cannot therefore be excluded. We remain actively engaged with both customers to support their transition toward high-volume mass production.

Our market position in inspection membranes remained strong. We continued supplying membranes for EUV mask inspection, including High Numerical Aperture (High-NA). Building on Canatu's track record of mass-producing inspection membranes since 2021, we received a purchase order from a long-standing, top-tier customer, reinforcing our leadership in the field.

We also took significant steps in investing in long-term growth and diversification. To support increasing demand and enable future expansion, we are doubling our premises with a new facility. Located next to our headquarters and factory in Vantaa, the 3,000m² facility addresses growing operational needs, supports future scale-up, and provides additional office space for our expanding team.

We reinforced our strategic, long-term commitment to Medical Diagnostics. Our focus continues to be on point-of-care in infectious diseases and hormone monitoring. In addition, we have strengthened our leadership and team capabilities with new hires, and most recently published two scientific papers.

Recognizing the need for greater agility in capturing emerging opportunities, we recreated our new business development by deploying enhanced resources and a dedicated team, with the goal of systemic assessment of new high-value applications for our advanced CNT and bringing them to market faster. For example, the development work of next-generation solar panel applications aims at generating power using CNT electrodes. In another area, we are producing sensors protecting advanced electronic devices in the defense industry. These initiatives demonstrate Canatu's ability to serve demanding, emerging applications and highlight both the versatility of our CNT technology and the reliability of our manufacturing.

In March, Canatu was selected as a Leading Company (Veturi) by Business Finland and awarded up to EUR 10 million in funding to accelerate the onset of the Carbon Age. Canatu will lead the creation of an industrial ecosystem to drive innovation and growth, with total funding for partners reaching up to EUR 20M. The program also aims to standardize CNT structures and establish design and manufacturing guidelines to enable next-generation semiconductor solutions.

We continued to strengthen our organization, expanding the team during H1 with a net addition of 10 employees. Canatu's average number of employees during the review period was 132 (117) in terms of full-time employees. The number of personnel employed at the end of the review period was 147 (128). We made three key recruitments to strengthen the Management Team and support Canatu's growth strategy. Mikko Vesterinen joined Canatu in January 2025 as Chief Financial Officer. Tapani Salminen was appointed Chief Operating Officer in April, and Nedal Safwat became Chief Development Officer and President of Canatu Inc in June, leading the Medical Diagnostics business unit.

Investment in growth is set to accelerate, with a significant increase expected in the second half of the year. After the reporting period, Canatu ordered a PELMIS EUV pellicle inspection system from Lasertec to improve quality control and metrology capabilities. This investment is a key enabler for the long-term development of our CNT SEMI reactor and pellicle membrane business, strengthening our competitiveness, raising quality standards, and ensuring we meet the stringent requirements of semiconductor customers.

For 2025, we expect a revenue delay due to slower-than-anticipated market deployment of high-power scanners as reflected in our updated 2025 outlook. However, we remain confident in our path forward and firmly believe that Canatu is well-positioned for sustained growth in the long-term. Backed by rapid growth of advanced chips market, Canatu is well-positioned to capture market share, with an even stronger competitive position. We are moving full speed ahead, investing in future growth through a refined Medical Diagnostics strategy, expansion into the defense industry, next-generation solar cell solutions, and other emerging opportunities. We are taking steps toward the (Nano) Carbon Age.

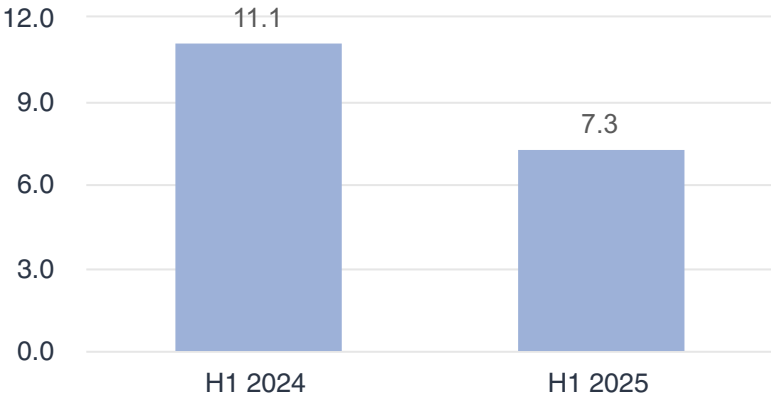
Key figures
(comparison periods in pro forma figures)

EUR million	1–6/2025	1–6/2024	Change %	1–12/2024
Revenue	7.3	11.1	-34.1%	22.0
Gross profit	4.9	6.9	-28.5%	13.8
as percentage of revenue, %	67.3%	62.1%		62.5%
EBITDA	-4.0	-1.7	-142.4%	-3.6
as percentage of revenue, %	-55.5%	-15.1%		-16.1%
Operating profit/loss (EBIT)	-5.1	-2.5	-101.4%	-5.3
as percentage of revenue, %	-69.6%	-22.7%		-24.1%
Adjusted EBIT*	-4.8	-2.3	-111.8%	-4.8
as percentage of revenue, %	-66.4%	-20.6%		-21.9%
Profit (loss) for the financial period	-4.2	-0.7	-478.6%	-1.7
Cash flow from operating activities	2.5	2.4	2.0%	-2.1
Capital expenditure	2.2	3.2	-31.5%	5.0
Net debt**	-96.2	-0.1	N/A	-91.9
Equity ratio, %**	94.1%	98.7%		90.6%
Return on equity (ROE), %**	-7.9%	2.3%		-3.3%
Research and development costs expensed through profit or loss	2.6	1.9	34.3%	4.3
Average number of employees during the period	132	117	12.8%	123
Personnel at the end of period	147	128	14.8%	137
Earnings per share (EUR), basic and diluted	-0.12	-0.02	-473.9%	-0.05

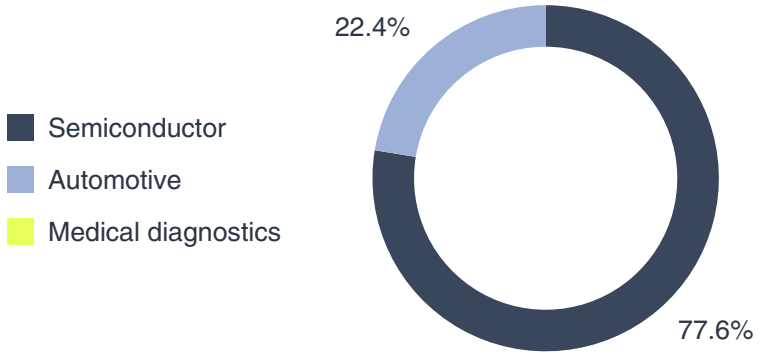
* Operating profit (loss) (EBIT) adjusted for special items related to amortization of goodwill, totaling EUR 0.2 million for 1–6/2025 (1–6/2024: EUR 0.2 million and 1–12/2024: EUR 0.5 million).

** Comparison periods in consolidated figures

REVENUE, M€



REVENUE BY BUSINESS UNIT



Market environment

Canatu's current focus markets—Semiconductors, Automotive, and Medical Diagnostics—are undergoing a technological transformation, driving demand for high-quality CNTs and offering Canatu strong growth and profitability potential.

Semiconductor market

In the semiconductor industry, explosive growth of AI is driving demand for advanced chips, making EUV lithography increasingly critical. As high-power tools emerge, CNT pellicles become essential. The global semiconductor market is set to exceed USD 1 trillion by 2030, driven by AI and data center chip demand. According to ASML, semiconductor industry is projected to grow at a 9% CAGR in 2025–2030, with advanced AI chips (< 7nm features) growing fastest at roughly 20% CAGR and with logic chips growing at 10–20% and DRAM 15–25%. Advanced chips are relevant to Canatu's business and growth.

According to SEMI, CAPEX on advanced process tools is projected to exceed USD 50 billion by 2028 (CAGR 18%). EUV tool market is led by specialized equipment manufacturers, such as ASML, EUV Tech, KLA, Lasertec, and Zeiss creating significant business opportunities for Canatu both for tool and membrane sales.

The first half of the year has been marked by significant developments in the semiconductor industry, as exemplified by the following news.

NVIDIA and TSMC have reported strong revenue growth in 2024 and early 2025 largely driven by booming demand in the AI and data center markets. In June 2025, NVIDIA announced it will build an AI factory in Germany and new technology centers across Europe. TSMC told in March about its USD 100 billion U.S. expansion plan, part of its goal to build nine new facilities globally in 2025. This includes the start of construction on its most advanced fab in Taichung, Taiwan by the end of the year, designed to produce next-generation chips beyond the 2-nanometer process. In Kaohsiung, Taiwan, the company plans to build five wafer fabs focused on 2-nanometer and A16 technologies. TSMC will also begin building a new manufacturing fab in Arizona, U.S. and a second facility in Kumamoto, Japan, by year-end. In April, TSMC and Intel both updated their roadmaps, targeting production of their next-generation process nodes A14 and 14A by 2027–2028.

In July 2025, Samsung signed an eight-year, USD 16.5 billion deal with Tesla to manufacture AI6 chips at its Texas fab in the U.S.

On the other hand, Intel, after investing aggressively early on, is reportedly facing delays and its Ohio fab in the U.S. is currently on hold.

Geopolitical risks are affecting global market dynamics. For example, according to its first-quarter results, NVIDIA took a USD 4.5 billion hit due to U.S. export restrictions on its H20 AI chip to China. However, the U.S. administration has now approved a controversial deal permitting NVIDIA to sell its H20 chips to China in exchange for a 15% share of revenues, despite an earlier ban citing national security concerns. Since political decisions are unpredictable, there is a constant risk of sudden changes in the market.

CNT pellicle market

ASML's 600W EUV lithography tools are expected to arrive around 2027, marking a key inflection point for the adoption of CNT pellicle membranes. The first roll-out of CNT pellicles is expected with ASML's 500W tool and 2nm nodes. While the long-term outlook for the shift is good, the pace of adoption has been somewhat slower than anticipated by Canatu.

As the sole supplier of EUV lithography systems, ASML's performance reflects broader market trends in the CNT pellicle market. ASML expects its growth to continue in 2025 and it prepares for growth also in 2026, but however, in its Q2 report ASML raises concern related to global uncertainty. In April 2025, ASML announced it has begun upgrading NXE:3800E systems to support 220 wafers per hour (wph) throughput, and all new NXE:3800E tools are now shipped with this configuration. Based on available data, this implies source power levels reaching the 500 W threshold. Looking ahead, ASML's roadmap indicates that future systems such as the NXE:4000 and EXE:5200, expected to be launched around 2027, will push source power to 600 W.

Canatu CNT pellicle membranes outperform traditional composite pellicles especially in high-power scanners due to high transmission and durability, supporting productivity increase potential in the EUV lithography process by up to 8–15%.

Canatu does not currently produce ready CNT pellicles but provides its technology through CNT reactor model. Canatu's CNT 100 SEMI reactor is used to produce pellicle membranes, which undergo post-processing before being used as CNT pellicles in EUV lithography systems.

After Canatu has received customer approval (Site Acceptance Test, SAT) for its reactor, the customer must secure approval(s) for the complete coated CNT pellicle product before pilot and risk production. After successful pilot and risk production, high-volume production of CNT pellicle membranes will commence. Mass production will generate Canatu revenue from consumables and sold CNT pellicles.

Canatu believes that its competitive market position has even improved compared to the situation at the time of listing based on the significant progress with the existing reactor customers and the projects with new customers. To the best of the company's knowledge, no other party has conducted CNT reactor sales for CNT pellicle membrane production in the semiconductor industry besides Canatu. The company is also engaged in discussions with potential new customers entering the market.

Canatu estimates that its market share within the emerging CNT pellicle market is very high. The total addressable market for CNT pellicles is projected to reach EUR 1.0–2.0 billion by 2030.

Inspection membrane market

EUV mask inspection is a critical step in semiconductor manufacturing, with key EUV inspection tool manufacturers including KLA, Lasertec, and Zeiss. Lasertec, currently the market leader, has forecast a year-over-year decline in sales for the fiscal year ending June 2026, based on its financial results for the year ended June 2025.

Canatu inspection membranes play an important role in enhancing quality control during pre-lithography processes. Specifically, they are currently used in patterned EUV mask inspection to filter out debris generated by the EUV light source, protecting sensitive optics from contamination.

To the best of our knowledge, Canatu is a leading supplier of inspection membranes for EUV mask inspection, used in both Low-NA and, more recently, High-NA inspection tools. In July, the company received a purchase order from a major existing customer in the semiconductor industry, further reinforcing its position as a key supplier of inspection membranes that have been mass-produced since 2021.

Canatu estimates that its market share within the inspection membrane market is very high.

Inspection membrane market also covers optical filters. Canatu optical filters improve measurement precision in EUV process monitoring by blocking short-wavelength photons and high-energy particles that can interfere with the measurement process, while providing high EUV/X-ray transmission.

Automotive market

The adoption of higher-level autonomous driving systems (ADAS) and the growth of electric vehicles (EVs) are expected to drive increasing demand for reliable and efficient film heaters. Although metal wire heaters are currently the most widely used heating solution, certain performance requirements originating from ADAS suggest the need for alternatives. However, no mainstream replacement has been established yet.

According to a Gartner market report, SAE (Society of Automotive Engineers) Levels 2 and 2+ driving automation are expected to dominate in terms of volume in the coming years. OEMs are increasingly adopting Level 2+ systems to enable hands-free driving experiences that offer strong consumer appeal while maintaining manageable costs, liability, and integration complexity. Based on Canatu management view, more OEMs in China are shifting toward primarily camera-based ADAS solutions, moving away from costlier sensor fusion systems. This shift is expected to drive greater demand for optically optimized and energy-efficient film heaters, such as those developed by Canatu.

Automakers continue to advance toward Level 3 driver assistance systems (conditional automation). BMW and Mercedes-Benz have already launched their systems in Germany. In February 2025, Stellantis announced that its Level 3 system is ready for rollout. Zeekr is currently testing its system, and XPeng plans to expand its XNGP platform across China. Honda is expected to introduce Level 3 capabilities in its Honda 0 series later this year. Canatu anticipates delays in Level 3 adoption due to the high cost of implementation and the slow pace of regulatory changes across different regions.

There is also movement towards robotaxis. Waymo is deploying Level 4 autonomous robotaxis, requiring no human driver, in selected U.S. cities, including Phoenix, San Francisco, and Los Angeles. Level 4 testing continues in China with government support, though full commercialization is still several years away. In June 2025, Tesla launched a limited robotaxi service in Austin, Texas, with plans to expand to more cities soon.

Canatu focuses primarily on ADAS camera heaters, while also working on the development of future applications together with its partners, such as automotive solar cells and full windshield heaters. The Automotive Business also includes sensors for protecting electronic devices and film heaters for advanced security camera systems.

Within automotive solar cells, a key long-term development is the exploration of carbon nanotubes (CNTs), replacing traditional indium tin oxide (ITO) and metal conductors. By using CNTs and multi-junction structure, solar cell efficiency could rise to 35%, surpassing the 25% efficiency of silicon-based cells, marking a significant leap in solar energy utilization.

Medical diagnostics market

The medical diagnostics field is undergoing a significant transformation, shifting from traditional laboratory testing to more agile point-of-care (POC) solutions. This transition is driven by a growing demand for faster, more affordable, and convenient tests that can be performed at or near the site of patient care. Adopting these solutions leads to improved clinical outcomes, including reduced hospital stays, fewer unnecessary admissions, and optimized operational efficiency for healthcare providers.

In this evolving landscape, Canatu is leveraging its highly sensitive electrochemical biosensors, which are built on proprietary CNT technology, to address new diagnostic needs. Recent publications have demonstrated the high sensitivity and performance of Canatu CNT technology, showing results equivalent to gold-standard centralized lab tests for detecting circulating tumor DNA and total testosterone.

Canatu has refined its strategy, with a focus on POC applications in the areas of infectious diseases and hormone monitoring. The company will also leverage key partnerships to enable a broader range of diagnostic applications, solidifying its role in the future of decentralized diagnostics.

The global market for POC applications in infectious diseases and hormone monitoring is estimated at USD 6 billion, with the U.S. market accounting for approximately USD 3.3 billion.

Financial overview

Revenue (comparison periods in pro forma figures)

EUR million	1–6/2025	1–6/2024	Change %	1–12/2024
Semiconductor	5.7	9.8	-42.3%	19.7
Automotive	1.6	1.2	30.9%	2.3
Medical Diagnostics	–	0.0	-100.0%	0.0
Total	7.3	11.1	-34.1%	22.0

In January–June 2025, Canatu’s revenue decreased by 34.1% compared to the corresponding period of the previous year on pro forma basis and was EUR 7.3 million (11.1). Decrease was mainly caused by semiconductor industry’s delay to adopt high-power scanners, slower-than-anticipated customer approvals (Site Acceptance Test, SAT) of CNT100 SEMI reactors, and general market uncertainty. Semiconductor business unit’s revenue decreased by 42.3% to EUR 5.7 million (9.8) on pro forma basis. The contribution of inspection membranes to the Semiconductor business revenue remained solid. The final part of the first CNT100 SEMI reactor project’s revenue was recognized in H1. Automotive business unit’s revenue increased by 30.9% to EUR 1.6 million (1.2) on pro forma basis. The increase was driven by joint development agreement with DENSO to improve CNT performance. Canatu also began mass-producing sensors for the defense industry. Medical Diagnostics business unit did not generate revenue during the review period (0.0).

Profitability (comparison period in pro forma figures)

In January–June 2025, Canatu’s gross profit decreased by 28.5% compared to the corresponding period of the previous year on pro forma basis and was EUR 4.9 million (6.9). Gross profit as a percentage of revenue increased by 5.3 percentage points to 67.3% (62.1%). The increase in gross profit as a percentage of revenue was driven by changes in the product mix.

EBITDA decreased and was EUR -4.0 million (-1.7), i.e. -55.5% (-15.1%) from revenue. Adjusted EBIT decreased and was EUR -4.8 million (-2.3), i.e. -66.4% (-20.6%) from revenue. Operating profit (loss) decreased and was EUR -5.1 million (-2.5), i.e. -69.6% (-22.7%) from revenue. EBITDA and EBIT as percentage of revenue decreased mainly due to decrease in revenue.

Financial income and expenses total generated net financial income amounting to EUR 0.9 million (2.0). The decrease in net financial income was primarily attributable to the decrease in interest rate levels and its impact on the financial income yielded by Canatu’s cash assets and current investments.

Profit (loss) for the reporting period was EUR -4.2 million (-0.7). Basic and diluted earnings per share were EUR -0.12 (-0.02).

Balance sheet, cash flow and financing (consolidated)

Canatu’s balance sheet total at the end of June 2025 was EUR 122.4 million (106.0), of which equity accounted for EUR 113.5 million (104.7). Canatu’s equity ratio was 94.1% (98.7%) at the end of June.

During the reporting period, Canatu repaid prematurely part of its loans from financial institutions by EUR 3.3 million which was enabled by the good liquidity position of Canatu. At the end of June, Canatu’s interest bearing debt consisted of two separate product development loans and amounted to EUR 2.6 million (–). Net debt amounted to EUR -96.2 million (-0.1).

Cash and cash equivalents at the end of June 2025 amounted to EUR 28.9 million (0.1). During the review period, Canatu made of its cash and cash equivalents a money market investment amounting to EUR 70.0 million. The investment is presented as the line item “Financial securities” in the balance sheet on 30 June 2025. Canatu has classified the investment to be included into “Cash and cash equivalents” in the cash flow statement on the basis that the investments of the respective funds are primarily government debts, certificates of deposit and commercial papers which have a highly liquid market and have very low risk of volatility.

The proceeds raised by former Lifeline SPAC I in its initial listing, presented as cash and cash equivalents and financial securities on 30 June 2025, as cash and cash equivalents on 31 December 2024 and as receivables on 30 June 2024, generated in January–June interest income amounting to EUR 1.0 million (2.1). As a result of the completion of the combination, the proceeds deposited in the escrow account were released for Canatu in September 2024. Canatu plans to use the funds to potential investments into Semiconductor, Automotive and Medical Diagnostics businesses, and to strengthen its balance sheet in general.

In January–June 2025, Canatu’s consolidated cash flow from operating activities was EUR 2.5 million (-0.3) and on pro forma basis EUR 2.5 million (2.4).

Capital expenditure (comparison period in pro forma figures)

In January–June 2025, Canatu’s capital expenditure in tangible and intangible assets amounted to EUR 2.2 million (3.2) on pro forma basis. Capital expenditure was mainly related to investments in patents and machinery and equipment. The investments were made to develop and maintain Canatu’s production and R&D operations. Capital expenditure included also EUR 0.8 million (–) of capitalized development costs. The advance payments and work in progress consisted mainly of building a new automated production line for Automotive and Medical Diagnostics business.

Research and development (comparison period in pro forma figures)

In the reporting period, Canatu’s research and development costs amounted to EUR 3.4 million (1.9) excluding R&D equipment related depreciation expense. The costs were related to all business units of the group with significant weight towards Semiconductor business unit. Research and development costs expensed through profit or loss amounted to EUR 2.6 million (1.9) and capitalized costs into balance sheet amounted to EUR 0.8 million (–). The capitalized cost included EUR 0.6 million (–) of salaries and EUR 0.2 million (–) other capitalized development expenditures. The capitalized development payroll costs are included in the “Personnel expenses” line item in the income statement, and the corresponding deduction is presented under “Work performed for own use.” All of capitalized development expenditure relate to development projects in the Semiconductor business unit.

In accordance with Finnish Accounting Standards, amortization of the capitalized development costs is begun already during the financial year. In January–June 2025, amortization of the capitalized development costs amounted to EUR -0.0 million (–).

At the end of June 2025, Canatu held 240 (195) patents and applications across 43 distinct families.

Personnel (comparison period in pro forma figures)

In January–June 2025, Canatu’s average number of employees was 132 (117) in terms of full-time employees. The number of personnel employed by Canatu at the end of June was 147 (128). Personnel expenses totaled EUR 6.2 million (5.5) in January–June 2025.

Shares and trading

Trading in Canatu’s series A shares commenced on 17 September 2024 in Nasdaq First North Growth Market Finland when Canatu Finland Oy was combined with Lifeline SPAC I Plc, a Finnish Special Purpose

Acquisition Company (SPAC) founded in 2021 for acquisitions. Prior the combination, Lifeline SPAC I Plc’s A shares were traded in the SPAC segment of the regulated market of Nasdaq Helsinki.

Series B shares were issued to Lifeline SPAC I Plc’s members of the Board of Directors, the Management Team and the Sponsor Committee in stages during August–October 2021. A holder of series B shares has the right to demand conversion of their series B shares into series A shares at a 1:1 conversion rate after the share price of series A shares has equaled or exceeded certain thresholds.

At the end of June 2025, Canatu Plc’s registered share capital amounted to EUR 80,000. In January–June, a total of 374,058 new series A shares were registered in the Trade Register and admitted to public trading on the Nasdaq First North Growth Market Finland marketplace together with the pre-existing series A shares. Of the new shares, 25,832 shares were subscribed for with the option rights 2024-I and 348,226 shares were subscribed for with the Company’s investor warrants. As a result of the share subscriptions the total number of shares at the end of June was 34,760,874, of which the number of series A shares was 33,710,874 and series B shares 1,050,000, respectively.

The total amount of EUR 4.1 million paid for the subscriptions made with the investor warrants and option rights 2024-I was entered in the reporting period into the Company’s reserve for invested unrestricted equity.

In January–June 2025, 1,169,947 of Canatu’s series A shares were traded in Nasdaq First North Growth Market Finland marketplace. The highest trading price was EUR 14.00 and the lowest price EUR 8.60. The volume weighted average price of Canatu’s series A shares during the reporting period was EUR 10.97. The share’s closing price on the last trading day of the reporting period was EUR 9.44. Measured at the closing price of the reporting period, the market capitalization of Canatu’s series A and B shares was EUR 328.1 million.

At the end of June, Canatu did not hold any treasury shares.

Canatu’s largest shareholders as of 30 June 2025, were eFruit International Inc (10.03%), DENSO Corporation (9.49%) and Varma Mutual Pension Insurance Company (7.54%). At the end of June, the number of registered shareholders was 5,246, including nominee registers. At the end of the review period, nominee registered and direct foreign shareholders held 41.43% of the company’s series A shares.

More information about the 100 largest shareholders of Canatu can be found from Canatu’s website at canatu.com/investors/share-information/shareholders/.

Flagging notifications

Canatu did not receive any flagging notifications during the reporting period.

Share-based payments and earn-out

The capital structure of Canatu Plc consists of Canatu Plc’s issued shares and share capital, in addition to which Canatu Plc has issued warrants, option rights, a share-based incentive plan and a share savings plan entitling their holders and participants to subscribe for Canatu Plc’s series A shares in accordance with the terms of these programs. In accordance with Finnish Accounting Standards (FAS), no cost has been recognized for warrants, options, share-based incentive plan or share savings plans.

Warrants

Canatu has three types of warrants: founder warrants, sponsor warrants and investor warrants. Warrants have originally been issued as part of the SPAC structure. The combination between Lifeline SPAC I and Canatu Finland did not have an effect on the terms of the warrants.

	Number of warrants 30 June 2025	Subscription price, EUR per share
Founder warrants	495,833	12.00
Sponsor warrants	2,337,500	12.00
Investor warrants	3,016,772	11.50

Option plans

Canatu has two option plans. Option plans 2024-I and 2024-II were established in connection with the combination.

Consideration Options 2024-I are fully vested option rights entitling to series A shares of Canatu Plc.

In Option Plan 2024-II the holders of option rights will receive new option rights entitling to new series A shares in Canatu Plc. 142,874 option rights will vest if the Company’s volume-weighted average share price exceeds EUR 14.00 for any ten trading days (which for the sake of clarity need not be consecutive) in any period of 30 trading days before 31 December 2027. 142,874 option rights will vest if the Company’s volume-weighted average share price exceeds EUR 18.00 for any ten trading days (which for the sake of clarity need not be consecutive) in any period of 30 trading days before 31 December 2028. 214,326 option rights will vest if the Company’s volume-weighted average share price exceeds EUR 22.00 for any ten trading days (which for the sake of clarity need not be consecutive) in any period of 30 trading days before 31 December 2028. Every vested option right in Option Plan 2024-II entitles its holder to subscribe for one new series A share in the Company. No series A shares may be subscribed for under Option Plan 2024-II before 12 months have passed from the completion of the Combination.

	Number of options 30 June 2025	Subscription price, EUR per share
Consideration options 2024-I	1,650,920	3.50
Option plan 2024-II	500,074	0.01

Share-based incentive plans

In December 2024, the Board of Directors of Canatu Plc approved a share-based incentive plan for the key employees (Performance Share Plan 2025–2028, PSP) and an Employee Share Savings Plan (ESSP) for the employees of Canatu Plc and its subsidiaries.

Pursuant to the PSP, the target key employee group has an opportunity to earn the Company’s series A shares based on the Company’s performance during the performance period 2025–2028. The performance criterion of the PSP is based on total shareholder return (TSR), determined by reference to the price of the Company’s series A share. The performance levels for TSR are EUR 14, 18, 22 and 30, calculated as the price of the Company’s series A share, added by any distribution of funds per share. The potential rewards from the PSP will be paid in two installments after the end of each measurement period so that the first installment will be paid by 31 March 2028 and the second installment by 31 March 2029 at the latest.

As part of the ESSP, the employees will have an opportunity to save a proportion of their salaries and invest those savings in the Company’s series A shares. The savings during the plan period 2025–2027 will be used to acquire series A shares in the Company in two parts, after the publication of the Company’s Half-year financial report for the first half of 2025 and the annual financial statement for the year 2025.

During the plan period 2025–2027, the Company will give the ESSP participants participating only in the ESSP, as a reward for their commitment, one free matching share (gross) for each two savings shares acquired with savings and one additional matching share (gross) for each two savings shares acquired with savings if the Company’s highest criterion for the total shareholder return of the series A share is met before the end of the holding period. Employees who also participate in the PSP, on the other hand, will receive one free matching share (gross) for every three savings shares acquired with savings and are not entitled to additional matching shares based on total shareholder return. Continuity of employment and holding of acquired savings shares for the duration of the holding period ending on 31 December 2027 are prerequisites for receiving the award.

	Number of reward/ matching shares	Subscription price, EUR per share
Share-based incentive plan PSP 2025–2028*	2,189,295	N/A
Share savings plan ESSP 2025–2027**	36,133	N/A

* Maximum amount of gross shares including cash portion

** Maximum amount of gross shares including cash portion and determined on share price on 25 November 2024

More information about the share-based payments can be found from Canatu’s website at canatu.com.

Earn-out

Lifeline SPAC I and the sellers (shareholders and option rights holders of Canatu Finland) have agreed on an additional purchase price in connection with the combination. If Canatu’s volume-weighted average share price exceeds EUR 14.00 for any ten trading days (which for the sake of clarity need not be consecutive) in any period of 30 trading days before 31 December 2027, 1,857,093 new series A shares in Canatu will be offered to the sellers for subscription without payment (“Earn-Out Payment I”). If Canatu’s volume-weighted average share price exceeds EUR 18.00 for any ten trading days (which for the sake of clarity need not be consecutive) in any period of 30 trading days before 31 December 2028, 1,857,093 new series A shares in Canatu will be offered to the sellers for subscription without payment in addition to Earn-Out Payment I (“Earn-Out Payment II”). If Canatu’s volume-weighted average share price exceeds EUR 22.00 for any ten trading days (which for the sake of clarity need not be consecutive) in any period of 30 trading days before 31 December 2028, 2,785,645 new series A shares in Canatu will be offered to the sellers for subscription without payment in addition to Earn-Out Payment I and Earn-Out Payment II (“Earn-Out Payment III”, together with Earn-Out Payment I and Earn-Out Payment II, the “Earn Out Payments”). The Earn-Out Payments would be made to those sellers who held shares in Canatu in connection with the completion of the combination. The maximum additional purchase price is therefore 6,499,831 new series A shares in Canatu.

Financial targets

2025 outlook

Canatu sees that the company's long-term potential in the three business focus areas—Semiconductor, Automotive, and Medical Diagnostics—has remained unchanged.

Canatu expects that its revenue for the financial year 2025 will decline compared to the 2024 unaudited pro forma revenue of EUR 22 million. If no new CNT100 SEMI reactor orders are received during H2/2025, the revenue for the financial year 2025 is expected to decline significantly compared to the unaudited pro forma revenue of EUR 22 million. In accordance with its disclosure policy, Canatu does not issue any specific numerical guidance for the financial year 2025.

In the near term, Canatu sees that there are certain factors, which affect the revenue visibility and may increase the volatility of the company's revenue development, particularly in the Semiconductor and Automotive businesses. For example, the roll-out of ready CNT pellicles ultimately depends on Canatu's customers and their processes. Further, the timeline for obtaining the second CNT100 SEMI reactor customer approval (SAT) is not fully within Canatu's control, and the risk of delays cannot therefore be excluded.

Semiconductor outlook

In the near-term, Canatu expects that royalty and consumable revenue from existing CNT100 SEMI reactor customers will depend on three key steps: (i) the customers need to complete the final Site Acceptance Tests (SAT) of the first two CNT100 SEMI reactors and related equipment Canatu shipped in 2024, of which the first was completed in H1/2025; (ii) the customers need to receive certain internal and/or external approvals for their ready CNT pellicles; and (iii) the customers need to ramp-up high-volume production of ready CNT pellicles. Since Canatu has agreed to deliver the reactors for CNT pellicle membrane production, the final timing of steps two and three and hence of such royalty and consumable revenue depends on the customers and their processes, not on Canatu.

Furthermore, Canatu expects that any potential follow-on CNT100 SEMI reactor orders from existing customers will likely also be subject to the successful completion of the final SATs for the first two CNT100 SEMI reactors and peripherals Canatu shipped in 2024. The SAT of the first CNT100 SEMI reactor and related peripherals was completed in H1/2025. With regards to the second CNT100 SEMI reactor, the timeline for obtaining the customer approval (SAT) is not fully within Canatu's control and the risk of delays cannot therefore be excluded.

Canatu expects to sustain its position as a leading supplier of inspection membranes used in patterned EUV mask inspection for debris filtering in the financial year 2025.

As a key priority for 2025, Canatu focuses on supporting its customers to reach the capability to launch the production of ready CNT pellicles. At the same time, Canatu continues to invest in the development of new inspection membrane products and the next-generation CNT SEMI reactors.

Canatu expects that the Semiconductor business will be the largest contributor to the group's revenue in the financial year 2025.

Automotive outlook

In the Automotive Business, the ramp-up of ADAS camera heater mass production has been delayed due to certain customer processes. The timing of the start of the mass production ramp-up depends on customers and their processes.

In April 2025 Canatu announced a new joint development agreement (JDA) with DENSO to improve carbon nanotube performance. The JDA is expected to have a positive impact on automotive business unit's revenue in 2025. However, any potential revenue or profit from future commercialization opportunities are subject to material uncertainties, including the outcomes of the JDA program.

Medical Diagnostics outlook

Medical Diagnostics is in the development stage. During H1, Canatu refined its strategy and focused on the development of point-of-care testing for infectious diseases and hormone monitoring.

Canatu expects that the Medical Diagnostics business will make a non-material contribution to the 2025 financial year revenue relative to the contributions by the Semiconductor and Automotive businesses.

Long-term financial targets

Canatu's long-term financial targets are:

- Over EUR 100 million revenue in 2027
- EBIT margin (adjusted for goodwill amortization in accordance with the Finnish Accounting Standards) over 30% in 2027.

Canatu expects the relative contribution to the targeted revenue by Semiconductor to be large, by Automotive medium, and by Medical Diagnostics limited.

Canatu expects that the current level of capital expenditure, EUR 5–6 million annually on average, is adequate for reaching the long-term financial targets in 2027, and that reaching the long-term financial targets in 2027 may require to grow the headcount by 25–35 FTEs annually. Additionally, Canatu may also do certain targeted recruitments and investments to support higher revenue growth and growth beyond 2027.

These targets are grounded in (i) existing customer relationships, (ii) the current or currently developed offering in three focus industries, (iii) assessment of its gross profit potential, and (iv) the more conservative assumptions from the market analysis.

Uncertainty concerning the timeline for achieving the long-term financial targets has materially increased, based mainly on the semiconductor industry's delay in adopting high-power scanners.

Canatu monitors its long-term financial targets on a continuous basis and reviews them at least annually in connection with its annual strategy process. Canatu will provide an update on its next annual strategy process at the Capital Markets Day scheduled to be held in March 2026.

The following assumptions are highly important in achieving the long-term financial targets:

Semiconductor:

- Canatu's position in CNT pellicles and inspection membranes remains strong.
- ASML high-power (600 W) scanner, deployment to start by 2027, with CNT pellicles emerging as the primary solution for high-power scanners.

Automotive:

- ADAS camera heaters are in mass production with lead customers.

Medical Diagnostics:

- Proof-of-concepts to progress and generate development revenue.

Long-term financial targets are not predicated on substantial upside scenarios, such as (i) broader adoption of CNT pellicles in memory chip production (ii) adoption of CNT pellicles in <500 W machines, (iii) broader adoption of inspection membranes for blank mask inspection or as optical filters, (iv) rapid expansion into new markets, or (v) potential additional investments enabled by the over EUR 100 million capital from Lifeline SPAC I.

Governance

Annual General Meeting 2025

Canatu Plc's Annual General Meeting was held in Helsinki on 15 May 2025. The Annual General Meeting adopted the Financial Statements and Consolidated Financial Statements for the year 2024 and discharged the members of the Board of Directors and the CEOs from liability for the financial period 1 January–31 December 2024.

Resolution on the use of the profit shown on the balance sheet and the distribution of dividend

The General Meeting resolved that no dividend is distributed for the financial period ended on 31 December 2024 and that the result for the financial period is recorded in the retained earnings account.

Board of Directors

The General Meeting resolved that the number of members of the Board of Directors shall be eight. In accordance with the company's Articles of Association, Lifeline SPAC I's sponsors have the right to appoint two Board members and the General Meeting therefore appoints the other six Board members. The company had received a notice from the sponsors, pursuant to which Timo Ahopelto and Tuomo Vähäpassi will continue as the sponsor representatives in the company's Board of Directors. The General Meeting resolved to re-elect Ari Ahola, Thomas P. Lantzsich, Scott Sears and Kai Seikku as members of the Board of Directors and to elect Dino Nardicchio and Bernhard Stockmeyer as new members of the Board of the Directors until the end of the next Annual General Meeting.

The General Meeting resolved that the members of the Board of Directors are paid annual remuneration as follows: EUR 80,000 for the Chair of the Board and EUR 60,000 for each ordinary member of the Board. The annual remuneration will be paid to the Board members in proportion to the length of their term, so that for each month commencing until the next Annual General Meeting, an amount equal to the annual remuneration divided by twelve (12) shall accrue.

Further, the travel expenses and other costs of the members of the Board of Directors directly related to board work are paid in accordance with the company's policy in force from time to time and each member of the Board of Directors is paid a separate travel fee of EUR 1,000 in addition to travel expenses for meetings held outside their country of residence.

The organizational meeting of the Board of Directors held after the Annual General Meeting re-elected from among its members Timo Ahopelto as the Chair and Ari Ahola as the Vice Chair of the Board of Directors.

Auditor

The General Meeting resolved to re-elect Authorized Public Accounting firm KPMG Oy Ab as the company's auditor until the end of the next Annual General Meeting. Authorized Public Accountant Jussi Paski will continue as the principal auditor. The auditor's remuneration is paid in accordance with a reasonable invoice approved by the company.

Authorizing the Board of Directors to resolve on the repurchase of the company's own shares

The General Meeting resolved to authorize the Board of Directors to resolve on the repurchase of a maximum of 2,225,428 series A shares in one or several installments.

The price paid for the shares must be based on the price of the company's share on the multilateral trading facility such that the minimum price of any repurchased shares is the lowest market price of the share quoted on the multilateral trading facility during the term of validity of the authorization and the maximum price, correspondingly, the highest market price quoted on the multilateral trading facility during the term of validity of the authorization. The authorization can be used to develop the company's capital structure, finance or execute corporate acquisitions or other arrangements, implement incentive schemes for the management or key employees, or shares may be repurchased based on it to be otherwise transferred, cancelled or held by the company. The Board of Directors was authorized to decide on all other matters relating to the repurchase of the company's own shares, including the right to decide on repurchase otherwise than in proportion to the shares held by the shareholders.

The authorization is valid until the closing of the next Annual General Meeting, however no longer than until 30 June 2026.

Authorizing the Board of Directors to resolve on the issuance of shares and special rights entitling to shares

The General Meeting authorized the Board of Directors to resolve to issue in total a maximum of 2,225,428 series A shares through issuance of series A shares or special rights entitling to series A shares under Chapter 10, Section 1 of the Finnish Companies Act in one or several installments, against or without payment. Based on the authorization, either new shares or treasury shares held by the company may be issued.

The authorization can be used to develop the company's capital structure, widen the ownership base, finance or execute corporate acquisitions or other arrangements, implement incentive schemes for the management or key employees or for other purposes resolved by the Board of Directors. The Board of Directors was authorized to decide on all other matters relating to the issuance of shares and special rights entitling to shares, including the right to deviate from the shareholders' pre-emptive rights.

The authorization is valid until the closing of the next Annual General Meeting, however no longer than until 30 June 2026.

Changes in the Board of Directors

Canatu announced on 9 June 2025 that Scott Sears resigns from the board of directors of Canatu Plc due to commitments to other executive duties. The resignation became effective on 9 June 2025. The company will continue with seven board members until further notice.

Changes in Canatu's Management Team

On 21 January 2025, the company and the company's CFO Timo Suominen agreed that Timo Suominen will leave the company effective immediately. Mikko Vesterinen, b. 1983, M.Sc. (Economics) was appointed as the interim CFO of the company on 21 January 2025.

Canatu announced on 28 March 2025, that the company has appointed Tapani Salminen, b. 1989, M.Sc. (Engineering) as the company's new Chief Operations Officer. Salminen is responsible for leading production, supply chain management, facilities, quality, and IT, and he started in the role on 1 April 2025. Additionally, Mikko Vesterinen's role as interim CFO was transitioned to a permanent CFO position.

Canatu announced on 9 June 2025 that the company has appointed Dr. Nedat Safwat, b. 1975, PhD (Biochemistry), as Chief Development Officer of Canatu Plc and President of Canatu Inc. Dr. Safwat will lead Canatu's Medical Diagnostics business unit and serve as a member of the Management Team.

As of 9 June 2025, the Canatu's management team members are:

- Juha Kokkonen, CEO
- Mikko Vesterinen, CFO
- Ilkka Varjos, CTO
- Tapani Salminen, COO
- Heikki Heinaro, CPO, Semiconductor BU
- Jussi Rahomäki, CPO, Automotive BU
- Nedat Safwat, CDO, Medical Diagnostics BU
- Samuli Kohonen, CSO
- Mari Makkonen, VP, IR, Communications and Marketing
- Ann-Sofi Reims, VP, HR
- Taneli Juntunen, VP, Core Engineering
- Risto Laine, VP, Equipment Engineering

All members of the management team report to CEO Juha Kokkonen.

Changes in the composition of Canatu Plc's Shareholders' Nomination Board

On 8 April 2025, Canatu announced a change in the composition of the Shareholders' Nomination Board. DENSO Corporation appointed Shinichiro Nakamura as a member of Canatu's Shareholders' Nomination Board as of 8 April 2025. Prior to the change, DENSO Corporation was represented by Anthony Cannestra. Otherwise the composition of the Shareholders' Nomination Board remains unchanged.

The composition of the Shareholders' Nomination Board as of 8 April 2025 is the following:

- Ari Ahola, Chairman of the Board of Directors, eFruit International, Inc. (appointed by eFruit International, Inc.)
- Shinichiro Nakamura, Senior Vice President, DENSO International America (appointed by DENSO Corporation)
- Denis Cherkasov, Director, Mymetics Holdings (appointed by Mymetics Holding (Cyprus) Limited)
- Timo Sallinen, Director, Head of Listed Securities, Varma Mutual Pension Insurance Company (appointed by Varma Mutual Pension Insurance Company)

Short-term risks and uncertainties

Global geopolitical risks and instability may affect Canatu's markets and operations. The semiconductor industry, particularly the extreme ultraviolet lithography sector, is concentrated in certain countries. A significant portion of the global semiconductor supply chain, including key components, raw materials, and a major chip manufacturer, are located in Taiwan. The country is crucial for the production and development of semiconductors, making Canatu's operations highly sensitive to its political, economic, and social environment. Many countries consider the semiconductor industry strategically important, which may slow down or prevent Canatu from executing parts of its current growth strategy.

Canatu's business model relies significantly on a concentrated group of customers and key partners, which are integral to its current operations and future growth. In 2024, Canatu's largest customer accounted for approximately 39%, its two largest customers for approximately 72% and its five largest customers for approximately 94% of its total revenue, and this trend is expected to persist. The concentration of sales among a few key entities exposes Canatu to heightened risks, including the potential loss of significant revenue sources if any major customer or partner relationship deteriorates.

In addition to developing and manufacturing CNT products for semiconductor, automotive and medical diagnostics industries, Canatu develops, manufactures and delivers CNT production technology to enable customers to produce CNT products themselves under limited licenses. The first two CNT100 SEMI reactor sales were agreed on in 2023. The first reactor was shipped to a customer in September 2024, and the second reactor was shipped in December 2024 to another customer. The final Site Acceptance Testing of the first reactor and related equipment was completed in H1/2025. With regards to the second CNT100 SEMI reactor, the timeline for obtaining the customer approval (SAT) is not fully within Canatu's control and the risk of delays cannot therefore be excluded. If such CNT reactors fail to conform with project-specific customer requirements and do not to pass the final Site Acceptance Testings, this may result in delay or loss of revenue, additional costs and/or contractual penalties for Canatu, which could in turn have a material adverse effect on Canatu's business, financial position and results of operations.

Licensing customers need to develop a certain level of proficiency with Canatu's CNT production technology to achieve the anticipated benefits of the CNT in their own production. Due to this, onboarding a new customer requires considerable investments and a significant amount of time. This could have a material adverse effect on the customer's production start-up and volume, which could have a material adverse effect on Canatu's royalties and consumable fees to which Canatu may be entitled under the agreements.

Further, when Canatu licenses its CNT production technology to customers, there is a risk that the CNT products produced by customers may not achieve the anticipated benefits of the CNT in their own production. For example, EUV pellicles require a coating to prevent etching from hydrogen plasma in the

extreme EUV environment. However, this coating decreases EUV transmission compared to uncoated CNTs. If the EUV pellicles are not coated properly, the benefits of high transmission EUV pellicles may be weaker, potentially decreasing productivity in the EUV lithography process, which could have a material adverse effect on the demand for Canatu CNT pellicle membranes and production technology. Canatu's customers carry out the coating step, hence Canatu has very little control over its effects.

The anticipated benefits of Canatu's CNT technology, including CNT membranes and film heaters, are a key foundation for the company's growth strategy. However, the anticipated benefits might not be realized, or Canatu's CNT technology may not necessarily be reliable, cost-effective, or for any other reason, acceptable method for producing CNT products, which could adversely affect Canatu's growth and profitability. There are several materials available in the developing markets worth of tens of millions of euros for advanced EUV pellicles that can be used as an alternative to composite pellicles, and there can be no certainty that CNT pellicles would be successful in the market for advanced pellicles. Canatu's management has estimated that EUV pellicles made from Canatu CNT pellicle membranes would enable semiconductor manufacturers to achieve up to 8–15% increase in the productivity of EUV lithography process. However, the estimation has not been verified, since the reactors ordered by Canatu's customers are not yet in production use. Thus, there can be no assurance that Canatu's patented floating catalyst chemical deposition (FC-CVD) reactors or Dry Deposition™ process would be deemed a competitive way of producing CNTs. New technologies and processes may enter the market, and Canatu may fail to compete with more competitive technologies and processes that could be developed at any time. It is also possible that Canatu's customers are able to improve the efficiency of their own production processes and/or technology in a way, which results in decreased need and demand for Canatu's inspection filters and/or CNT technology consumables.

Intellectual property rights are essential to Canatu's business. At the end of the review period, Canatu's intellectual property rights included 240 patents and patent applications. Canatu uses patents, trade secrets, trademarks and technological innovations in its business operations and relies on patent, trademark, and other intellectual property rights protection, non-disclosure agreements and certain other agreements and laws to protect such intellectual property. There can be no assurance that Canatu's intellectual property rights would cover the main parts of its production processes or use cases, that intellectual property rights would give Canatu a competitive advantage or that the measures Canatu takes would effectively deter competitors from the improper use of its intellectual property, in particular with regard to trade secrets and know-how, as their appropriation by another company may be difficult to prove. Third parties, which often are larger than Canatu, may seek to prohibit the use of, or seek restitution or compensation based on the intellectual property rights that are similar to the intellectual property rights Canatu owns or uses, or they may also take legal action for alleged infringement of the intellectual property rights or seek to, or bring

claims, to invalidate or rescind Canatu's intellectual property rights. Any failure to protect and enforce Canatu's intellectual property rights or any legal action taken by third parties due to an alleged infringement of their corresponding rights by Canatu may have a material adverse effect on Canatu's business, financial position, results of operations, future prospects and share price.

Other risks and uncertainties related to Canatu and its business operations are also described in the Company Description published on 2 August 2024 (available via canatu.com/investors/).

Canatu's risk management is a systematic process designed to ensure comprehensive and appropriate identification, assessment, management, and monitoring of risks and contingency plans. The objective is to facilitate the successful execution of the company's strategy, achieve sustainability targets, maintain high customer loyalty and talent retention, ensure profitability, and safeguard business continuity and shareholder value against all identifiable risks. This involves monitoring and mitigating threats and risks while also identifying and managing opportunities.

Significant events during the reporting period

On 10 February 2025, Canatu announced that Canatu Plc's ("Company") new series A shares subscribed for with investors warrants were registered with the Finnish Trade Register. During the first subscription period of the investor warrants between 17 October 2025 and 31 December 2024, a total of 343,519 Canatu Plc's new series A shares were subscribed for with the Company's investor warrants. The entire subscription price of EUR 3,950,468.50 paid for the subscriptions made with the investor warrants was entered into the Company's reserve for invested unrestricted equity. As a result of the share subscriptions, the number of the Company's series A shares is in total 33,680,335, the number of series B shares is in total 1,050,000 and the number of series C shares is in total 0. The total number of shares and votes after the conversion is 34,730,335. The new series A shares were admitted to public trading on the Nasdaq First North Growth Market Finland marketplace together with the pre-existing series A shares as of 11 February 2025.

On 26 March 2025, Canatu announced it will launch a five-year Carbon Age program for which it has received EUR 10 million funding granted by Business Finland as part of Business Finland's challenge competition for leading companies. The program aims to drive the development of semiconductor technologies enabled by carbon nanotubes and build a dedicated industry ecosystem.

On 28 March 2025, Canatu announced it will expand with new production facility in Finland, doubling its premises. The company has signed a 70-month lease for a facility located next to the current headquarters and factory in Vantaa, and extended the lease for its current headquarters and factory for an additional six years.

On 14 April 2025, Canatu announced it has signed a one-year joint development agreement with DENSO Corporation, a leading supplier of automotive technology and components, to improve the performance of Canatu carbon nanotubes (Canatu CNTs).

On 15 April 2025, Canatu published the Annual Report for 2024, which includes the Board of Directors' report, the Financial Statements, and the Auditor's report for 2024. In addition, the English version also features an extended annual and business review, including the CEO's review and an overview of the company, its markets, strategy, technology, and products.

On 24 April 2025, Canatu announced it has extended its IATF 16949:2016 certification for its manufacturing facility in Vantaa, Finland. The renewed certification was awarded by the International Automotive Task Force (IATF).

On 14 May 2025, Canatu announced it has started mass production and begun deliveries of sensors for electronic device protection to a global technology leader in the defense industry.

On 15 May 2025, Canatu was awarded the Uusimaa Business Award, which aims to encourage entrepreneurship and highlight top talent in the Uusimaa region in Finland.

On 20 May 2025, Canatu announced that Canatu Plc's new series A shares subscribed for with option rights 2024-I were registered with the Finnish Trade Register. During the subscription window of Canatu Plc's option rights 2024-I between 1 January 2025 and 7 April 2025, a total of 25,832 new series A shares in the Company were subscribed for with the option rights 2024-I. The aggregate subscription price of EUR 90,412.00 paid for the subscriptions made with the option rights 2024-I was entered in its entirety into the Company's reserve for invested unrestricted equity. As a result of the share subscriptions, the number of the Company's series A shares is in total 33,706,167, the number of series B shares is in total 1,050,000 and the number of series C shares is in total 0. The total number of the Company's shares and votes after the conversion is 34,756,167.

On 21 May 2025, Canatu announced that Canatu Plc's new series A shares subscribed for with investor warrants were registered with the Finnish Trade Register. During the second subscription window of Canatu Plc's investor warrants between 1 January 2025 and 31 March 2025, a total of 4,707 new series A shares in the Company were subscribed for with the investor warrants. The aggregate subscription price of EUR 54,130.50 paid for the subscriptions made with the investor warrants was entered in its entirety into the Company's reserve for invested unrestricted equity. As a result of the share subscriptions, the number of the Company's series A shares is in total 33,710,874, the number of series B shares is in total 1,050,000 and the number of series C shares is in total 0. The total number of the Company's shares and votes after the subscriptions is 34,760,874.

On 4 June 2025, Canatu announced it has received a purchase order from a leading, existing semiconductor industry customer to supply inspection membranes used in Extreme Ultraviolet (EUV) mask inspection.

In June, Canatu received Site Acceptance Test (SAT) approval for its first CNT100 SEMI reactor and for the related post-processing peripherals, shipped to a semiconductor customer in September 2024.

During the reporting period, changes occurred in the company's Management Team, Board of Directors, and Shareholders' Nomination Board. These changes are described in the Governance section.

Significant events after the end of the reporting period

On 1 August 2025, Canatu announced it has ordered Lasertec's PELMIS EUV pellicle inspection system to strengthen quality control and metrology capabilities. The system enables high-precision inspection of CNT pellicle membranes for particles down to 1 micron.

On 18 August 2025, Canatu announced that Canatu Plc's new series A shares subscribed for with option rights 2024-I have been registered with the Finnish Trade Register. During the subscription window of Canatu Plc's option rights 2024-I between 8 April 2025 and 30 June 2025, a total of 8,400 new series A shares in the Company have been subscribed for with the option rights 2024-I. The aggregate subscription price of EUR 29,400.00 paid for the subscriptions made with the option rights 2024-I will be entered in its entirety into the Company's reserve for invested unrestricted equity. As a result of the share subscriptions, the number of the Company's series A shares is in total 33,719,274, the number of series B shares is in total 1,050,000 and the number of series C shares is in total 0. The total number of the Company's shares and votes after the share subscriptions is 34,769,274.

On 19 August 2025, Canatu announced that Canatu Plc's new series A shares subscribed for with investor warrants have been registered with the Finnish Trade Register. During the third subscription window of Canatu Plc's investor warrants between 1 April 2025 and 30 June 2025, a total of 160 new series A shares in the Company have been subscribed for with the investor warrants. The aggregate subscription price of EUR 1,840.00 paid for the subscriptions made with the investor warrants will be entered in its entirety into the Company's reserve for invested unrestricted equity. As a result of the share subscriptions, the number of the Company's series A shares is in total 33 719 434, the number of series B shares is in total 1,050,000 and the number of series C shares is in total 0. The total number of the Company's shares and votes after the share subscriptions is 34,769,434.

Financial reporting and Annual General Meeting in 2026

The Board of Directors of Canatu Plc has confirmed the following dates for its financial reporting and the annual general meeting in 2026 as follows:

- 3 March 2026: Financial Statements Bulletin (January–December 2025)
- Week 11: Annual Report including Financial Statements and the Report of the Board of Directors
- Week 13: Capital Markets Day for investors, analysts and media representatives
- 16 April 2026: Annual General Meeting. The Board of Directors of Canatu Plc will convene the meeting separately on a later date.
- 25 August 2026: Half-year financial report (January–June 2026)

News conference

A live webcast for investors, analysts and media will be held today, Friday 29 August at 12:00-13:00 EEST. The event will be held in English. CEO Juha Kokkonen, Chief Financial Officer Mikko Vesterinen and Chief Development Officer Nedal Safwat will be presenting at the event. The webcast can be followed live at <https://canatu.videosync.fi/q2-2025/register>. A recording of the webcast will be made available later at canatu.com/investors/reports-and-presentations.

Helsinki, 29 August 2025

Canatu Plc

Board of Directors

Additional information

Juha Kokkonen, CEO, juha.kokkonen@canatu.com, +358 40 543 0367

Mikko Vesterinen, CFO, mikko.vesterinen@canatu.com, +358 50 521 7908

Mari Makkonen, VP, IR, Communications & Marketing, mari.makkonen@canatu.com, +358 50 442 2343

Certified adviser

DNB Carnegie Investment Bank AB (publ), tel. +46 (0) 8 588 685 70

Additional unaudited pro forma financial information

Unaudited income statement (comparison periods in pro forma figures)

EUR million	1-6/2025	1-6/2024	1-12/2024
REVENUE	7.3	11.1	22.0
Change in inventory of finished and work-in-progress products	0.2	0.1	0.5
Work performed for own use	0.6	–	–
Other operating income	0.5	0.6	1.1
Materials and external services	-2.3	-4.0	-8.1
Personnel expenses	-6.2	-5.5	-11.1
Depreciation, amortization and impairment	-1.0	-0.8	-1.7
Other operating expenses	-4.1	-4.0	-8.0
OPERATING PROFIT (LOSS)	-5.1	-2.5	-5.3
Financial income	1.0	2.2	4.0
Financial expenses	-0.1	-0.2	-0.4
Financial income and expenses total	0.9	2.0	3.6
PROFIT (LOSS) BEFORE APPROPRIATIONS AND TAXES	-4.2	-0.5	-1.7
Income tax expense	–	-0.2	–
PROFIT (LOSS) FOR THE FINANCIAL PERIOD	-4.2	-0.7	-1.7

Unaudited cash flow statement (comparison periods in pro forma figures)

EUR million	1–6/2025	1–6/2024	1–12/2024
Cash flow from operating activities			
Profit (loss) before income taxes	-4.2	-0.5	-1.7
Adjustments:			
Depreciation and amortization according to plan	1.0	0.8	1.7
Provisions	0.2	–	–
Interest received to escrow account	–	-2.1	-2.8
Non-cash transactions	0.0	–	-0.0
Financial income and expenses	-0.9	0.1	-0.8
Income tax	–	-0.2	–
Cash flow before change in working capital	-3.9	-1.9	-3.6
Change in working capital:			
Change in current non-interest bearing receivables	5.4	-1.3	-4.7
Change in inventories	-0.2	-0.3	-0.7
Change in current non-interest bearing liabilities	0.3	3.9	3.2
Cash flow from operating activities before financial items and taxes	1.6	0.4	-5.7
Interest and other financial expense paid	-0.1	-0.2	-0.3
Interest income received	1.0	2.2	4.0
Total cash flow from operating activities	2.5	2.4	-2.1

EUR million	1–6/2025	1–6/2024	1–12/2024
Cash flow from investing activities			
Investments in tangible and intangible assets	-2.2	-3.2	-5.0
Total cash flow from investing activities	-2.2	-3.2	-5.0
Cash flow from financing activities			
Share issue	–	–	0.9
Subscription of shares with stock options and investor warrants	4.1	–	–
Repayment of non-current and current loans	-3.5	-0.7	-1.2
Total cash flow from financing activities	0.6	-0.7	-0.3
Change in cash and cash equivalents	0.9	-1.5	-7.4
Cash and cash equivalents at the beginning of period	97.9	106.5	106.5
Effects of exchange rate changes on cash and cash equivalents	-0.0	–	–
Cash and cash equivalents at the end of the period	98.9	105.0	99.1

Pro forma basis of presentation

This Half-year financial report provides additional unaudited pro forma financial information illustrating the income statement of Canatu as if the Combination between Lifeline SPAC I Plc and Canatu Finland Oy had taken place on 1 January 2023. These unaudited pro forma financial figures are prepared for illustrative purposes only and may differ from the actual results and financial position of the Canatu Group. The additional unaudited pro forma information presented has been compiled consistently with the pro forma information included in the Company Description dated 2 August 2024, except that the pro forma income statement effects of the acquisitions of Canatu Finland Oy and Canatu Inc. presented herein are based on the final acquisition cost and balance sheet information of the acquired companies at date of the Combination on 16 September 2024. In addition, the transaction costs incurred by Lifeline SPAC I Plc adjustment for the non-completed transactions and the personnel expenses of former Lifeline SPAC I Plc's management have been eliminated along with Lifeline SPAC I Plc's and Canatu Finland Oy's Board of Directors' remuneration and adjusted with Canatu's new Board of Directors' remuneration as the management considers it to provide a more comparable view of the operating result of Canatu. In the additional unaudited pro forma financial information, only the tax effect from the standalone companies have been included, hence the related tax impact of the pro forma adjustments has not been considered.

In addition, the Company presents unaudited pro forma cash flow statements for the periods 1–6/2024 and 1–12/2024 to illustrate the combined company's cash flows for the ongoing business operations. The hypothetical pro forma cash flows are presented for illustrative purposes only and may differ from the actual cash flows of Canatu and are not intended to give an indication of the cash flows of the combined company in the future.

Illustrative pro forma cash flow statements have been prepared by combining the cash flow information of Canatu Group with the cash flow information for the acquired Canatu entities prior to the Combination adjusted with the Combination related pro forma adjustments (see pro forma income statements for more information). Cash impact of the Combination related one-off transactions (such as release of funds in escrow account, pre-combination events, transaction costs) have been eliminated from the pro forma cash flows for the respective year, as applicable, and treated as incurred earlier adjusting the opening cash balance. The cash impact of the remuneration for the Company's current management (Board of Directors and new management) has been adjusted for the periods' 1–6/2024 and 1–12/2024 pro forma cash flows as if the current management had been in place from 1 January 2023 onwards.

Pro forma income statement adjustments 1–6/2024

EUR million	Canatu Plc (former Lifeline SPAC I) (1)	Canatu Finland Oy and Inc. (2)	Pre combination events (3)	Goodwill amortization (4)	Listing costs and other (5)	Canatu Pro forma 1–6/2024
REVENUE	–	11.1	–	–	–	11.1
Change in inventory of finished and work-in-progress products	–	0.1	–	–	–	0.1
Other operating income	–	0.6	–	–	–	0.6
Materials and external services	–	-4.0	–	–	–	-4.0
Personnel expenses	-0.2	-5.3	–	–	0.0	-5.5
Depreciation, amortization and impairment	–	-0.6	–	-0.2	–	-0.8
Other operating expenses	-0.7	-3.3	–	–	0.0	-4.0
OPERATING PROFIT (LOSS)	-0.9	-1.5	–	-0.2	0.1	-2.5
Financial income	2.1	0.1	–	–	–	2.2
Financial expenses	-0.0	-0.7	0.5	–	–	-0.2
Financial income and expenses total	2.1	-0.6	0.5	–	–	2.0
PROFIT (LOSS) BEFORE APPROPRIATIONS AND TAXES	1.2	-2.1	0.5	-0.2	0.1	-0.5
Income tax expense	-0.2	–	–	–	–	-0.2
PROFIT (LOSS) FOR THE FINANCIAL PERIOD	1.0	-2.1	0.5	-0.2	0.1	-0.7

Additional information on pro forma adjustments is presented under the following table.

Pro forma income statement adjustments 1–12/2024

EUR million	Canatu Group (FAS) (1)	Canatu Finland Oy and Inc. 1 Jan–16 Sep 2024 (2)	Pre combination events (3)	Goodwill amortization (4)	Listing costs and other (5)	Canatu Pro forma 1–12/2024
REVENUE	3.3	18.7	–	–	–	22.0
Change in inventory of finished and work-in-progress products	0.2	0.3	–	–	–	0.5
Other operating income	0.3	0.8	–	–	–	1.1
Materials and external services	-1.3	-6.8	–	–	–	-8.1
Personnel expenses	-3.8	-7.7	0.2	–	0.2	-11.1
Depreciation, amortization and impairment	-0.6	-0.7	–	-0.5	–	-1.7
Other operating expenses	-3.4	-4.8	–	–	0.1	-8.0
OPERATING PROFIT (LOSS)	-5.2	-0.2	0.2	-0.5	0.3	-5.3
Financial income	3.8	0.1	–	–	–	4.0
Financial expenses	-2.3	-1.2	1.0	–	2.1	-0.4
Financial income and expenses total	1.6	-1.1	1.0	–	2.1	3.6
PROFIT (LOSS) BEFORE APPROPRIATIONS AND TAXES	-3.6	-1.2	1.2	-0.5	2.4	-1.7
Income tax expense	–	–	–	–	–	–
PROFIT (LOSS) FOR THE FINANCIAL PERIOD	-3.6	-1.2	1.2	-0.5	2.4	-1.7

Pro forma adjustments:

1) In 2024 pro forma income statement, the Group's consolidated financial information includes the parent company Canatu Plc (former Lifeline SPAC I Plc's) for the full year and its subsidiaries Canatu Finland Oy and Canatu Inc. from the acquisition date 17 September 2024 and is prepared in accordance with the laws and regulations governing the preparation of financial statements in Finland (FAS).

As a result of the Combination, Canatu changed its accounting policies to comply with the laws and regulations governing the preparation of financial statements in Finland (FAS). Accordingly, the historical financial information of Canatu Plc (former Lifeline SPAC I Plc) for the year 2024 prepared in accordance with IFRS Accounting Standards, has been adjusted to follow FAS. See also section **Canatu Plc (former Lifeline SPAC I Plc) IFRS-FAS conversion**.

2) Canatu Finland Oy's and its subsidiary Canatu Inc.'s combined historical financial information for the periods prior to the Combination (1 January to 30 June 2024 and 1 January to 16 September 2024) adjusted with the elimination of intra-group transactions.

3) Pre-Combination events include the elimination of the recorded convertible loan interest expenses, EUR 0.2 million for 1–6 2024 and EUR 0.2 million for 1–12 2024, as the loan conversion is assumed to have taken place on 1 January 2023. In addition, the pre-Combination events include the adjustments for certain Combination related costs incurred by Canatu Finland Oy in 2024, consisting of pension and other sides costs related to Canatu Finland Oy's option rights exercised before the Combination, one-time management bonus with related side costs that Canatu Finland Oy's management is entitled to due to the completion of the Combination, and the Combination related transaction costs incurred by Canatu Finland Oy, total of EUR 0.4 million in 1–6 2024 and EUR 1.0 million in 1–12 2024, which have been presented as incurred in the financial year 2023 and consequently eliminated from the financial year 2024.

4) Goodwill amortization adjustment reflects the annual amortization of goodwill recognized in the Combination.

5) Listing cost adjustment includes the elimination of the listing costs of EUR 2.1 million incurred in 2024 by Canatu Plc's (former Lifeline SPAC I Plc) in connection with the First North listing from year 2024 and transfer of those costs to the year 2023 as if they were incurred in the financial year 2023. Other adjustments made to the pro forma income statements, not included in the pro forma financial information in the Company Description dated 2 August 2024, includes the elimination of the personnel expenses of management of former Lifeline SPAC I, elimination of former Lifeline SPAC I and Canatu Finland's Board of Director's remuneration and adjustment with Canatu's new Board of Director's remuneration as if the new Management and the Board of Directors had been in place from 1 January 2023 (totaling to EUR 0.0 million in 1–6 2024 and EUR 0.2 million in 1–12 2024), and adjustment for the previous transaction costs incurred by former Lifeline SPAC I for the non-completed transactions from other operating expenses of EUR 0.0 million for 1–6 2024 and EUR 0.1 million for 1–12 2024.

Pro forma cash flow statement adjustments 1–6/2024

EUR million	Canatu Plc (former Lifeline SPAC I) 1–6/2024	Canatu Finland Oy and Inc. 1–6/2024	Pro forma adjustments	Canatu Pro forma 1–6/2024
Cash flow from operating activities				
Profit (loss) before income taxes	1.2	-2.1	0.4	-0.5
Adjustments:				
Depreciation and amortization according to plan	–	0.6	0.2	0.8
First North listing fees	–	0.4	-0.4	–
Interest received to escrow account	-2.1	–	–	-2.1
Financial income and expenses	-0.0	0.3	-0.2	0.1
Income tax	-0.2	–	–	-0.2
Cash flow before change in working capital	-1.1	-0.9	0.1	-1.9
Change in working capital:				
Change in current non-interest bearing	0.0	-1.3	–	-1.3
Change in inventories	0.0	-0.3	–	-0.3
Change in current non-interest bearing liabilities	0.8	3.2	-0.0	3.9
Cash flow from operating activities before financial items and taxes	-0.3	0.7	0.0	0.4
Interest and other financial expenses paid	-0.0	-0.2	–	-0.2
Interest income received	0.0	0.1	2.1	2.2
Total cash flow from operating activities	-0.3	0.6	2.1	2.4

EUR million	Canatu Plc (former Lifeline SPAC I) 1–6/2024	Canatu Finland Oy and Inc. 1–6/2024	Pro forma adjustments	Canatu Pro forma 1–6/2024
Cash flow from investing activities				
Investments in tangible and intangible assets	–	-3.2	–	-3.2
Total cash flow from investing activities	–	-3.2	–	-3.2
Cash flow from financing activities				
Repayments of non-current and current loans	–	-0.7	–	-0.7
Total cash flow from financing activities	–	-0.7	–	-0.7
Change in cash and cash equivalents	-0.3	-3.3	2.1	-1.5
Cash and cash equivalents at the beginning of period	0.4	7.3	98.8	106.5
Cash and cash equivalents at the end of the period	0.1	4.0	100.9	105.0

Pro forma cash flow statement adjustments 1–12/2024

EUR million	Canatu Group 1–12/2024	Canatu Finland Oy and Inc. 1 Jan–16 Sep 2024	Pro forma adjustments	Canatu Pro forma 1–12/2024
Cash flow from operating activities				
Profit (loss) before income taxes	-3.6	-1.4	3.3	-1.7
Adjustments:				
Depreciation and amortization according to plan	0.6	0.9	0.3	1.7
First North listing fees	2.2	0.7	-2.9	–
Interest received to escrow account	-2.8	–	–	-2.8
Non-cash transactions	0.0	-0.0	–	-0.0
Financial income and expenses	-1.0	0.4	-0.2	-0.8
Cash flow before change in working capital	-4.6	0.6	0.5	-3.6
Change in working capital:				
Change in current non-interest bearing	-1.2	-3.5	–	-4.7
Change in inventories	-0.1	-0.5	–	-0.7
Change in current non-interest bearing liabilities	-2.1	5.1	0.2	3.2
Cash flow from operating activities before financial items and taxes	-8.0	1.7	0.7	-5.7
Interest and other financial expenses paid	-0.1	-0.3	–	-0.3
Interest income received	1.0	0.1	2.8	4.0
Total cash flow from operating activities	-7.0	1.5	3.5	-2.1

EUR million	Canatu Group 1–12/2024	Canatu Finland Oy and Inc. 1 Jan–16 Sep 2024	Pro forma adjustments	Canatu Pro forma 1–12/2024
Cash flow from investing activities				
Investments in tangible and intangible assets	-1.1	-4.0	–	-5.0
Acquisition of subsidiary shares net of cash acquired	0.9	-4.7	3.8	–
Total cash flow from investing activities	-0.2	-8.6	3.8	-5.0
Cash flow from financing activities				
Share issue	0.9	1.5	-1.5	0.9
Released funds from escrow account	106.3	–	-106.3	–
First North listing fees	-2.2	-0.7	2.9	–
Repayments of non-current and current loans	-0.3	-1.0	–	-1.2
Total cash flow from financing activities	104.7	-0.1	-104.9	-0.3
Change in cash and cash equivalents	97.5	-7.3	-97.6	-7.4
Cash and cash equivalents at the beginning of period	0.4	7.3	98.8	106.5
Cash and cash equivalents at the end of the period	97.9	–	1.1	99.1

Consolidated Income statement

EUR million	Canatu 1–6/2025	Canatu Plc (former Lifeline SPAC I) 1–6/2024	Canatu 1–12/2024
REVENUE	7.3	–	3.3
Change in inventory of finished and work-in-progress products	0.2	–	0.2
Work performed for own use	0.6	–	–
Other operating income	0.5	–	0.3
Materials and external services	-2.3	–	-1.3
Personnel expenses	-6.2	-0.2	-3.8
Depreciation, amortization and impairment	-1.0	–	-0.6
Other operating expenses	-4.1	-0.7	-3.4
OPERATING PROFIT (LOSS)	-5.1	-0.9	-5.2
Finance income	1.0	2.1	3.8
Finance expenses	-0.1	-0.0	-2.3
Finance income and expense total	0.9	2.1	1.6
PROFIT (LOSS) BEFORE APPROPRIATIONS AND TAXES	-4.2	1.2	-3.6
Income tax expense	–	-0.2	–
PROFIT (LOSS) FOR THE FINANCIAL PERIOD	-4.2	1.0	-3.6
Earnings per share (EUR), basic and diluted	-0.12	0.08	-0.20

Consolidated Balance sheet

EUR million	Canatu 30 Jun 2025	Canatu Plc (former Lifeline SPAC I) 30 Jun 2024	Canatu 31 Dec 2024
ASSETS			
NON-CURRENT ASSETS			
Goodwill	4.3	–	4.5
Intangible assets	2.5	0.2	1.4
Tangible assets	13.0	–	12.8
Total non-current assets	19.9	0.2	18.7
CURRENT ASSETS			
Inventory	1.4	–	1.1
Long-term receivables			
Other receivables	0.3	–	0.3
Total long-term receivables	0.3	–	0.3
Short-term receivables			
Trade receivables	0.7	–	0.2
Other receivables	0.3	105.6	0.4
Accrued income	1.0	0.1	6.9
Total short-term receivables	2.0	105.7	7.4
Financial securities	70.0	–	–
Cash and cash equivalents	28.9	0.1	97.9
Total current assets	102.5	105.8	106.7
TOTAL ASSETS	122.4	106.0	125.4

EUR million	Canatu 30 Jun 2025	Canatu Plc (former Lifeline SPAC I) 30 Jun 2024	Canatu 31 Dec 2024
EQUITY			
Share capital	0.1	0.1	0.1
Reserve for invested unrestricted equity	121.9	104.3	117.8
Translation differences	-0.0	–	0.0
Retained earnings	-4.3	-0.7	-0.7
Profit (loss) for the period	-4.2	1.0	-3.6
TOTAL EQUITY	113.5	104.7	113.5
PROVISIONS			
Other provisions	0.2	–	–
TOTAL PROVISIONS	0.2	–	–
LIABILITIES			
NON-CURRENT LIABILITIES			
Loans from financial institutions	2.1	–	4.4
Total non-current liabilities	2.1	–	4.4
CURRENT LIABILITIES			
Loans from financial institutions	0.5	–	1.6
Received prepayments	1.8	–	0.1
Accounts payables	1.5	1.0	2.9
Other liabilities	0.4	0.0	0.3
Accrued liabilities	2.4	0.3	2.6
Total current liabilities	6.6	1.3	7.5
TOTAL LIABILITIES	8.7	1.3	11.9
TOTAL EQUITY AND LIABILITIES	122.4	106.0	125.4

Consolidated Cash flow statement

EUR million	Canatu 1–6/2025	Canatu Plc (former Lifeline SPAC I) 1–6/2024	Canatu 1–12/2024
Cash flow from operating activities			
Profit (loss) before income taxes	-4.2	1.2	-3.6
Adjustments:			
Depreciation and amortization according to plan	1.0	–	0.6
Provisions	0.2	–	–
First North listing fees	–	–	2.2
Interest received to escrow account	–	-2.1	-2.8
Non-cash transactions	0.0	–	0.0
Financial income and expenses	-0.9	-0.0	-1.0
Income tax	–	-0.2	–
Cash flow before change in working capital	-3.9	-1.1	-4.6
Change in working capital:			
Change in current non-interest bearing receivables	5.4	0.0	-1.2
Change in inventories	-0.2	–	-0.1
Change in current non-interest bearing liabilities	0.3	0.8	-2.1
Cash flow from operating activities before financial items and taxes	1.6	-0.3	-8.0
Interest and other financial expenses paid	-0.1	-0.0	-0.1
Interest income received	1.0	0.0	1.0
Total cash flow from operating activities	2.5	-0.3	-7.0

EUR million	Canatu 1–6/2025	Canatu Plc (former Lifeline SPAC I) 1–6/2024	Canatu 1–12/2024
Cash flow from investing activities			
Investments in tangible and intangible assets	-2.2	–	-1.1
Acquisition of subsidiary shares net of cash acquired	–	–	0.9
Total cash flow from investing activities	-2.2	–	-0.2
Cash flow from financing activities			
Share issue	–	–	0.9
Subscription of shares with stock options and investor warrants	4.1	–	–
Released funds from escrow account	0.0	–	106.3
Repayment of non-current and current loans	-3.5	–	-0.3
First North listing fees	0.0	–	-2.2
Total cash flow from financing activities	0.6	–	104.7
Change in cash and cash equivalents	0.9	-0.3	97.5
Cash and cash equivalents at the beginning of the period	97.9	0.4	0.4
Effects of exchange rate changes on cash and cash equivalents	-0.0	–	–
Cash and cash equivalents at the end of the period	98.9	0.1	97.9

Consolidated Statement of changes in equity

1–6/2025 (Canatu)

EUR million	Share capital	Reserve for invested unrestricted equity	Translation differences	Retained earnings	Total equity
Equity at 1 January 2025	0.1	117.8	0.0	-4.3	113.5
Subscription of shares with stock options and investor warrants		4.1			4.1
Profit (loss) for the financial period				-4.2	-4.2
Translation differences			-0.0		-0.0
Equity at 30 June 2025	0.1	121.9	-0.0	-8.5	113.5

1–6/2024 (Canatu Plc, former Lifeline SPAC I)

EUR million	Share capital	Reserve for invested unrestricted equity	Translation differences	Retained earnings	Total equity
Equity at 1 January 2024	0.1	104.3	–	-0.7	103.6
Profit (loss) for the financial period				1.0	1.0
Translation differences					–
Equity at 30 June 2024	0.1	104.3	–	0.3	104.7

Notes

Basis of preparation of the financial information

Accounting policy

The unaudited Half-year financial report financial information for the six-month period ended 30 June 2025 and the comparative financial periods ended 30 June 2024 and 31 December 2024 have been prepared in accordance with the laws and regulations governing the preparation of financial statements in Finland ("Finnish Accounting Standards" or "FAS"). The information is presented to the extent required by the Nasdaq First North Growth Market Rules. The Half-year financial report is based on the accounting policies and calculation methods used in the Financial Statements for the year 2024 except for development costs, that were expensed through profit or loss in 2024 and capitalized into the balance sheet starting on 1 January 2025. Information on the accounting policy regarding capitalization of development costs is included in the section Financial overview under headline **Research and development**.

The figures presented are in millions of euros and have been rounded to the nearest figure. Thus, in certain cases, the sum of the figures in a column or row does not always exactly match the figure presented as the total of the column or row.

Canatu's consolidated financial information presented in this release include parent company Canatu Plc financial information from 1 January 2024 and its subsidiaries Canatu Finland Oy and Canatu Inc. from 17 September 2024. All intragroup transactions, receivables and liabilities have been eliminated when preparing consolidated financial information.

Canatu Plc (former Lifeline SPAC I Plc) has prepared its financial statements in accordance with the IFRS Accounting Standards until the combination. Following the completion of the combination and First North listing of Canatu, Canatu Plc (former Lifeline SPAC I Plc) prepares its financial statements in accordance with Finnish Accounting Standards and has adjusted its historical financial information to comply with Finnish Accounting Standards, see section **Canatu Plc (former Lifeline SPAC I Plc) IFRS-FAS conversion** for impacts of IFRS-FAS conversion for Lifeline SPAC I Plc's historical financial information.

The financial information presented in the Half-year financial report does not include all the notes presented in the annual financial statements and the financial information presented in the Half-year financial report must be read in conjunction with the Financial Statements for the financial year ended 31 December 2024.

Revenue recognition for long-term projects

Revenue recognition for all long-term projects, including two CNT100 SEMI reactors and related peripherals that Canatu shipped in 2024, is calculated using the percentage of completion method. The calculation of the percentage of completion is based on the principle of revenue recognition according to physical completion. Revenue is then recognized by multiplying the percentage of completion by the total projected sales of the project.

A project's revenue and cost recognition entail management estimates and judgment regarding (i) the project's physical completion rate at a given time; (ii) Canatu's ability to complete the project in accordance with the criteria agreed with the customer; (iii) the total costs Canatu is expected to incur during the project delivery; and (iv) possible warranty costs Canatu is expected to incur during the warranty period. If actual outcomes differ from the management estimates, it may result in revenue and/or cost adjustments.

Share capital and number of shares

Number of shares	A-shares	B-shares	C-shares	Total
Total number of shares registered and outstanding at 1 January 2025	33,336,816	1,050,000	–	34,386,816
Subscription of shares with investor warrants at 10 February 2025	343,519			343,519
Subscription of shares with stock options at 20 May 2025	25,832			25,832
Subscription of shares with investor warrants at 21 May 2025	4,707			4,707
Total number of shares registered and outstanding at 30 June 2025	33,710,874	1,050,000	–	34,760,874
Number of shares	A-shares	B-shares	C-shares	Total
Total number of shares registered and outstanding at 1 January 2024	10,000,000	2,500,000	–	12,500,000
Total number of shares registered and outstanding at 30 June 2024	10,000,000	2,500,000	–	12,500,000

During 1 January–30 June 2024 and 1 January–30 June 2025 Canatu did not hold any treasury shares.

Share-based payments and earn-out

In addition to shares Canatu has issued warrants, option rights, a share-based incentive plan and a share-based savings plan and agreed earn-out which all may become exercised to subscribe for series A shares. If the conditions of these instruments will be met, they may have in future periods a dilutive effect on earnings per share by increasing the number of series A shares. The market conditions of the instruments are related to the future share price of Canatu A share.

	Maximum number of series A shares	Subscription price, EUR per share	Subscription or measurement period
Founder warrants 2021-A	495,833	12.00	from 30 days after completion of acquisition and lasts 5 years
Sponsor warrants 2021-B	2,337,500	12.00	from 30 days after completion of acquisition and lasts 5 years
Investor warrants 2021-C	3,016,772	11.50	from 16 October 2024 and lasts 5 years
Consideration options 2024-I	1,650,920	3.50	from 16 October 2024 until 31 December 2029
Option plan 2024-II	500,074	0.01	depends on development of share price, earliest 12 months after completion of acquisition but no longer than until 31 December 2029
Earn-out	6,499,831	N/A	depends on development of share price until 31 December 2027 and/or 31 December 2028
Share-based incentive plan PSP 2025–2028*	2,189,295	N/A	the first measurement period 1 January 2025–31 December 2027, and the second 1 January–31 December 2028
Share savings plan ESSP 2025–2027**	36,133	N/A	depends on development of share price during 1 March 2025–31 December 2027, award of matching shares after 31 December 2027
Total	16,726,358		

* Maximum amount of gross shares including cash portion

** Maximum amount of gross shares including cash portion and determined on share price on 25 November 2024

Net debt / Financing

EUR million	Canatu 30 Jun 2025	Canatu Plc (former Lifeline SPAC I) 30 Jun 2024	Canatu 31 Dec 2024
Non-current interest-bearing liabilities			
Bank loans	–	–	2.2
Product development loans	2.1	–	2.2
Total non-current interest-bearing liabilities	2.1	–	4.4
Current interest-bearing liabilities			
Bank loans	–	–	1.1
Product development loans	0.5	–	0.5
Total current interest-bearing liabilities	0.5	–	1.6
Total interest-bearing liabilities	2.6	–	6.1
Less cash and cash equivalents	-28.9	-0.1	-97.9
Less current investments	-70.0	–	–
Net debt	-96.2	-0.1	-91.9

As a result of the completion of the combination in the second half of 2024, the proceeds raised by former Lifeline SPAC I Plc in its initial listing which were deposited in the escrow account were released in September 2024 for Canatu and are currently in use as Canatu's cash and cash equivalents and as a money market investment. Canatu plans to use the funds to potential investments into Semiconductor, Automotive and Medical Diagnostics businesses, and to strengthen its balance sheet in general.

At the end of June 2025, cash and cash equivalents in the balance sheet amounted to EUR 28.9 million (0.1). During the review period, Canatu made of its cash and cash equivalents a money market investment amounting to EUR 70.0 million. This investment is presented as *financial securities* in the balance sheet on 30 June 2025.

The proceeds raised in initial listing, presented as cash and cash equivalents and financial securities on 30 June 2025, as cash and cash equivalents on 31 December 2024 and as receivables on 30 June 2024, generated in January–June interest income amounting to EUR 1.0 million (2.1).

During the reporting period, Canatu repaid prematurely part of its loans from financial institutions by EUR 3.3 million which was enabled by the good liquidity position of Canatu.

At the end of June 2025, Canatu's interest bearing debt consisted of two separate product development loans classified as government grants for a total of two separate product development projects. The principal amount of these loans as at 30 June 2025 was EUR 2.6 million (–) in total.

Off-balance sheet commitments

EUR million	Canatu 30 Jun 2025	Canatu Plc (former Lifeline SPAC I) 30 Jun 2024	Canatu 31 Dec 2024
Loan secured by business mortgage	–	–	3.3
Business mortgages	0.4	–	6.9
Credit cards, available amount	0.5	–	0.3
Security			
Bank deposit	0.3	–	0.3
Rental liabilities of premises			
During next 12 months	0.9	–	0.6
During later	5.4	–	0.6
Leasing			
During next 12 months	0.1	–	0.1
During later	–	–	0.1

As of 30 June 2025 Canatu had commitments of EUR 4.3 million related to purchase of tangible assets.

On 30 June 2025, Canatu had grant settlements that included a possible repayment liability amounting EUR 0.4 million, corresponding to the amount of the grant received.

Canatu Plc's (former Lifeline SPAC I Plc) IFRS–FAS conversion

Canatu Plc (former Lifeline SPAC I Plc) has prepared its financial information in accordance with the IFRS Accounting Standards until the combination. Following the completion of the combination and the First North listing, Canatu Plc prepares its financial information in accordance with Finnish Accounting Standards and has adjusted its historical financial information to comply with Finnish Accounting Standards. The following tables sets forth the impacts of the IFRS–FAS conversion to Canatu Plc's (former Lifeline SPAC I Plc) historical financial information for January–June 2024.

Income statement 1–6/2024

EUR million	IFRS 1–6/2024	Transaction costs ¹	FAS 1–6/2024
Revenue	–		–
Personnel expenses	-0.2		-0.2
Wages and salaries	-0.2		-0.2
Social security expenses	-0.0		-0.0
Other operating expenses	-0.9	-0.2	-0.7
Operating profit (loss)	-1.1		-0.9
Financial income and expenses	2.0		2.1
Interest income and other financial income	2.1		2.1
Interest expenses and other financial expenses	-0.1	-0.1	-0.0
Profit (loss) before tax	0.9		1.2
Result for the financial period	0.7		1.0

¹ Comprising of IAS 32 transaction costs and activated DD costs

Balance sheet 30 June 2024

EUR million	IFRS 30 Jun 2024	IAS 32 reclassification	Transaction costs ¹	FAS 30 Jun 2024
Assets				
Total non-current assets				
Prepayments	–		0.2	0.2
Total current assets				
Prepayments and other receivables	105.6			105.6
Accrued income	0.1			0.1
Cash and cash equivalents	0.1			0.1
Total assets	105.8	–	0.2	106.0
Equity				
Share capital	0.1			0.1
Reserve for unrestricted equity	4.3	100.0		104.3
Retained earnings	-0.6		-0.2	-0.7
Profit for the financial period	0.7		0.3	1.0
Total equity	4.5	100.0	0.1	104.7
Liabilities				
Current liabilities				
Other financial liabilities	99.9	-100.0	0.1	0.0
Accounts payable and other liabilities	1.3			1.3
Total liabilities	101.3	-100.0	0.1	1.3
Total equity and liabilities	105.8	–	0.2	106.0

¹ Comprising of IAS 32 transaction costs and activated DD costs

Reconciliation and calculation of key figures and alternative performance measures

Canatu presents alternative performance measures as additional information to performance measures presented in the consolidated income statement, consolidated statement of financial position and consolidated statement of cash flows prepared in accordance with Finnish Accounting Standards (FAS). In Canatu's view, the alternative performance measures provide significant additional information related to Canatu's operating results, financial position and cash flows, and they are widely utilized by analysts, investors and other parties.

The alternative performance measures should not be considered separately from measures under FAS or as substitutes for corresponding measures under FAS. All companies do not calculate alternative performance measures in a uniform way, and therefore the alternative performance measures presented by Canatu may not be comparable with similarly named measures presented by other companies.

Gross profit

EUR million	Canatu 1–6/2025	Pro forma 1–6/2024	Pro forma 1–12/2024
Revenue	7.3	11.1	22.0
Cost of goods sold:			
Change in inventory of finished and work-in-progress products	0.2	0.1	0.5
Materials and external services total	-2.3	-4.0	-8.1
Production related variable staff expenses	-0.3	-0.3	-0.6
Total cost of goods sold	-2.4	-4.2	-8.3
Gross profit	4.9	6.9	13.8

EUR million	Canatu 1–6/2025	Canatu Plc (former Lifeline SPAC I) 1–6/2024	Canatu 1–12/2024
Revenue	7.3	–	3.3
Cost of goods sold:			
Change in inventory of finished and work-in-progress products	0.2	–	0.2
Materials and external services total	-2.3	–	-1.3
Production related variable staff expenses	-0.3	–	-0.2
Total cost of goods sold	-2.4	–	-1.3
Gross profit	4.9	–	2.0

Adjusted EBIT

EUR million	Canatu 1–6/2025	Pro forma 1–6/2024	Pro forma 1–12/2024
Operating profit (loss)	-5.1	-2.5	-5.3
Goodwill amortization	0.2	0.2	0.5
Adjusted EBIT	-4.8	-2.3	-4.8

EUR million	Canatu 1–6/2025	Canatu Plc (former Lifeline SPAC I) 1–6/2024	Canatu 1–12/2024
Operating profit (loss)	-5.1	-0.9	-5.2
Goodwill amortization	0.2	–	0.2
Adjusted EBIT	-4.8	-0.9	-5.0

Earnings per share (basic and diluted)

	Canatu 1–6/2025	Pro forma 1–6/2024	Pro forma 1–12/2024
Profit (loss) for the financial period attributable to the shareholders (EUR million)	-4.2	-0.7	-1.7
Weighted average number of outstanding shares during the period, basic (1,000 shares)	33,609	33,337	33,337
Earnings per share, basic (EUR)	-0.12	-0.02	-0.05

	Canatu 1–6/2025	Canatu Plc (former Lifeline SPAC I) 1–6/2024	Canatu 1–12/2024
Profit (loss) for the financial period attributable to the shareholders (EUR million)	-4.2	1.0	-3.6
Weighted average number of outstanding shares during the period, basic (1,000 shares)	33,609	12,500	18,361
Earnings per share, basic (EUR)	-0.12	0.08	-0.20

EBITDA

EUR million	Canatu 1–6/2025	Pro forma 1–6/2024	Pro forma 1–12/2024
Operating profit (loss)	-5.1	-2.5	-5.3
Amortization and depreciation	1.0	0.8	1.7
EBITDA	-4.0	-1.7	-3.6

EUR million	Canatu 1–6/2025	Canatu Plc (former Lifeline SPAC I) 1–6/2024	Canatu 1–12/2024
Operating profit (loss)	-5.1	-0.9	-5.2
Amortization and depreciation	1.0	–	0.6
EBITDA	-4.0	-0.9	-4.6

Formulas for the key figures

Key figure	Definition	Reason for use
Gross profit	Revenue less costs of goods sold. Cost of goods sold is calculated as a sum of materials and external services total, change in inventory of finished and work-in-progress products and related variable staff expenses.	Shows Canatu's profitability from operations.
Gross profit, %	Gross profit as a percentage of revenue.	Indication of Canatu's gross earnings capacity, over time.
EBITDA	Operating profit (loss) before depreciation, amortization and impairment.	The measure is used since it shows the profitability before financing items, taxes, depreciation, amortization and impairments and is used to analyze Canatu's operating activities.
EBITDA, %	Operating profit (loss) before depreciation, amortization and impairment in relation to revenue.	EBITDA margin is an indication of the profitability of operations in relation to revenue, over time.
Adjusted EBIT	Operating profit (loss) adjusted for special items relating to goodwill amortization.	The measure reflects the profitability of Canatu's business excluding the impact of amortization of goodwill.
Adjusted EBIT, %	Adjusted EBIT as percentage of revenue.	Reflects the ratio of operating profit to revenue, excluding the impact of amortization of goodwill.
Equity ratio, %	Total equity divided by total assets less received prepayments.	Used to measure solvency and describe the share of Canatu's assets finances by equity.
Return on equity (ROE), %	Rolling 12 months profit (loss) for the financial year divided by average equity for 12 months.	Measures the result for the period in relation to equity.
Net debt	Interest-bearing debt (loans from financial institutions) less cash and cash equivalents and current investments.	Measure reflects Canatu's indebtedness.
Earnings per share (EUR), basic	Profit (loss) for the financial period divided by weighted average number of shares outstanding and entitling to a dividend during the period.	Measure reflects the distribution of Canatu's earnings for each individual share.
Earnings per share (EUR), diluted	Profit (loss) for the financial period divided by weighted average number of shares outstanding and entitling to a dividend during the period including the weighted average number of shares that would be issued on conversion of all the dilutive potential shares into shares.	Measure reflects the distribution of Canatu's earnings for each individual share taking into consideration the impact of any potential commitments Canatu has to issue shares in future.

CANATU

Canatu Plc
Tiilenlyöjänkuja 9 A
01720 Vantaa
Finland

www.canatu.com