

The logo for CANATU, featuring the word in a white, stylized, sans-serif font. The background is a dark blue gradient with a complex network of white lines and dots, resembling a molecular or digital structure.

CANATU

2024

FINANCIAL STATEMENTS BULLETIN (unaudited)
January–December 2024

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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 the 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 around 140 employees representing 35 nationalities, with 20 percent holding or pursuing doctorates. Discover more at www.canatu.com and follow us on [LinkedIn](#).

Canatu Plc January–December 2024: Transformative year

Year 2024 in short

- 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.
- Strong revenue growth continued by 62.1% to EUR 22.0 million (13.6).
- Gross profit increased by 43.1% to EUR 13.8 million (9.6), i.e. 62.5% (70.9%) of revenue.
- Strong revenue growth was driven by the semiconductor business, with Canatu shipping its first two CNT100 SEMI reactors (formerly: S-100) and continuing mass production of inspection membranes.
- Total capital expenditure (CAPEX) reached EUR 5.0 million (4.7), with key investments focused on a new automated production line, an ISO3 cleanroom, advanced instrumentation, coating technology, and patents. 7 patent applications were submitted, and 13 new patents were granted for previously made inventions.
- Canatu expanded its workforce, increasing full-time equivalent employees to 123 (93), ending the year with a total headcount of 137 (109).

January–December 2024 in brief (unaudited pro forma)

- Pro forma revenue increased by 62.1% to EUR 22.0 million (13.6)
- Pro forma gross profit increased by 43.1% to EUR 13.8 million (9.6), i.e. 62.5% (70.9%) of revenue
- Pro forma EBITDA was EUR -3.6 million (-0.4), i.e. -16.1% (-3.3%) of revenue
- Pro forma adjusted EBIT was EUR -4.8 million (-1.4), i.e. -21.9% (-10.0%) of revenue
- Pro forma operating profit (loss) was EUR -5.3 million (-1.8)
- Pro forma earnings per share, basic and diluted were EUR -0.05 (-0.05)

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

- Revenue was EUR 3.3 million (–)
- Gross profit was EUR 2.0 million (–), i.e. 60.5% (N/A) of revenue
- EBITDA was EUR -4.6 million (-1.4), i.e. -138.8% (N/A) of revenue
- Adjusted EBIT was EUR -5.0 million (-1.4), i.e. -151.0% (N/A) of revenue
- Operating profit (loss) was EUR -5.2 million (-1.4)
- Earnings per share, basic and diluted were EUR -0.20 (0.16)

Basis of presentation

Canatu's **consolidated** financial information presented in this release include parent company Canatu Plc's (former Lifeline SPAC I Plc) financial information for full financial years 1 January to 31 December, 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 full financial years, this Financial Statements Bulletin 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 Financial Statements Bulletin.

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

Key figures

REVENUE GROWTH

62.1%

(2023: 62.1%)

GROSS PROFIT

13.8M€

(2023: 9.6M€)

CAPEX

5.0M€

(2023: 4.7M€)

ADJUSTED EBIT MARGIN

-21.9%

(2023: -10.0%)

GROSS MARGIN

62.5%

(2023: 70.9%)

EMPLOYEES

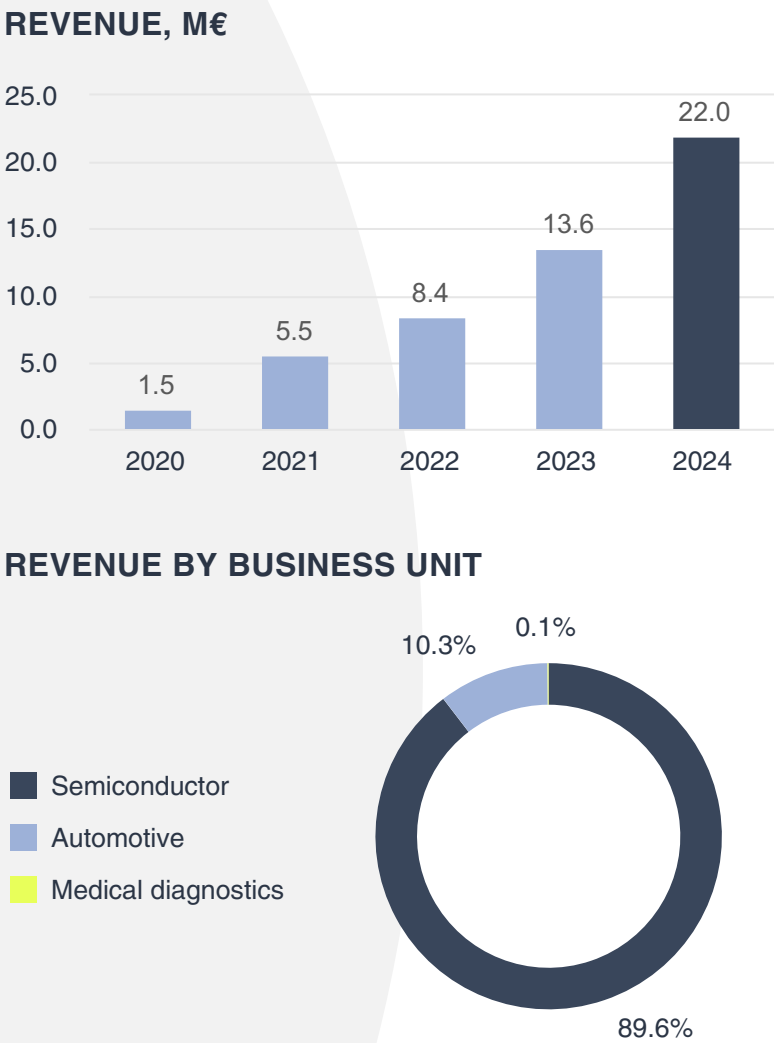
123

(2023: 93)

PATENTS & APPLICATIONS

213

(2023: 192)



Juha Kokkonen, CEO of Canatu:

2024 was a year of strong growth and key milestones for Canatu. Following our listing on the Nasdaq First North Growth Market Finland on 17 September 2024, through the combination with Lifeline SPAC I, we delivered revenue of EUR 22 million, marking another year of solid growth.

We sustained strong top-line growth, increasing revenue to EUR 22.0 (13.6) million in 2024, reflecting a compound annual growth rate of over 95% since 2020. The revenue growth supported a strong gross profit, which grew by 43.1% to EUR 13.8 (9.6) million, representing 62.5% of revenue.

Strong demand for advanced chips, particularly for AI and cloud computing, fuelled growth, driving increased demand for CNT reactors and products. In 2024, the semiconductor industry accounted for a very large share of Canatu's revenue at 89.6%, while the automotive sector made a limited contribution of 10.3%. Medical diagnostics had no material impact as it remained in the development phase.

We shipped our first two CNT100 SEMI reactors to global semiconductor customers, both designed for CNT pellicle membrane production. The reactors are initially built at Canatu's factory, where they undergo Factory Acceptance Test (FAT). After being shipped and re-installed at the customer's site, the reactors undergo Site Acceptance Test (SAT) before production starts.

We continued solidifying our position as a leading supplier of inspection membranes for patterned extreme ultraviolet (EUV) mask inspection. We continued mass production of inspection membranes for debris filtering in the semiconductor business unit and launched mass production for a new program in the conductive film business unit. Overall, Canatu carried out mass production across 11 programs, including both CNT products and reactors. Since 2015, Canatu has delivered over 1.1 million sensors with zero field returns.

In 2024, we made significant investments in research, development, and intellectual property. During the year, we submitted 7 initial patent applications, and were granted 13 new patents for previously made inventions. Among the granted patents, two were specifically related to CNT reactor technology: one for a catalyst cartridge and another for an injector designed to introduce gases into the CNT synthesis process. At the end of 2024, Canatu held 137 patents and 76 pending applications across 39 distinct families, along with trade secrets covering its processes, reactor technology, and applications.

Our total capital expenditure (CAPEX) reached EUR 5.0 million in 2024, up from EUR 4.7 million in 2023. Key investments were focused on a new automated production line, an ISO3 cleanroom, advanced instrumentation, coating technology, and patents.

Our success is built on our people. We expanded our workforce, growing full-time equivalent employees from 93 in 2023 to 123 in 2024, with a total headcount of 137 (109) at the year-end.

We are moving full speed ahead, accelerating investments in both our existing businesses and future developments. We continue to strengthen our team with key hires and enhance our systematic screening of opportunities in collaboration with partners to discover emerging new applications for our advanced CNT, transforming products for a better tomorrow with nano carbon.

To our investors, employees, customers and partners—thank you for your trust and commitment. We look forward to continuing this journey together.

Key figures (unaudited pro forma)

EUR million	1–12/2024	1–12/2023	Change %
Revenue	22.0	13.6	62.1%
Gross profit	13.8	9.6	43.1%
as percentage of revenue, %	62.5%	70.9%	
EBITDA	-3.6	-0.4	-698.8%
as percentage of revenue, %	-16.1%	-3.3%	
Operating profit/loss (EBIT)	-5.3	-1.8	-189.7%
as percentage of revenue, %	-24.1%	-13.5%	
Adjusted EBIT*	-4.8	-1.4	-254.7%
as percentage of revenue, %	-21.9%	-10.0%	
Profit (loss) for the financial period	-1.7	-1.6	-4.9%
Cash flow from operating activities	-2.1	-3.6	42.2%
Capital expenditure	5.0	4.7	7.4%
Average number of employees during the period	123	93	32.3%
Earnings per share (EUR), basic and diluted	-0.05	-0.05	-4.9%

*Operating profit/loss (EBIT) adjusted for special items related to amortization of goodwill, totaling EUR 0.5 million for 1-12/2024 (1-12/2023: EUR 0.5 million).

Lifeline SPAC I and its combination with Canatu Finland



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.

Lifeline SPAC I Plc, a Finnish Special Purpose Acquisition Company (SPAC) founded in 2021, was established to identify and combine with a high-growth unlisted technology company. It raised gross proceeds of EUR 100 million in its initial public offering in October 2021. Following an extensive review of potential targets, Lifeline SPAC I selected Canatu Finland, concluding that it materially conformed to its investment criteria.

Lifeline SPAC I Plc and the shareholders and option holders of Canatu Finland Oy concluded a share exchange agreement on 5 July 2024 whereby Lifeline SPAC I Plc was to acquire all shares, option rights, and other rights exchangeable to shares in Canatu Finland Oy by way of a directed issuance of Lifeline SPAC I Plc's new shares and option rights to form a combined company Canatu (the "Combination"). The share exchange was consummated on 16 September 2024 by Lifeline SPAC I Plc and Canatu Finland Oy's shareholders and option holders as the conditions precedent of the Combination were met. Upon the Combination, Lifeline SPAC I Plc was renamed as Canatu Plc and transferred from reporting in accordance with IFRS (International Financial Reporting Standards) to reporting in accordance with FAS (Finnish Accounting Standards).

Market environment

Canatu's current high-growth focus markets—semiconductors, automotive, and medical diagnostics—are estimated to grow to EUR 2–4 billion by 2030. These industries are undergoing a technological transformation, driving demand for high-quality CNTs and offering Canatu strong growth and profitability potential.

In the semiconductor industry, the need for advanced chips is expected to rise due to AI, with sub-7 nm chips made by EUV technology growing the fastest. The automotive sector is anticipated to shift toward assisted and autonomous driving and electric vehicles (EVs). Meanwhile, medical diagnostics is expected to increasingly transition from laboratory-based testing to point-of-care solutions in parts of the care chain. Canatu is well-positioned to support these transitions with its CNT technology, delivering high value across these industries.

Semiconductor market

The semiconductor market is estimated to offer Canatu a very large market potential of approximately EUR 1.1–2.4 billion by the end of this decade. During this period, the share of the EUV semiconductor market within the overall semiconductor market is expected to increase steadily.

CNT pellicle market

The CNT pellicle market is still in its early stages of development. Canatu's growth in the semiconductor sector is driven by the adoption of next-generation, high-power (>500W) EUV lithography machines. These machines require EUV pellicles to protect photomasks from particle contamination. Traditional materials are expected to struggle to withstand the increased heat and mechanical stress, which can lead to performance issues. Canatu CNT pellicle membranes, produced using its patented Dry Deposition method, can offer superior properties, including higher EUV light transmission, enhanced heat resistance, and exceptional mechanical strength. Canatu CNT pellicle membranes support productivity increase potential in the EUVL process by up to 8–15%.

ASML reported strong Q4 results. Specifically, for extreme ultraviolet lithography (EUV), ASML reported EUR 3 billion in bookings for Q4, indicating that new EUV lithography system orders are already building into 2026 (44 recognized in 2024). ASML shipped the first NXE:3800E in March 2024. ASML also confirmed it shipped and recognized revenue from multiple EXE:5000 and NXE:3800 systems during Q4. These

represent the first generation of ASML's lithography systems, which are expected to require CNT pellicles or other advanced technology as the light source will reach >500W. However, ramp-up to high-volume production is not immediate and typically takes several quarters at least. Consequently, it will take at least several quarters before the CNT pellicle membranes are in commercial use, triggering the full revenue potential of royalty and recurring revenue streams for Canatu.

The CNT pellicle market is still emerging. According to our estimates, the current market size is in the tens of millions of euros. The total addressable market for CNT pellicles is projected to reach EUR 1.0–2.0 billion by 2030.

More conservative market size estimates assume selective adoption of CNT pellicles in logic chip production and limited adoption in memory chip production, primarily in advanced, high-power EUV lithography machines. Less conservative estimates assume a gradual shift toward full adoption of CNT pellicles in logic chips and moderate adoption in memory chips and earlier generation EUV lithography machines.

Canatu does not currently produce ready CNT pellicles but provides its technology through CNT reactor model for the production of CNT pellicle membranes. These CNT pellicle membranes undergo post-processing before being used as CNT pellicles on EUV lithography systems.

If the demand for CNT pellicle membranes were satisfied with Canatu CNT reactor sales only, the market size would be materially smaller, approximately hundreds of millions of euros in 2030, due to Canatu's reactors' high efficiency. In such scenario, recurring revenue elements such as the sale of non-discretionary (required in sales agreements) consumables and royalties would potentially comprise a very large part of the market.

Canatu's long-term financial targets are based on the more conservative scenario, i.e. selective adoption of CNT pellicles in logic and high-power machines only, and the current CNT reactor sales business model.

However, if widespread adoption occurs, it could provide material, organic upside potential beyond these targets.

Inspection membrane market

The patterned mask inspection market, currently the primary application for Canatu's inspection membranes, is expected to grow from approximately EUR 10 million in 2024 to EUR 60 million in 2030, representing an average annual growth of 33% from 2024 to 2030.

Beyond the patterned mask inspection market, other quality control phases—including EUV mask blank inspection and optical filters—could expand the addressable market for Canatu's inspection membranes by approximately 2–5 times, bringing the total market potential to an estimated EUR 120–300 million by 2030.

The ultimate potential will also partially depend on the efficiency of customers' own production processes i.e. if customers are able to increase their own efficiency, the demand potential for inspection membranes may be decreased.

Automotive market

In the automotive sector, a key driver for Canatu's film heater products is the adoption of higher-level autonomous driving systems (ADAS), including Levels 2–5. As automation advances, the high transmittance of Canatu's film heaters will become increasingly important. Another major driver is the growth of electric vehicles (EVs), which require enhanced thermal energy efficiency.

In 2024, Canatu focused on developing film heaters for ADAS cameras and LiDARs, while also exploring full windshield heaters and solar cells as potential future applications. By the end of 2024, Canatu decided to primarily concentrate on camera heaters and the development of emerging applications, including future solar cells in collaboration with a strategic partner, as well as full windshield heaters.

The total camera and full windshield heater market is estimated to grow from EUR 45 million in 2024 to over EUR 750 million in 2030.

The camera heater market is projected to grow from approximately EUR 10 million in 2024 to EUR 170 million in 2030, with an average annual growth rate of 53% from 2024 to 2030. The growth is driven by the adoption of higher-level autonomous driving systems, increasing the number of sensors requiring advanced heating solutions.

The market for full windshield heaters is expected to grow strongly, driven by the increasing number of battery-electric vehicles (BEVs) with electricity consumption savings targets. This market is projected to

grow from EUR 30 million in 2024 to EUR 600 million in 2030. As regards to full windshield heaters, Canatu is currently doing research and development work and exploring strategic options.

Medical diagnostics market

Key market drivers include the shift from centralized to point-of-care (POC) testing and the increasing demand for higher sensitivity in diagnostic tests. This potential transition is driven by the growing preference for faster, more affordable, and convenient tests that can be performed at the point of care. Canatu CNT material is ultrasensitive and provides over 10 times better signal-to-noise ratio than traditional materials currently used for biosensors. This makes it ideal for quick and precise point-of-care tests.

In 2024, Canatu had no medical diagnostics products in mass production, as this domain is still under development. At the end of 2024, Canatu's focus was on developing testing solutions for detecting paracetamol overdose, lung cancer, and breast cancer. In addition, Canatu had identified dozens of other potential applications for point-of-care tests that require high sensitivity in human and veterinary care. We expect the first product (paracetamol overdose test) to reach the market in 1–5 years. In addition, Canatu is planning to initiate the development of selected new application areas, such as virus and bacteria.

Financial overview

Revenue (unaudited pro forma)

EUR million	1–12/2024	1–12/2023	Change %
Semiconductor	19.7	11.1	77.2%
Automotive	2.3	2.4	-7.3%
Medical diagnostics	0.0	–	N/A
Total	22.0	13.6	62.1%

In 2024, Canatu’s pro forma revenue increased by 62.1% compared to the corresponding period of the previous year and was EUR 22.0 million (13.6). The increase was based on strong development in semiconductor business. Semiconductor business’ pro forma revenue increased by 77.2% to EUR 19.7 million (11.1). The increase in semiconductor revenue was mainly driven by CNT100 SEMI reactor delivery projects to global semiconductor customers. Automotive business’ pro forma revenue decreased by 7.3% to EUR 2.3 million (2.4). The decrease was due to lower revenue from one of the main customer, which reduced its inventory levels. Medical diagnostics business’ pro forma revenue amounted to EUR 0.0 million (–).

Profitability (unaudited pro forma)

In 2024, Canatu’s pro forma gross profit increased by 43.1% compared to the corresponding period of the previous year and was EUR 13.8 million (9.6). Gross profit as a percentage of revenue decreased by 8.3 percentage points to 62.5% (70.9%). The decrease in pro forma gross profit as a percentage of revenue was due to a changed product mix as result of the first two CNT100 SEMI reactors being shipped to customers.

Pro forma EBITDA decreased and was EUR -3.6 million (-0.4), i.e. -16.1% (-3.3%) from revenue. Pro forma adjusted EBIT decreased and was EUR -4.8 million (-1.4), i.e. -21.9% (-10.0%) from revenue. Pro forma operating profit (loss) decreased and was EUR -5.3 million (-1.8), i.e. -24.1% (-13.5%) from revenue. Pro forma EBITDA and EBIT as percentage of revenue decreased mainly due to weaker gross margin and decrease in government grants.

Pro forma financial income and expenses total generated net financial income amounting to EUR 3.6 million (0.2).

Pro forma profit (loss) for the financial period was EUR -1.7 million (-1.6). Pro forma basic and diluted earnings per share were EUR -0.05 (-0.05).

Balance sheet, cash flow and financing (consolidated)

Canatu’s balance sheet total at the end of December 2024 was EUR 125.4 million (104.0), of which equity accounted for EUR 113.5 million (103.6). Canatu’s equity ratio was 90.6% (99.6%) at the end of December.

At the end of December, Canatu’s interest bearing debt consisted of loans from financial institutions and amounted to EUR 6.1 million (–). Net debt amounted to EUR -91.9 million (-0.4).

Canatu’s loans include loan agreement for a principal amount of EUR 5.0 million. Related to the loan, Canatu Finland Oy has given business mortgages amounting to EUR 6.9 million. In addition, Canatu has two separate product development loans.

Cash and cash equivalents at the end of the financial year amounted to EUR 97.9 million (0.4). The proceeds raised by former Lifeline SPAC I in its initial listing, presented as cash and cash equivalents on 31 December 2024 and as receivables on 31 December 2023, generated interest income amounting to EUR 3.8 million (3.4). As a result of the completion of the combination, the proceeds deposited in the escrow account were released for Canatu. 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 2024, Canatu’s cash flow from operating activities was EUR -7.0 million (-1.2) and EUR -2.1 million (-3.6) on pro forma basis.

Capital expenditure (unaudited pro forma)

In 2024, Canatu's pro forma capital expenditure in tangible and intangible assets amounted to EUR 5.0 million (4.7). 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. The advance payments and work in progress consisted mainly of building a new automated production line for automotive and medical diagnostics business. In addition, key investments included ISO3 cleanroom. No research and development costs were capitalized.

Research and development (unaudited pro forma)

Canatu's research and development costs recognized as expenses amounted to EUR 4.3 million (2.4) excluding R&D equipment related depreciation expense. The costs were related to all business areas of the group with weight towards semiconductor business area.

Personnel (unaudited pro forma)

In 2024, Canatu's pro forma average number of employees was 123 (93) in terms of full-time employees. The number of personnel employed by Canatu at the end of December was 137 (109). Pro forma personnel expenses totaled EUR 11.1 million (8.4) in January–December 2024.

Shares and trading

At the end of December 2024, Canatu Plc's registered share capital amounted to EUR 80,000 and the total number of shares was 34,386,816, of which the number of series A shares was 33,336,816 and series B shares 1,050,000, respectively.

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 equalled or exceeded certain thresholds. On 8 November 2024, 1,450,000 series B shares were converted to series A shares.

When Canatu Finland Oy was combined with Lifeline SPAC I Plc, the shareholders of Canatu Finland Oy agreed to transfer their shares in Canatu Finland Oy to Lifeline SPAC I Plc and cancel their option rights to receive new series C shares (the "Consideration Shares") and consideration option rights entitling to Canatu Plc's series A shares. The Consideration Shares were automatically converted into series A shares in Canatu 60 days after the completion of the combination and applied to be listed on the First North marketplace.

Between 17 September and 31 December, 791,800 of Canatu's series A shares were traded in Nasdaq First North Growth Market Finland marketplace. The highest trading price was EUR 13.50 and the lowest price EUR 10.80. The volume weighted average price of Canatu's series A shares during the reporting period was EUR 11.89. The share's closing price on the last trading day of the financial year was EUR 11.80. Measured at the closing price of the financial year, the market capitalization of Canatu's series A and B shares was EUR 405.8 million.

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

Canatu's largest shareholders as of 31 December 2024, were eFruit International Inc (10.13%), DENSO Corporation (9.49%) and Mymetics Holding (Cyprus) Ltd (7.35%). At the end of December, the number of registered shareholders was 3,780, including nominee registers. At the end of the review period, nominee registered and direct foreign shareholders held 22.01% of the company's series A shares.

Flagging notifications

On 17 September 2024, Canatu received the following notifications pursuant to Chapter 9, Section 5 of the Securities Markets Act, according to which:

- the direct holding of Ahlström Invest B.V. in Canatu Plc shares and votes had decreased below five (5) percent on 16 September 2024, and was 2.04% following the notification
- the indirect holding of Mandatum Oyj in Canatu Plc shares and votes had decreased below five (5) percent on 16 September 2024, and was 2.45% following the notification
- the direct holding of Oy G.W. Sohlberg Ab in Canatu Plc shares and votes had decreased below five (5) percent on 16 September 2024, and was 2.91% following the notification
- the direct holding of Ilmarinen Mutual Pension Insurance Company in Canatu Plc shares and votes had increased above five (5) percent on 16 September 2024, and was 5.31% following the notification
- the direct and indirect holding of WIP Asset Management Oy in Canatu Plc votes had decreased below five (5) percent on 16 September 2024, and was 0.00% following the notification
- the indirect holding of Denis Cherkasov in Canatu Plc shares and votes had increased above five (5) percent on 16 September 2024, and was 7.35% following the notification
- the indirect holding of Ari Ahola in Canatu Plc shares and votes had increased above ten (10) percent on 16 September 2024, and was 10.13% following the notification
- the indirect holding of Onventure Oy in Canatu Plc shares and votes had increased above five (5) percent on 16 September 2024, and was 6.81% following the notification
- the direct holding of DENSO Corporation in Canatu Plc shares and votes had increased above five (5) percent on 16 September 2024, and was 9.49% following the notification

On 5 July 2024, Canatu (former Lifeline SPAC I) received the following notifications pursuant to Chapter 9, Section 5 of the Securities Markets Act, according to which:

- the direct and indirect holding of WIP Asset Management Oy in Canatu Plc (former Lifeline SPAC I Plc) votes had increased above ten (10) percent on 5 July 2024, and was 12.21% following the notification
- the direct and indirect holding of Rettig Capital Oy Ab in Canatu Plc (former Lifeline SPAC I Plc) shares and votes had decreased below five (5) percent on 5 July 2024, and was 3.20% following the notification

Share-based payments and earn-out

The ownership 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 is recognized for these instruments. 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 exemplary table below (unaudited) illustrates how the market conditions of the instruments are related to the imaginary future share price of Canatu A share:

Imaginary market price of series A share after the acquisition (EUR)	10.00	12.00	14.00	16.00	18.00	20.00	22.00	24.00	26.00	28.00	30.00
The number of series A shares issued on 31 Dec 2024	33,336,816	33,336,816	33,336,816	33,336,816	33,336,816	33,336,816	33,336,816	33,336,816	33,336,816	33,336,816	33,336,816
Number of series A shares via											
The exercise of the Investor Warrants*	0	3,364,998	3,364,998	3,364,998	3,364,998	3,364,998	3,364,998	3,364,998	3,364,998	3,364,998	3,364,998
The conversion of series B shares	0	0	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000	1,050,000
The exercise of the Founder and Sponsor Warrants**		2,833,333	2,833,333	2,833,333	2,833,333	2,833,333	2,833,333	2,833,333	2,833,333	2,833,333	2,833,333
Earn-Out Payments I-III	0	0	1,857,093	1,857,093	3,714,186	3,714,186	6,499,831	6,499,831	6,499,831	6,499,831	6,499,831
The exercise of the Consideration Options	1,676,752	1,676,752	1,676,752	1,676,752	1,676,752	1,676,752	1,676,752	1,676,752	1,676,752	1,676,752	1,676,752
The exercise of options under Option Plan 2024-II	0	0	142,874	142,874	285,748	285,748	500,074	500,074	500,074	500,074	500,074
Share-based incentive plans PSP 2025–2028	0	0	525,431	525,431	1,072,755	1,072,755	1,882,794	1,882,794	1,882,794	1,882,794	2,189,295
Share savings plan ESSP 2025–2027	36,133	36,133	36,133	36,133	36,133	36,133	36,133	36,133	36,133	36,133	36,133
Total	35,049,701	41,248,032	44,823,430	44,823,430	47,370,721	47,370,721	51,180,731	51,180,731	51,180,731	51,180,731	51,487,232

* Assuming that all Investor Warrants have been exercised. The subscription price per share is EUR 11.50.
** Assuming that all Founder Warrants and Sponsor Warrants have been exercised in the ordinary way (instead of the possible net subscription). The subscription price is EUR 12.00.

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, 31.12.2024	Subscription price, EUR per share
Founder warrants	495,833	12.00
Sponsor warrants	2,337,500	12.00
Investor warrants	3,364,998	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 Lifeline SPAC I (Canatu Plc).

In Option Plan 2024-II the holders of option rights will receive new option rights entitling to new series A shares in the Combined Company. 142,874 option rights will vest if the Combined 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 Combined 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 Combined 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 Combined 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, 31.12.2024	Subscription price, EUR per share
Consideration options 2024-I	1,676,752	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-yearly 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 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 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 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.

Strategy and business model

In the 2025–2027 strategy, Canatu aims to drive strong growth, with the semiconductor sector as its primary focus. Our long-term financial targets are over EUR 100 million in revenue and an adjusted EBIT of more than 30% by 2027.

Canatu strategy 2025–2027

Our vision is to create the most advanced carbon nanotubes for industry-transforming products	FOCUS		KEY ENABLERS
	 <div>Grow semiconductor</div> <p>Become a leader in CNT pellicle membranes, inspection membranes, optical filters, and related CNT manufacturing equipment for EUV technology.</p>	 <div>Grow automotive</div> <p>Become a leading manufacturer of advanced film-based ADAS camera heaters. Working on developing future solar cells in collaboration with a strategic partner.</p>	1 Organize operations for rapid scaling and increase the role of BUs to ensure growth acceleration
	 <div>Develop medical diagnostics</div> <p>Become a leader in high sensitive point-of-care (POC) diagnostic sensors and develop targeted applications.</p>	 <div>Build foundation for future</div> <p>Develop new high-profit CNT applications and become a leading provider of technology platforms, systems, and materials in the nano-carbon industry.</p>	2 Sizable CAPEX and headcount investments, primarily focused on the Semiconductor business
			3 Transform data into a technology and manufacturing asset
TARGETS			
Revenue: >100M€ in '27			
EBIT: >30% in '27			

Semiconductor strategy

Canatu's growth strategy aims to establish us as a leading provider of CNT pellicle membranes, inspection membranes, optical filters, and related CNT manufacturing equipment.

Canatu's revenue growth is expected to be driven primarily by the semiconductor industry, with growth coming from upselling to existing customers, and gradually expanding both the customer base and product offering. Growth is driven by the increasing adoption of next-generation, high-power (>500W) EUV lithography machines. However, Canatu's revenue growth will depend on whether and when current and potential customers place orders for the CNT100 SEMI reactors, which are linked to high-volume EUVL manufacturing schedules, meaning significant uncertainties remain.

We continue to invest in technology and capabilities to ensure our CNT pellicle membranes meet the requirements of the EUV lithography roadmap while also invest in the development of optical filter product for the inspection membrane market.

Automotive strategy

Our growth strategy is focused on becoming a leading manufacturer of advanced film-based ADAS camera heaters, while also working on developing future solar cells in collaboration with a strategic partner.

In the automotive market, Canatu will prioritize the development of ADAS camera heater product and the acquisition of new business, while shifting away from LiDAR heaters due to delayed adoption and the relatively small TAM.

Canatu is also exploring to advance future solar cell technology in partnership with a strategic partner. Current silicon solar cells are limited to 25% efficiency, and the goal is to develop dual-stack solar cells achieving potentially 35% efficiency using CNT as an interlayer, overcoming the limitations of silicon-based solar energy conversion.

Medical diagnostics

In 2024, Canatu had no medical diagnostics products in mass production, as this domain is still under development. Key market drivers include the shift from centralized to point-of-care (POC) testing and the increasing demand for higher sensitivity in diagnostic tests. This transition is driven by the growing preference for faster, more affordable, and convenient tests that can be performed at the point of care.

Canatu aims to become the leader in highly sensitive point-of-care (POC) diagnostic sensors with strong emphasis on developing focused applications.

To drive this forward, Canatu is currently developing a new strategy with external advisors to sharpen its application and go-to-market strategy.

Canatu has identified several potential applications for its biosensors in human health. The first application under development is paracetamol detection, which is expected to be commercialized within 1–5 years. Canatu continues technological development for the lung and breast cancer.

In addition, Canatu is also exploring the development of selected new application areas such as virus and bacteria for its electrochemical biosensors.

Canatu is also preparing for ISO 13485 certification, to ensure compliance with medical device standards.

Building future foundations

Canatu is planning to establish a CTO team to help develop emerging new applications for advanced CNT through active and systematic opportunity screening, aiming to become a leading provider of technology platforms, systems, and materials in the nano carbon industry. The team will focus on high-value opportunities that deliver superior performance, with a long-term goal of positioning Canatu's CNTs as the foundational platform for next-generation advanced applications.

Key enablers

- We will organize our operations for rapid scaling and increase the role of Business Units to accelerate growth.
- We will make sizable CAPEX and headcount investments, primarily focusing on the semiconductor business.
- We will transform data into a technology and manufacturing asset.

2025 investments

In 2025, Canatu continues to invest to support its existing product portfolio and develop new businesses and products, supported by its current strong balance sheet with over EUR 100 million in capital at the end of 2024.

Key investment areas include:

- Developing updated and new semiconductor reactor generations to meet future CNT pellicle membrane requirements
- Developing optical filter products for the semiconductor EUV inspection membrane market
- Accelerating medical diagnostics development
- Finalizing a second fully automated production line for automotive and medical diagnostic products, increasing productivity by 50%
- Advancing future solar cell technology with a partner to achieve potentially higher efficiency
- Establishing CTO team to address emerging future applications for our advanced CNT

Business model

Canatu operates through two business models: selling CNT products directly and selling CNT reactors while licensing the related technology, allowing customers to produce CNT products under a limited license.

Canatu's business model leverages its efficient and proprietary Dry Deposition™ CNT technology platform. Whether selling CNT products or selling CNT reactors and licensing technology, this platform supports asset-light growth and offers strong gross margin potential in the semiconductor, automotive, and medical diagnostics industries.

Canatu has been mass producing CNT products for the automotive industry since 2015, and for the semiconductor industry since 2021. Since 2015, Canatu has delivered over 1.1 million sensors with zero field returns.

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 be weighted towards the second half of the year. This is primarily driven by the anticipated timing of potential new CNT100 SEMI reactor orders and the associated revenue recognition of such orders.

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.

In accordance with its disclosure policy, Canatu does not issue any specific numerical guidance or other financial outlook for the financial year 2025 at this point. However, the company will assess the possibility of issuing such guidance or outlook later during the financial year.

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; (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. Canatu expects these SATs to be completed in 2025.

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 also 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. Canatu expects the mass production ramp-up to commence in 2025.

At the same time, Canatu is working towards advancing its cooperation and work on developing future solar cells. If Canatu is successful in these efforts, this would have a positive impact on the Automotive business unit's revenue in 2025.

Medical Diagnostics outlook

Canatu currently focuses on accelerating the development of its Medical Diagnostics business and is working on a refined application and go-to-market strategy for the business area. The new strategy is expected to be launched in the second half of 2025.

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) in 2027 over 30 percent

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

For the semiconductor sector, this assumes CNT pellicles will be adopted solely in logic chip production and in high-power (>500W) EUV lithography scanners and inspection membranes will be used only for patterned mask inspection.

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 <500W 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

Company management

As of the completion of the Combination on 16 September 2024, the Management Team of Canatu comprised of the following members:

- Juha Kokkonen, CEO, b. 1969, M.Sc. (Tech.)
- Timo Suominen, CFO, b. 1969, MBA, M.Sc. (Industrial Economics)
- Jussi Rahomäki, CPO, Conductive Films, b. 1982, PhD (Physics), Executive MBA
- Heikki Heinaro, CPO, Free-Standing Films, b. 1962, M.Sc. (Computer Science)
- Ilkka Varjos, CTO, b. 1978, M.Sc. (Paper Converting)
- Samuli Kohonen, CSO, b. 1973, M.Sc. (Industrial Engineering)
- Mari Makkonen, VP, Marketing & Communications, b. 1981, M.Sc. (Econ. & Bus. Admin.)
- Taneli Juntunen, VP, Engineering, b. 1990, D.Sc. (Tech.) (Nanotechnology)
- Antti Valkola, VP, Manufacturing, b. 1983, M.Sc. (Semiconductors and Materials in Electronics)
- Markku Lamberg, VP, Supply Chain Management, b. 1971, M.Sc. (Tech.) (Graphic Arts Technology)
- Risto Laine, VP, Manufacturing Equipment, b. 1985, M.Sc. (Mechanical Engineering)
- Ann-Sofi Reims, VP, HR, b. 1968, M.Sc. (Econ. & Bus. Admin.)

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

As of 28 March 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
- 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. Other previous management team members will continue with Canatu in different roles.

Annual General Meeting 2024

The Annual General Meeting of Lifeline SPAC I (subsequently Canatu Plc) was held on 19 June 2024 in Helsinki. The Annual General Meeting adopted the Financial Statements and discharged the members of the Board of Directors and the CEO from liability for the financial period of 1 January–31 December 2023. The Annual General Meeting approved in an advisory resolution the remuneration report of the governing bodies.

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

The Annual General Meeting resolved, in accordance with the proposal of the Board of Directors, that no dividend shall be distributed for the financial period ended 31 December 2023, and that the result for the financial period is recorded in retained earnings.

The Board of Directors and the auditor

The Annual General Meeting resolved that the number of the members of the Board of Directors shall be five. In accordance with the company's Articles of Association, the sponsors (shareholders of Lifeline Ventures i.e. Timo Ahopelto, Kai Bäckman, Petteri Koponen and Juha Lindfors) have the right to appoint two Board members and the General Meeting appoints the other three Board members. The company had on 27 May 2024 received a written notice from the sponsors, pursuant to which Timo Ahopelto and Petteri Koponen will act as the sponsor representatives in the company's Board of Directors. In addition, the Annual General Meeting resolved to reappoint the current members of the Board of Directors Alain-Gabriel Courtines, Caterina Fake and Irena Goldenberg as members of the Board of Directors.

The Annual General Meeting resolved that the members of the Board of Directors are paid remuneration as follows: the Chair of the Board of Directors is paid an annual remuneration of EUR 15,000 and members of the Board of Directors are each paid an annual remuneration of EUR 10,000.

Authorized Public Accounting firm KPMG Oy Ab was re-elected as the auditor of the company. Authorized Public Accountant Jussi Paski will continue as the responsible auditor. The auditor is paid remuneration in accordance with a reasonable invoice approved by the company.

The organizational meeting of the Board of Directors, held after the Annual General Meeting, re-elected for a new term of office Timo Ahopelto as the Chair and Alain-Gabriel Courtines as the Vice Chair from among the Board members.

Extraordinary General Meeting 2024

The Extraordinary General Meeting of Lifeline SPAC I (subsequently Canatu Plc) was held on 23 August 2024 in Helsinki. The Extraordinary General Meeting approved the Combination and decided on the related authorizations of the Board of Directors to issue shares and special rights entitling to shares, amendments to the Articles of Association and the authorization of the Board of Directors for the redemption of the company's own shares.

Approval of the Combination

The Extraordinary General Meeting resolved to approve, in accordance with the proposal of the Board of Directors, the acquisition of all the shares and option rights in Canatu Oy (subsequently Canatu Finland) by Lifeline SPAC I.

No opposing votes were cast and therefore no shareholder requested the redemption of their series A shares pursuant to article 5 of the prior articles of association of Lifeline SPAC I. Thus, the approximately

EUR 105.6 million in gross proceeds held in the escrow account of Lifeline SPAC I (as of 30 June 2024 and before, for example, transfer tax and certain transaction costs) were fully released to the combined company.

The Extraordinary General Meeting resolved, in accordance with the proposal of the Board of Directors, to authorize the Board of Directors to resolve on the directed share issue and issuance of option rights entitling to shares as consideration shares to the shareholders and option rights holders of Canatu Oy (subsequently Canatu Finland).

Amendments of the Articles of Association

The Extraordinary General Meeting resolved to amend the last paragraph of article 5 of the Articles of Association to the effect that any shares opposing the Combination would have been redeemed within 3 months from the day of the Extraordinary General Meeting approving the Combination. Such amended Articles of Association were in force until the completion of the Combination. In addition, the Extraordinary General Meeting resolved to amend the Articles of Association in full upon the completion of the Combination.

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

The Extraordinary General Meeting resolved to authorize the Board of Directors to resolve on the redemption of a maximum of 3,333,333 series A shares of the company in one or several tranches in accordance with the proposal of the Board of Directors and the provisions of the Articles of Association. The redemption price is EUR 10.00 per series A share. The authorization is valid until 31 March 2025 and does not replace or revoke any previous unused authorizations of the Board of Directors.

Authorizing the Board of Directors to resolve on the issuance of shares and special rights entitling to shares for the implementation of incentive programs

The Extraordinary General Meeting resolved to authorize the Board of Directors to resolve on the issuance of shares and special rights entitling to series A shares to implement incentive programs. The aggregate number of series A shares to be received based on shares and special rights may not exceed 2,225,428 series A shares. The authorization may be used so that the shares and special rights would be issued directly to the employees, management and CEOs of the company and its subsidiaries or to a holding company established separately for the implementation of incentive programs. The Board of Directors was authorized to decide on all other matters related to the issuance of shares and option rights, including the right to deviate from the pre-emptive right of shareholders. The authorization is valid until the closing of the

next Annual General Meeting, but until no longer than 30 June 2025 and it does not replace or revoke any previous unused authorizations of the Board of Directors.

The Board of Directors

The Extraordinary General Meeting resolved that the number of members of the Board of Directors shall be seven. In accordance with the company's Articles of Association, the sponsors have the right to appoint two board members, and the General Meeting appoints the other five board members. The company had received a written notice from the sponsors, pursuant to which Timo Ahopelto and Tuomo Vähäpassi will act as the sponsor representatives in the company's Board of Directors. The Extraordinary General Meeting resolved to appoint as new members of the Board of Directors Ari Ahola, Anthony Cannestra, Thomas P. Lantzsch, Scott Sears and Kai Seikku.

As of 31 December 2024, Canatu Plc's Board of Directors comprised of Timo Ahopelto (Chair), Ari Ahola (Vice Chair), Thomas P. Lantzsch, Kai Seikku, Scott Sears, Anthony Cannestra, and Tuomo Vähäpassi.

The Extraordinary General Meeting resolved that the members of the Board of Directors are paid an annual remuneration as follows: for the chair of the Board EUR 80,000, the vice chair of the Board EUR 48,000 and for each ordinary member of the Board EUR 44,000.

The resolutions were conditional on the completion of the Combination.

The establishment of a Shareholders' Nomination Board

The Extraordinary General Meeting resolved to establish a Shareholders' Nomination Board to prepare proposals to the Annual General Meeting, and if necessary, to the Extraordinary General Meeting, on the number, election and remuneration of the members of the Board of Directors and to ensure that the Board of Directors and its members have sufficient expertise, competence and experience to meet the needs of the company. In addition, the Extraordinary General Meeting resolved to adopt the Charter of the Shareholder's Nomination Board.

The Shareholders' Nomination Board consists of four members, representing the four largest shareholders. Each of the four largest shareholders is entitled to appoint one member to the Shareholders' Nomination Board. The number of votes held by each shareholder of all shares are determined based on the shareholders' register as per the situation on the first banking day of October each year.

The composition of the Shareholders' Nomination Board

On 11 December 2024, Canatu announced the composition of the Shareholders' Nomination Board. The composition of the Shareholders' Nomination Board as of 11 December 2024 is the following:

- Ari Ahola, Chairman of the Board of Directors, eFruit International, Inc. (appointed by eFruit International, Inc.)
- Anthony Cannestra, Director of Corporate Ventures, 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)

The Nomination Board elected Ari Ahola as Chair from among its members. In accordance with the Charter of the Shareholders' Nomination Board, the Shareholders' Nomination Board consists of four members, representing Canatu's four largest shareholders, who held the largest number of votes in Canatu based on the shareholders' register as per the situation on the first banking day of October 2024, considering the nominee-registered shares, and exercised their right of appointment. As the fourth largest shareholder Inventure Fund Ky did not exercise its right of appointment, the right was transferred to the fifth largest shareholder in accordance with the Charter of the Shareholders' Nomination Board, i.e., Varma Mutual Pension Insurance Company, which appointed the fourth member of the Shareholder's Nomination Board.

The Chair of Canatu's Board of Directors participates in the Shareholders' Nomination Board's work as an expert without having a right to participate in the decision-making of the Shareholders' Nomination Board.

Proposal of the Board of Directors for distribution of profit

Canatu Plc's distributable earnings on 31 December 2024 totaled EUR 117,248,866.05 of which profit for the year was EUR 192,695.31. The Board of Directors proposes to the Annual General Meeting that no dividend is distributed for the financial year ended on 31 December 2024, and that the result for the financial year is recognized in the retained earnings.

Annual General Meeting 2025

The Annual General Meeting of Canatu Plc is scheduled to be held on 15 May 2025. The notice of the Annual General Meeting, which includes the board's proposals, will be published as a separate company release.

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 percent, its two largest customers for approximately 72 percent and its five largest customers for approximately 94 percent 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 to another customer. Canatu expects the final Site Acceptance Testings to be made and acceptances of the two reactors and related equipment to be obtained during 2025, at which point the reactor delivery projects will be fully completed. 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 percent 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 213 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 described in more detail 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 after the end of the financial year

On 21 January 2025, Canatu announced that 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.

On 10 February 2025, Canatu announced that Canatu Plc's 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.

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

As of 28 March 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
- 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. Other previous management team members will continue with Canatu in different roles.

Canatu Plc's financial reporting and AGM in 2025

Canatu Plc will publish its financial information in 2025 as follows:

- Week 16: Annual Report including Financial Statements and the Report of the Board of Directors
- 15 May 2025: Annual General Meeting. The Board of Directors of Canatu Plc will summon the meeting separately on a later date
- 29 August 2025: Half-Year Financial Report (January–June 2025)

A live webcast for investors, analysts and media will be held today, Friday 28 March, at 13:00 EET. The event will be held in English. CEO Juha Kokkonen and Chief Financial Officer Mikko Vesterinen will be presenting at the event. The webcast can be followed live at <https://canatu.videosync.fi/q4-2024>. A recording of the webcast will be made available later at canatu.com/investors/reports-and-presentations.

Helsinki, 28 March 2025

Canatu Plc

Board of Directors

Additional information

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

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Additional unaudited pro forma financial information

Unaudited pro forma income statement

EUR million	1–12/2024	1–12/2023	Change %
REVENUE	22.0	13.6	62.1%
Change in inventory of finished and work-in-progress products	0.5	0.2	205.8%
Other operating income	1.1	2.9	-59.8%
Materials and external services	-8.1	-3.5	-129.5%
Personnel expenses	-11.1	-8.4	-31.2%
Depreciation, amortisation and impairment	-1.7	-1.4	-26.2%
Other operating expenses	-8.0	-5.1	-58.3%
OPERATING PROFIT (LOSS)	-5.3	-1.8	-189.7%
Financial income	4.0	3.4	14.6%
Financial expenses	-0.4	-3.3	88.7%
Financial income and expenses total	3.6	0.2	1,724.5%
PROFIT (LOSS) BEFORE APPROPRIATIONS AND TAXES	-1.7	-1.6	-5.0%
Income tax expenses	–	-0.0	100.0%
PROFIT (LOSS) FOR THE FINANCIAL PERIOD	-1.7	-1.6	-4.9%

Unaudited pro forma cash flow statement

EUR million	Canatu 1–12/2024	Canatu 1–12/2023
Cash flow from operating activities		
Profit (loss) before income taxes	-1.7	-1.6
Depreciation and amortization according to plan	1.7	1.4
Non-cash transactions	-0.0	-1.6
Financial income and expenses	-0.8	0.3
Interest received to escrow account	-2.8	-3.4
Cash flow before change in working capital	-3.6	-4.9
Change in working capital:		
Change in current non-interest bearing receivables	-4.7	-1.3
Change in inventories	-0.7	-0.4
Change in current non-interest bearing liabilities	3.2	0.0
Cash flow from operating activities before financial items and taxes	-5.7	-6.6
Interest and other financial expenses paid	-0.3	-0.4
Interest income received	4.0	3.4
Total cash flow from operating activities	-2.1	-3.6
Cash flow from investing activities		
Investments in tangible and intangible assets	-5.0	-4.7
Total cash flow from investing activities	-5.0	-4.7
Cash flow from financing activities		
Share issue	0.9	0.0
Repayments of non-current loans	-1.2	-0.8
Total cash flow from financing activities	-0.3	-0.8
Change in cash and cash equivalents	-7.4	-9.1
Cash and cash equivalents at the beginning of period	106.5	115.5
Cash and cash equivalents at the end of the period	99.1	106.5
Change in cash and cash equivalents	-7.4	-9.1

Pro forma basis of presentation

This Financial statements bulletin 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 years 2024 and 2023 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 both years' pro forma cash flows as if the current management had been in place from 1 January 2023 onwards.

Pro forma income statement adjustments 1–12/2024

EUR million	Canatu Plc Group (FAS) (1)	Canatu Finland Oy and Inc. 1.1.–16.9.2024 (2)	Pre combination events (3)	Goodwill amortization (4)	Listing costs and other (5)	Canatu Pro forma
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 expenses	–	–	–	–	–	–
PROFIT (LOSS) FOR THE FINANCIAL PERIOD	-3.6	-1.2	1.2	-0.5	2.4	-1.7

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

Pro forma income statement adjustments 1–12/2023

EUR million	Former Lifeline SPAC I (FAS) (1)	Canatu Finland Oy and Inc. (2)	Pre combination events (3)	Goodwill amortization (4)	Listing costs and other (5)	Canatu Pro forma
REVENUE	–	13.6	–	–	–	13.6
Change in inventory of finished and work-in-progress products	–	0.2	–	–	–	0.2
Other operating income	–	2.9	–	–	–	2.9
Materials and external services	–	-3.5	–	–	–	-3.5
Personnel expenses	-0.4	-7.9	-0.2	–	0.1	-8.4
Depreciation, amortization and impairment	–	-0.9	–	-0.5	–	-1.4
Other operating expenses	-1.0	-4.8	–	–	0.8	-5.1
OPERATING PROFIT (LOSS)	-1.4	-0.6	-0.2	-0.5	0.9	-1.8
Financial income	3.4	–	–	–	–	3.4
Financial expenses	–	-0.7	-0.4	–	-2.1	-3.3
Financial income and expenses total	3.4	-0.7	-0.4	–	-2.1	0.2
PROFIT (LOSS) BEFORE APPROPRIATIONS AND TAXES	2.0	-1.3	-0.7	-0.5	-1.3	-1.6
Income tax expenses	–	–	–	–	–	–
PROFIT (LOSS) FOR THE FINANCIAL PERIOD	2.0	-1.3	-0.7	-0.5	-1.3	-1.6

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 2023 prepared in accordance with IFRS Accounting Standards, has been adjusted to follow FAS. See also **Appendix 1** 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 16 September 2024 and 1 January to 31 December 2023) 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 the financial year 2024 and EUR 0.3 million for the financial year 2023, 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 1.0 million, 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 0.2 million in 2024 and EUR 0.1 million in 2023), and adjustment for the previous transaction costs incurred by former Lifeline SPAC I for the non-completed transactions from other operating expenses of EUR 0.1 million for the financial year 2024 and EUR 0.8 million for the financial year 2023.

Pro forma cash flow statement adjustments 2024

EUR million	Canatu Group 1–12/2024	Canatu Finland Oy and Inc. 1.1.–16.9.2024	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
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 interest-free receivables	-1.2	-3.5	–	-4.7
Change in inventories	-0.1	-0.5	–	-0.7
Change in interest-free current debt	-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. 1.1.–16.9.2024	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	–
Listing fees	-2.2	-0.7	2.9	–
Repayments of non-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
Change in cash and cash equivalents	97.5	-7.3	-97.6	-7.4

Pro forma cash flow statement adjustments 2023

EUR million	Lifeline SPAC I 1–12/2023	Canatu Finland Oy and Inc. 1–12/2023	Pro forma adjustments	Canatu Pro forma 1–12/2023
Cash flow from operating activities				
Profit (loss) before income taxes	2.0	-1.3	-2.4	-1.6
Depreciation and amortization according to plan	–	0.9	0.5	1.4
First North listing fees	–	–	–	–
Interest received to escrow account	-3.4	–	–	-3.4
Non-cash transactions	–	-1.3	-0.3	-1.6
Financial income and expenses	–	0.7	-0.3	0.3
Cash flow before change in working capital	-1.4	-1.0	-2.5	-4.9
Change in working capital:				
Change in current interest-free receivables	-0.1	-1.2	–	-1.3
Change in inventories	–	-0.4	–	-0.4
Change in interest-free current debt	0.3	–	-0.2	–
Cash flow from operating activities before financial items and taxes	-1.2	-2.7	-2.7	-6.6
Interest and other financial expenses paid	–	-0.7	0.3	-0.4
Interest income received	–	–	3.4	3.4
Total cash flow from operating activities	-1.2	-3.4	1.0	-3.6

EUR million	Lifeline SPAC I 1–12/2023	Canatu Finland Oy and Inc. 1–12/2023	Pro forma adjustments	Canatu Pro forma 1–12/2023
Cash flow from investing activities				
Investments in tangible and intangible assets	–	-4.7	–	-4.7
Total cash flow from investing activities	–	-4.7	–	-4.7
Cash flow from financing activities				
Share issue	–	0.0	–	0.0
Repayments of non-current loans	–	-0.8	–	-0.8
Total cash flow from financing activities	–	-0.8	–	-0.8
Change in cash and cash equivalents	-1.2	-8.9	1.0	-9.1
Cash and cash equivalents at the beginning of period	1.6	16.1	97.8	115.5
Cash and cash equivalents at the end of the period	0.4	7.3	98.8	106.5
Change in cash and cash equivalents	-1.2	-8.9	1.0	-9.1

Consolidated Income statement

EUR million	Canatu 7–12/2024	Canatu Plc (former Lifeline SPAC I) 7–12/2023	Canatu 1–12/2024	Canatu Plc (former Lifeline SPAC I) 1–12/2023
REVENUE	3.3	–	3.3	–
Change in inventory of finished and work-in-progress products	0.2	–	0.2	–
Other operating income	0.3	–	0.3	–
Materials and external services	-1.3	–	-1.3	–
Personnel expenses	-3.6	-0.2	-3.8	-0.4
Depreciation, amortization and impairment	-0.6	–	-0.6	–
Other operating expenses	-2.7	-0.5	-3.4	-1.0
OPERATING PROFIT (LOSS)	-4.3	-0.7	-5.2	-1.4
Finance income	1.7	2.0	3.8	3.4
Finance expenses	-2.3	–	-2.3	–
Finance income and expenses total	-0.5	2.0	1.6	3.4
PROFIT (LOSS) BEFORE APPROPRIATIONS AND TAXES	-4.8	1.3	-3.6	2.0
Income tax expenses	0.2	–	–	–
PROFIT (LOSS) FOR THE FINANCIAL PERIOD	-4.6	1.3	-3.6	2.0
Earnings per share (EUR), basic and diluted	-0.19	0.11	-0.20	0.16

Consolidated Balance sheet

EUR million	Canatu 31.12.2024	Canatu Plc (former Lifeline SPAC I) 31.12.2023
ASSETS		
NON-CURRENT ASSETS		
Goodwill	4.5	–
Intangible assets	1.4	–
Tangible assets	12.8	–
Total non-current assets	18.7	–
CURRENT ASSETS		
Inventory	1.1	–
Long term receivables		
Other receivables	0.3	–
Total long-term receivables	0.3	–
Short-term receivables		
Trade receivables	0.2	–
Other receivables	0.4	103.5
Accrued income	6.9	0.0
Total short-term receivables	7.4	103.6
Cash and cash equivalents	97.9	0.4
Total current assets	106.7	104.0
TOTAL ASSETS	125.4	104.0

EUR million	Canatu 31.12.2024	Canatu Plc (former Lifeline SPAC I) 31.12.2023
EQUITY		
Share capital	0.1	0.1
Reserve for invested unrestricted equity	117.8	104.3
Translation differences	0.0	–
Retained earnings	-0.7	-2.8
Profit (loss) for the period	-3.6	2.0
TOTAL EQUITY	113.5	103.6
LIABILITIES		
NON-CURRENT LIABILITIES		
Loans from financial institutions	4.4	–
Total non-current liabilities	4.4	–
CURRENT LIABILITIES		
Loans from financial institutions	1.6	–
Received prepayments	0.1	–
Accounts payables	2.9	0.3
Other liabilities	0.3	0.0
Accrued liabilities	2.6	0.1
Total current liabilities	7.5	0.4
TOTAL LIABILITIES	11.9	0.4
TOTAL EQUITY AND LIABILITIES	125.4	104.0

Consolidated Cash flow statement

EUR million	Canatu 7–12/2024	Canatu Plc (former Lifeline SPAC I) 7–12/2023	Canatu 1–12/2024	Canatu Plc (former Lifeline SPAC I) 1–12/2023
Cash flow from operating activities				
Profit (loss) before income taxes	-4.6	1.3	-3.6	2.0
Adjustments:				
Depreciation and amortization according to plan	0.6	–	0.6	–
First North listing fees	2.2	–	2.2	–
Interest received to escrow account	-0.7	-2.0	-2.8	-3.4
Non-cash transactions	0.0	–	0.0	–
Financial income and expenses	-1.0	-0.0	-1.0	-0.0
Cash flow before change in working capital	-3.5	-0.7	-4.6	-1.4
Change in working capital:				
Change in current interest-free receivables	-1.2	-0.0	-1.2	-0.1
Change in inventories	-0.1	–	-0.1	–
Change in interest-free current debt	-2.9	-0.1	-2.1	0.3
Cash flow from operating activities before financial items and taxes	-7.7	-0.8	-8.0	-1.2
Interest and other financial expenses paid	-0.1	–	-0.1	–
Interest income received	1.0	0.0	1.0	0.0
Total cash flow from operating activities	-6.7	-0.7	-7.0	-1.2

EUR million	Canatu 7–12/2024	Canatu Plc (former Lifeline SPAC I) 7–12/2023	Canatu 1–12/2024	Canatu Plc (former Lifeline SPAC I) 1–12/2023
Cash flow from investing activities				
Investments in tangible and intangible assets	-1.1	–	-1.1	–
Acquisition of subsidiary shares net of cash acquired	0.9	–	0.9	–
Total cash flow from investing activities	-0.2	–	-0.2	–
Cash flow from financing activities				
Payment of non-current loans	-0.3	–	-0.3	–
Share issue	0.9	–	0.9	–
Released funds from escrow account	106.3	–	106.3	–
First North listing fees	-2.2	–	-2.2	–
Total cash flow from financing activities	104.7	–	104.7	–
Change in cash and cash equivalents	97.8	-0.7	97.5	-1.2
Cash and cash equivalents at the beginning of the period	0.1	1.2	0.4	1.6
Cash and cash equivalents at the end of the period	97.9	0.4	97.9	0.4
Change in cash and cash equivalents	97.8	-0.7	97.5	-1.2

Consolidated Statement of changes in equity

1–12/2024 (Canatu)

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
Directed share issue at 5 July 2024		0.9			0.9
Canatu acquisition at 16 September 2024		12.6			12.6
Profit (loss) for the financial period				-3.6	-3.6
Translation differences			0.0		0.0
Equity at 31 December 2024	0.1	117.8	0.0	-4.3	113.5

1–12/2023 (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 2023	0.1	104.3	–	-2.8	101.6
Profit (loss) for the financial period				2.0	2.0
Translation differences					–
Equity at 31 December 2023	0.1	104.3	–	-0.7	103.6

Notes

Basis of preparation of the financial information

Accounting policy

The unaudited Financial Statement Bulletin financial information for the twelve- and six-month periods ended 31 December 2024 and the comparative financial periods ended 31 December 2023 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 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 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 [Appendix 1](#) for impacts of IFRS-FAS conversion for Lifeline SPAC I Plc's historical financial information.

The financial information presented here does not include all the notes presented in the annual financial statements and the financial information 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 Canatu's two CNT100 SEMI reactors and related peripherals shipments made in 2024 which are pending final Site Acceptance Testing, 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.

Combination

Canatu Plc (former Lifeline SPAC I Plc) was listed on Nasdaq First North Growth Market Finland on 17 September 2024 after the combination between Lifeline SPAC I Plc and Canatu Finland Oy. Former Lifeline SPAC I Plc was listed on the SPAC segment of the regulated market of Nasdaq Helsinki in October 2021. Canatu Plc (former Lifeline SPAC I Plc) and the shareholders and option holders of Canatu Finland Oy concluded a share exchange agreement on 5 July 2024 whereby Lifeline SPAC I Plc was to acquire all shares, option rights, and other rights exchangeable to shares in Canatu Finland Oy by way of a directed issuance of Lifeline SPAC I Plc's new shares and option rights to form a combined company Canatu Plc. The share exchange was consummated on 16 September 2024 by Lifeline SPAC I Plc and Canatu Finland Oy's shareholders and option holders as the conditions precedent of the combination were met.

The share exchange is accounted by using the acquisition method, where the difference between the acquisition cost and the book value of acquired Canatu Finland Oy's and Canatu Inc.'s assets and liabilities has been capitalized as goodwill. The total acquisition cost of the subsidiary shares is EUR 16.4 million and equity items corresponding to Canatu Finland Oy's net assets of EUR 11.7 million are eliminated from the balance sheet and the amount of goodwill recognized is EUR 4.7 million. Goodwill is amortized on a straight line basis using amortization period of 10 years.

Since Lifeline SPAC I Plc had not had any other business operations than administration related to identifying a target company and its business is not expected to generate external revenue and since after the share exchange the owners of Canatu Finland own the majority of the Combined Company, the share exchange and the combination of the companies were carried out using the book values of Canatu Finland's assets and liabilities, resulting in small capitalized goodwill from the share exchange itself.

EUR million	16 September 2024
Consideration shares issued	12.6
Transaction costs	0.5
Transfer tax	3.3
Total acquisition cost	16.4
Intangible assets	1.3
Tangible assets	12.3
Inventory	1.0
Current receivables	6.4
Cash and cash equivalents	4.7
Total assets	25.6
Loans from financial institutions	-6.4
Received prepayments	-0.3
Other liabilities	-7.2
Total liabilities	-13.9
Acquired net assets	11.7
Goodwill	4.7

The assets and liabilities recognized in the combination are described in the table above.

Equity (EPS, shares, share-based payments and earn-out, distributable profits)

Earnings per share (basic and diluted)

	Canatu 7–12/2024	Canatu Plc (former Lifeline SPAC I) 7–12/2023	Canatu 1–12/2024	Canatu Plc (former Lifeline SPAC I) 1–12/2023
Profit (loss) for the financial period attributable to the shareholders (EUR million)	-4.6	1.3	-3.6	2.0
Weighted average number of outstanding shares during the period, basic (1,000 shares)	24,126	12,500	18,361	12,500
Earnings per share, basic and diluted (EUR)	-0.19	0.11	-0.20	0.16

Share capital and number of shares

Number of shares	A-shares	B-shares	C-shares	Total
Total number of shares registered at 1 January 2024	10,000,000	2,500,000	–	12,500,000
Directed share issue at 5 July 2024	94,995			94,995
Canatu acquisition at 16 September 2024			21,791,821	21,791,821
Conversion of series B shares to series A shares at 7 November 2024	1,450,000	-1,450,000		–
Conversion of series C shares to series A shares at 16 November 2024	21,791,821		-21,791,821	–
Total number of shares registered and outstanding at 31 December 2024	33,336,816	1,050,000	–	34,386,816

Number of shares	A-shares	B-shares	C-shares	Total
Total number of shares registered at 1 January 2023	10,000,000	2,500,000	–	12,500,000
Total number of shares registered and outstanding at 31 December 2023	10,000,000	2,500,000	–	12,500,000

During 2023–2024 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	3,364,998	11.50	from 16 October 2024 and lasts 5 years
Consideration options 2024-I	1,676,752	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 2028 – 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	17,100,416		

*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

Distributable equity of the parent company Canatu Plc

EUR	31.12.2024	31.12.2023
Reserve for invested non-restricted equity	117,797,915.71	104,284,635.82
Retained earnings	-549,049.66	-741,744.97
Distributable equity	117,248,866.05	103,542,890.85

Financing/loans from financial institutions

EUR million	31.12.2024	31.12.2023
Non-current liabilities	4.4	–
Current liabilities	1.6	–
Total loans from financial institutions	6.1	–

As a result of the completion of the combination, the proceeds raised by former Lifeline SPAC I Plc in its initial listing which were deposited in the escrow account were released and are currently in use as Canatu's cash and cash equivalents. Canatu plans to use the funds to potential investments into semiconductor, automotive and medical diagnostics businesses, and to strengthen its balance sheet in general.

The cash and cash equivalents at the end of the financial year amounted to EUR 97.9 million (0.4). The proceeds raised in IPO, presented as cash and cash equivalents on 31 December 2024 and as receivables on 31 December 2023, generated interest income amounting to EUR 3.8 million (3.4).

Canatu's loans include loan agreement for a principal amount of EUR 5.0 million. Repayments of the principal amount are in quarterly installments of approximately EUR 0.3 million. The final installment will be paid on 19 October 2027. As at 31 December 2024, the outstanding loan principle was EUR 3.3 million. The loan agreement contains, among other things, an acceleration clause, whereby the counterparty has the right to demand immediate repayment of the entire outstanding balance of the loan upon the occurrence of certain events. At the end of the financial year there were not such events. Related to the loan, Canatu Finland Oy has given business mortgages amounting to EUR 6.9 million, which are held as a guarantee.

In addition, Canatu Finland Oy has 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 31 December 2024 was EUR 2.7 million in total.

Related party transactions

Canatu's related parties include the parent company Canatu Plc's subsidiaries. Related parties also include members of Canatu's board of directors, the CEO and other members of the management team and their close family members, as well as entities controlled by them. The Sponsors had joint control in Canatu Plc (former Lifeline SPAC I Plc) until the Combination 16 September 2024. Transactions with related parties are made on normal commercial terms.

From 1 January until 15 September 2024, the Chief Executive Officer ("CEO") of Lifeline SPAC I Plc was Tuomo Vähäpassi and the Chief Financial Officer ("CFO") Mikko Vesterinen. Upon the completion of the Combination on 16 September 2024, Juha Kokkonen, the CEO of Canatu Finland Oy, became the CEO and Timo Suominen the CFO of Canatu. Other members of the Canatu Finland Oy's management team became the members of the management team of Canatu.

From 1 January until 15 September, the Board of Directors included Timo Ahopelto, Alain-Gabriel Courtines, Caterina Fake, Irena Goldenberg and Petteri Koponen. The Extraordinary General Meeting held on 23 August 2024 resolved to appoint Ari Ahola, Anthony Cannestra, Thomas P. Lantzsch, Scott Sears and Kai Seikku as new members of the Board of Directors. As a result of the Combination on 16 September 2024, Timo Ahopelto, Ari Ahola, Anthony Cannestra, Thomas P. Lantzsch, Scott Sears, Kai Seikku and Tuomo Vähäpassi are the members of the Board of Directors of Canatu.

Canatu Plc's (former Lifeline SPAC I Plc's) related party transactions primarily comprise the fees payable to the Board of Directors, the CEO and the Management Team. The fees from 1 January until 16 September 2024 are pursuant to the resolution made by the Annual General Meeting on 19 June 2024. The fees are payable to the current Board of Directors pursuant to the resolution made by the Extraordinary General Meeting on 23 August 2024. The fees payable to the current CEO of Canatu pursuant to the managing director agreement approved by the Board of Directors upon the completion of the Combination on 16 September 2024.

Remuneration of the Board of directors and CEO in January 1 2024 – December 31 2024 including comparative information:

EUR	Canatu 1–12/2024	Canatu Plc (former Lifeline SPAC I) 1–12/2023
Board of Directors		
Timo Ahopelto, Chair of the Board	33,958.33	15,000.00
Ari Ahola ²	14,000.00	–
Anthony Cannestra ²	12,833.33	–
Thomas P. Lantzsch ²	12,833.33	–
Scott Sears ²	12,833.33	–
Kai Seikku ²	12,833.33	–
Tuomo Vähäpassi ²	12,833.33	–
Alan-Gabriel Courtines ¹	7,083.33	10,000.00
Caterina Fake ¹	7,083.33	10,000.00
Irena Goldenberg ¹	7,083.33	10,000.00
Petteri Koponen ¹	7,083.33	10,000.00
CEO		
Tuomo Vähäpassi ¹	102,170.00	144,240.00
Juha Kokkonen ²	60,938.65	–
Other Management Team	475,519.64	108,000.00

1) Until 15 September 2024
2) From 16 September 2024

In addition to the table on the left, there have been transactions with related parties as follows:

During 16 September 2024 – 31 December 2024, the salaries and fees to Tuomo Vähäpassi amounted to EUR 42.070,00 based on the termination period of the CEO agreement with Lifeline SPAC I Plc.

During 16 September 2024 – 31 December 2024, Scott Sears has had separate engagement with a subsidiary of the parent company Canatu Plc for Medical Business Unit Advisory Board role with a quarterly compensation of 9,000 USD.

5 July 2024 was a directed share issue of 94,995 series A shares to entities controlled by Lifeline SPAC I Plc’s sponsors Timo Ahopelto, Petteri Koponen and Juha Lindfors in order to complete the acquisition of Canatu Finland. The purpose of the issue was to ensure sufficiency of working capital for the completion of the transaction.

Canatu Plc (former Lifeline SPAC I Plc) had a lease agreement with a related party, Tehtaankatu Base Ltd. The members of the Board of Directors of Tehtaankatu Base Ltd are Timo Ahopelto, Petteri Koponen and Juha Lindfors. The total rent according to the agreement was EUR 1.000.00 (VAT 0%) per month and the rental period started on 1 October 2021 and ended on 30 September 2024.

Management holdings

The members of the Canatu's Board of Directors, CEO and Management Team held, directly and through their controlled entities, the Canatu's shares and warrants at the end of the review period as follows:

Name	A series shares	B series shares	Total shares and votes	as %	Sponsor warrants	Founder warrants	Investor warrants	Consideration options 2024-I	Option Plan 2024-II
Board of Directors									
Timo Ahopelto ¹	260,360	165,607	425,967	1.24%	446,875	–	10,555	–	–
Ari Ahola ²	3,484,077	–	3,484,077	10.13%	–	–	–	–	–
Anthony Cannestra	–	–	–	–%	–	–	–	–	–
Thomas P. Lantzsch	–	–	–	–%	–	–	–	114,360	34,108
Scott Sears	–	–	–	–%	–	–	–	–	–
Kai Seikku	20,000	–	20,000	0.06%	–	–	6,666	–	–
Tuomo Vähäpassi ³	252,500	157,500	410,000	1.19%	–	425,000	11,666	–	–
			–	–%					
CEO and other management team									
Juha Kokkonen	1,429	–	1,429	0.00%	–	–	–	528,388	157,602
Other management team	–	–	–	–%	–	–	–	682,526	203,563
Total	4,018,366	323,107	4,341,473	12.63%	446,875	425,000	28,887	1,325,274	395,273

1) Timo Ahopelto's subscriptions for series A shares, series B shares and Sponsor Warrants have been made through Ahopelto's controlled entity TA Ventures Ltd.
2) Ari Ahola's subscriptions for series A shares will be made through Ari Ahola's controlled entity eFruit International Inc.
3) Tuomo Vähäpassi's subscriptions for series A shares, series B shares and Founder Warrants have been made through Vähäpassi's controlled entity TSOEH Ltd.

In addition to the holdings presented in the table above, the Board of Directors of Canatu Plc approved in December 2024 a share-based incentive plan for the key employees (Performance Share Plan (PSP) 2025–2028) and an Employee Share Savings Plan (ESSP) for the employees of Canatu Plc and its subsidiaries. The shares allocated to the CEO and other management in PSP and ESSP plans were not determined until the balance sheet date on 31 December 2024.

Off-balance sheet commitments

EUR million	Canatu 31.12.2024	Canatu Plc (former Lifeline SPAC I) 31.12.2023
Loan secured by business mortgage	3.3	0.0
Business mortgages	6.9	–
Credit cards, available amount	0.3	–
Security		
Bank deposit	0.3	–
Rental liabilities of premises		
During next 12 months	0.6	–
During later	0.6	–
Leasing		
During next 12 months	0.1	–
During later	0.1	–

In addition to the off-balance sheet commitments presented in the table above, Canatu has partially hedged its interest rate risk with an interest rate swap contract. The nominal amount of the contract is EUR 1.7 million and fair value EUR -0,0 million and it matures in October 2027.

As of 31 December 2024 Canatu had commitments of EUR 0.8 million related to tangible assets work in progress .

On 31 December 2024, Canatu had grant settlements that included a possible repayment liability amounting EUR 1.2 million, corresponding to the amount of the grant received.

Appendix 1. Canatu Plc (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, July – December 2023 and for January – December 2023.

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 expense 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

Income statement 7–12/2023

EUR million	IFRS 7–12/2023	IAS 32 transaction costs	FAS 7–12/2023
Revenue	–		–
Personnel expenses	-0.2		-0.2
Wages and salaries	-0.2		-0.2
Social security expenses	-0.0		-0.0
Other operating expenses	-0.5		-0.5
Operating profit (loss)	-0.7		-0.7
Financial income and expenses	1.9		2.0
Interest income and other financial income	2.0		2.0
Interest expense and other financial expenses	-0.1	-0.1	–
Profit (loss) before tax	1.2		1.3
Result for the financial period	1.2		1.3

Income statement 1–12/2023

EUR million	IFRS 1–12/2023	IAS 32 transaction costs	FAS 1–12/2023
Revenue	–		–
Personnel expenses	-0.4		-0.4
Wages and salaries	-0.3		-0.3
Social security expenses	-0.1		-0.1
Other operating expenses	-1.0		-1.0
Operating profit (loss)	-1.4		-1.4
Financial income and expenses	2.8		3.4
Interest income and other financial income	3.4		3.4
Interest expense and other financial expenses	-0.6	-0.6	–
Profit (loss) before tax	1.4		2.0
Result for the financial year	1.4		2.0

FAS adjustment in the income statement relates to the elimination of the transaction costs of EUR 0.6 million previously recognized as finance costs using the EIR method under IFRS Accounting Standards increasing the result for the period under Finnish Accounting Standards.

Balance sheet 30.6.2024

EUR million	IFRS 30.6.2024	IAS 32 reclassification	Transaction costs ¹	FAS 30.6.2024
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	0.0	0.2	106.0

1) Comprising of IAS 32 transaction costs and activated DD costs

Balance sheet 31.12.2023

EUR million	IFRS 31.12.2023	IAS 32 reclassification	IAS 32 transaction costs	FAS 31.12.2023
Assets				
Total current assets				
Prepayments and other receivables	103.5			103.5
Accrued income	0.0			0.0
Cash and cash equivalents	0.4			0.4
Total assets	104.0	–	–	104.0
Equity				
Share capital	0.1			0.1
Reserve for unrestricted equity	4.3	100.0		104.3
Retained earnings	-2.0		-0.8	-2.8
Profit for the financial year	1.4		0.6	2.0
Total equity	3.8	100.0	-0.2	103.6
Liabilities				
Current liabilities				
Other financial liabilities	99.8	-100.0	0.2	0.0
Accounts payable and other liabilities	0.4			0.4
Total liabilities	100.2	-100.0	0.2	0.4
Total equity and liabilities	104.0	–	0.0	104.0

FAS adjustments in the balance sheet relate to the reclassification of series A shares recognized as a liability net of transaction costs EUR 0.2 million under IFRS Accounting Standards. Under Finnish Accounting Standards, the subscription prices of shares of EUR 100.0 million increase the reserve for invested unrestricted equity and decrease the net of retained earnings and result for the period of EUR 0.2 million for to the unamortized portion of the transaction costs relating to the initial listing.

Appendix 2. Reconciliation and calculation of key figures

Reconciliation of key figures

Gross profit

EUR million	Pro forma 1–12/2024	Pro forma 1–12/2023
Revenue	22.0	13.6
Cost of goods sold:		
Change in inventory of finished and work-in-progress products	0.5	0.2
Materials and external services total	-8.1	-3.5
Production related variable staff expenses	-0.6	-0.6
Total cost of goods sold	-8.3	-4.0
Gross profit	13.8	9.6

EUR million	Canatu 7–12/2024	Canatu Plc (former Lifeline SPAC I) 7–12/2023	Canatu 1–12/2024	Canatu Plc (former Lifeline SPAC I) 1–12/2023
Revenue	3.3	–	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	-1.3	–	-1.3	–
Production related variable staff expenses	-0.2	–	-0.2	–
Total cost of goods sold	-1.3	–	-1.3	–
Gross profit	2.0	–	2.0	–

Adjusted EBIT

EUR million	Pro forma 1–12/2024	Pro forma 1–12/2023
Operating profit (loss)	-5.3	-1.8
Goodwill amortization	0.5	0.5
Adjusted EBIT	-4.8	-1.4

EUR million	Canatu 7–12/2024	Canatu Plc (former Lifeline SPAC I) 7–12/2023	Canatu 1–12/2024	Canatu Plc (former Lifeline SPAC I) 1–12/2023
Operating profit (loss)	-4.3	-0.7	-5.2	-1.4
Goodwill amortization	0.2	0.0	0.2	–
Adjusted EBIT	-4.1	-0.7	-5.0	-1.4

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.	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.

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