ANNUAL REPORT 2025

CANATU

Contents

Our year 2025

Canatu enters 2026 with a strong market position in CNT pellicles and a strengthened team driving execution. While 2025 was a year of laying the foundation for future growth, the fundamental drivers of our long-term growth remain intact. Rapid AI growth is driving demand for advanced chips, which we expect to support the adoption of CNT pellicles. During the year, we granted a commercial production license for the first CNT100 SEMI reactor, marking an important step toward mass production. We deepened our long-standing partnership with DENSO, strengthened new business and product development, and continued investing in future growth and competitiveness.

Deep-tech platform for advanced carbon nanotubes

Canatu is a deep technology company creating advanced CNT products and reactors for the Semiconductor, Automotive, and Medical Diagnostics industries. These industries require high-quality CNTs and offer Canatu strong growth and profitability potential.

Canatu creates the most advanced carbon nanotubes (CNT) with the unique process it has developed. The properties of Canatu CNT make it especially suitable for highly engineered solutions, where precision, reliability and high quality are vital. We partner with leading global companies to co-develop whatever will make the leap ahead possible, leading to better products with a transformative impact.

Canatu's versatile platform technology has a broad range of potential high-value applications across multiple industries. Our core business includes carbon nanotube (CNT) membranes for extreme ultraviolet (EUV) processes in the semiconductor industry, enabling the manufacturing of the most advanced chips, and CNT-based film heaters for Advanced Driver-Assistance Systems (ADAS) in the automotive industry.

Currently, our technology for electrochemical sensing is developing fast. Canatu's ambition is to become a leader in highly sensitive point-of-care (POC) solutions in hormone and infectious disease testing. To drive this forward, Canatu is accelerating medical diagnostics development and advancing an integrated proof-of-concept system for hormone detection based on Canatu CNT technology.

Canatu operates in growing markets, and has achieved strong growth in recent years. The high value it delivers to its customers has resulted in attractive gross margins. Canatu's strong competitive position is built on its unique technology platform, which enables scalable, asset-light growth, combined with proven mass production capabilities, an experienced team, and an ambitious corporate culture.

Founded in **2004**

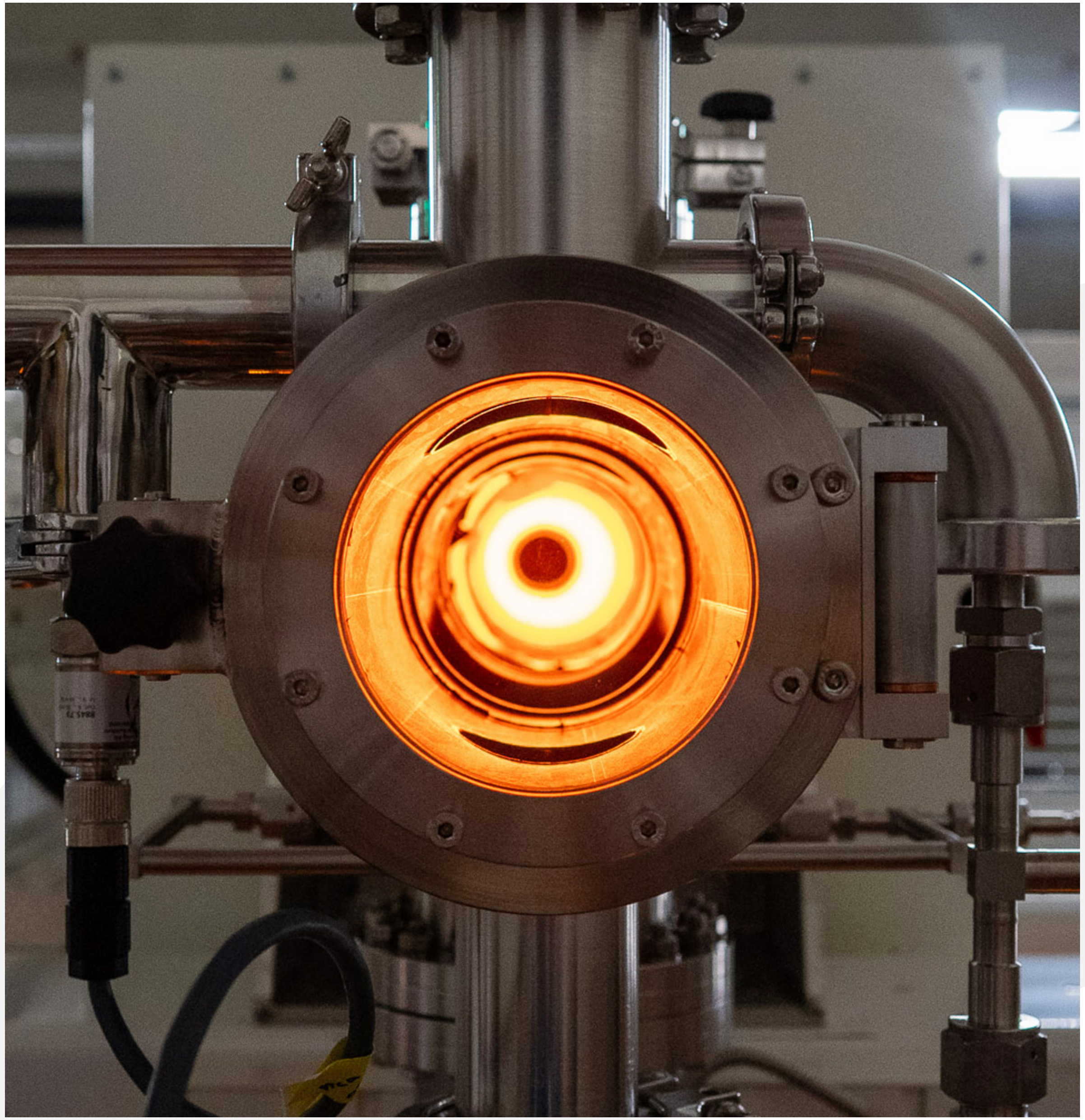
Proven mass production since **2015**

Differentiated **IPR-protected** technology

Customer relationships with **global leaders**

Listed on **Nasdaq First North GM** (09/2024)

296 patents and pending applications



Differentiated, IPR-protected technology

Canatu develops advanced carbon nanotubes (CNTs) using a proprietary process. Canatu's patented CNT reactors and Dry Deposition™ method yield clean and pristine CNTs. At the end of 2025, Canatu held 296 patents and pending applications across 46 distinct families, along with trade secrets covering its processes, reactor technology, and applications.

Discovered in the 1990s, CNTs have attracted considerable attention as a revolutionary new material. With incomparable properties— such as exceptional strength, high electrical conductivity, high thermal stability, large specific surface area, and high optical transmittance— CNTs are a building block of the modern world. Their versatility allows them to be extensively tailored to achieve specific electrical, optical, mechanical, or thermal properties.

However, not all CNTs are the same. Their properties vary significantly depending on the manufacturing method, resulting in considerable quality differences.

CNTs can be classified as 'bulk' CNTs, produced in high volumes for low-end applications; and 'advanced' CNTs, the highest quality CNTs produced in lower volumes for highly engineered solutions.

Canatu's proprietary Dry DepositionTM process provides significant material advantages over traditional wet dispersion of carbon nanotubes. This method simplifies CNT production by eliminating multiple steps that can degrade CNT quality, resulting in longer, stronger, and more pristine nanotubes, enabling better performance in end applications.

Canatu focuses on creating advanced carbon nanotubes for industry-transforming products. Manufacturing advanced CNTs at scale is challenging, creating high barriers to entry. As a result, Canatu currently faces only a few competitors in each of its focus industries. Canatu's platform technology can be adapted to new applications and products at a reasonable additional cost, enabling scalable, asset-light growth.

> “Carbon nanotubes are the building block of the future.”

From start-up to forerunner

Canatu was founded in 2004 as a spin-off from Aalto University's Nanomaterials Group by four senior scientists specializing in materials science, characterization, and aerosol technologies.

The unique process behind Canatu CNTs was invented in the late 1990s and developed in the early 2000s.

Until the early 2010s, the focus was on studying the material, exploring its potential, and refining the CNT manufacturing process. In 2015, Canatu received its first mass production award, marking a key milestone on its journey.

Canatu has made remarkable progress since its inception, establishing itself as a leader in advanced CNTs and a trusted partner for forerunners. Today, Canatu collaborates with some of the most exciting companies in the world, together transforming products for better tomorrows with nano carbon.

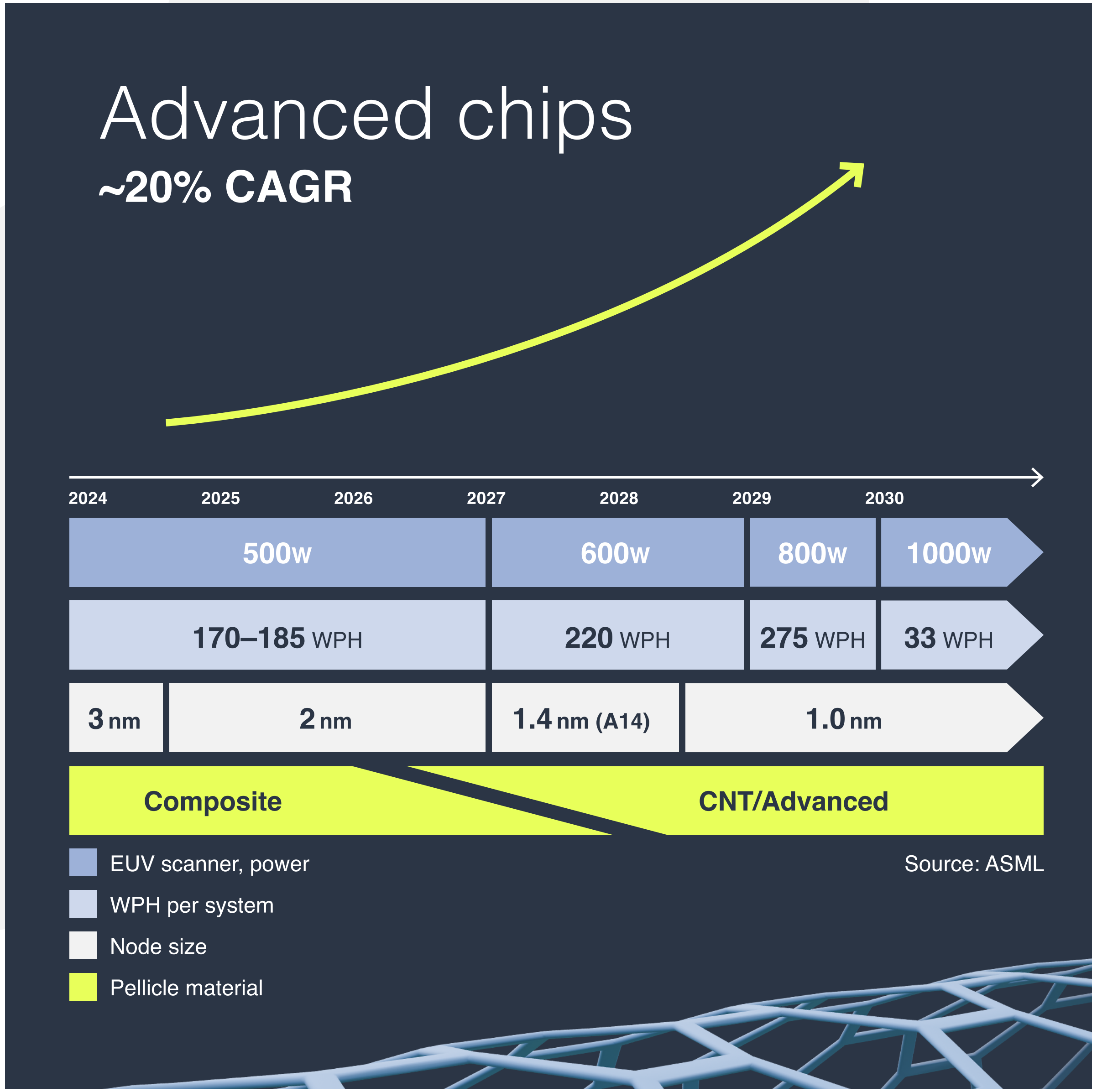
Headquartered in Finland, Canatu also operates in the US, Japan, and Taiwan.

"In 2025, Canatu had **145** full-time equivalent employees representing **35** nationalities, with **20** percent holding or pursuing doctoral degrees."

Juha Kokkonen, CEO of Canatu:

Strong competitive position and solid foundation to capture customer opportunities

Canatu enters 2026 with a strong market position in CNT pellicles and a strengthened team driving execution. While 2025 was a year of laying the foundation for future growth, the fundamental drivers of our long-term growth remain intact. Rapid AI growth is driving demand for advanced chips, which we expect to support the adoption of CNT pellicles. During the year, we granted a commercial production license for the first CNT100 SEMI reactor, marking an important step toward mass production. We deepened our long-standing partnership with DENSO, strengthened new business and product development, and continued investing in future growth and competitiveness.



Canatu's revenue and new reactor orders are largely tied to its first CNT100 SEMI reactor customers successfully moving from reactor installation to pilot and risk mass production of CNT pellicle membranes. This process has experienced some initial delays but continues to progress. As a result, our 2025 revenue decreased to EUR 15.6 million from EUR 22.0 million in the previous year. The decline was mainly due to slower-than-anticipated customer approvals, which delayed revenue recognition and follow-on reactor orders from existing customers.

Gross profit was EUR 11.3 million (13.8), with gross margin increasing to 72.5% (62.5%). The stronger gross margin mainly reflects a higher contribution from licensing revenue and a smaller share of reactor sales. Adjusted EBIT margin declined to -65.3% (-21.9%) due to lower revenue and increased personnel costs incurred in line with our growth plan. Still, our balance sheet remains strong and provides the flexibility to continue investing in our core portfolio as well as in selected new business and product development initiatives.

Despite revenue headwinds, 2025 was a year of meaningful capability building. We continued to invest in people and expertise required to drive long-term growth. Our management team was strengthened through key appointments across Finance, Operations, Semiconductor, and Medical Diagnostics. In addition, we expanded our organization from 123 to 145 full-time equivalent employees (FTEs), adding critical new roles across the business.

The AI and semiconductor ecosystem is on a strong and accelerating growth trajectory. Rising demand for advanced chips continues to drive adoption of high-power EUV scanners and CNT pellicles. Advanced chip manufacturing with 600W EUV scanners is expected to begin by 2027, which we believe will mark an inflection point for the potential broader adoption of CNT pellicles. Although this transition has progressed slower than anticipated at the time of our 2024 listing, we see that Canatu's competitive position has remained strong and continued to advance. Progress in CNT pellicle validation, combined with deepened relationships and technical discussions with major players in the ecosystem, is supporting active negotiations on new orders with both existing and prospective customers.

Operationally, 2025 was a year of significant progress. A key milestone was achieved when the first CNT100 SEMI reactor and post-processing equipment, shipped to Fine Semitech Corp. (FST) in September 2024, received customer approval (SAT) in July and was granted commercial production license for CNT pellicle membranes in October. This milestone demonstrates the advancing industrial validation of CNT pellicle technology and moves FST closer to mass production to meet strong market demand. Third-party certification for safety and performance by ASML is required before CNT pellicles can be used in EUV scanners. The start of commercial production is expected to create two new revenue streams for Canatu: consumable sales and royalties on each CNT pellicle sold by FST to its end customers.

Meanwhile, the customer approval (SAT) process of the second CNT100 SEMI reactor shipped to a global semiconductor leader in December 2024 is ongoing, with the timeline partially subject to the customer's schedule.

Regarding product sales, we maintained our position as a leading supplier of inspection membranes to a long-standing, top-tier customer for EUV mask inspection, including use in High Numerical Aperture (High-NA) EUV lithography. Overall, Canatu carried out mass production across 14 programs, including both CNT products and reactors. Since 2015, Canatu has delivered over 1.1 million sensors with zero field returns.

In Automotive, the adoption of higher-level advanced driver assistance systems (ADAS) and the thermal energy optimization of battery electric vehicles (BEVs) remain key value drivers for Canatu. Higher automation levels require an increasing number of sensors with higher optical performance requirements. In management's view, OEMs are increasingly favoring primarily camera-based ADAS over more expensive sensor-fusion systems. The shift from 12V to 48V vehicle architecture provides additional power, enabling faster de-icing and defogging, as well as larger heaters without compromising performance. With their high optical performance and electrical conductivity, Canatu CNT film heaters are well-suited for ADAS camera applications, and integrating them into windshields is a critical step towards mass production.

For BEVs, optimizing total energy efficiency through advanced HVAC systems, localized heating that minimizes thermal losses compared to blown-air cabin heating, and next-generation solar panels for independent energy generation can enhance overall energy-efficiency and range.

We deepened our long-standing collaboration with DENSO to improve CNT conductivity and to develop advanced manufacturing equipment for producing larger CNT films for future automotive applications, such as full-windshield heaters and next-generation solar cells. In April 2025, we announced a Joint Development Agreement (JDA) focused on enhancing CNT conductivity to improve the performance of ADAS camera heaters while unlocking new high-value use cases for our advanced CNTs. In January 2026, we signed another JDA to develop a large-scale chamber, which is required to scale CNT sheet size for potential future applications. These initiatives build on earlier Joint Development Programs with DENSO since 2017, which have successfully improved CNT performance and manufacturing productivity and cost through higher throughput enabled by high-performance CNT100 HPR reactors.

In Medical Diagnostics, we accelerated investments in ultra-sensitive, low-cost, and scalable point-of-care diagnostics; built an expert team and advanced technical capabilities, with a clear focus on delivering the first proof-of-concept and alpha prototype for hormone testing in 2026. Our aim is to become a leading point-of-care solution provider in hormones and infectious diseases, addressing the current sensitivity gap. We recruited top global talent, advanced product roadmap, and demonstrated strong scientific progress with two published papers and a third under peer review, showing notable progress in testosterone and circulating tumor DNA testing. While near-term revenue contribution is expected to remain limited relative to Semiconductor and Automotive, Medical Diagnostics represents a strategically important long-term opportunity, pursued with a controlled and disciplined investment approach.

We built new business and product development to create a solid pipeline of new high-value applications for our CNT that are synergistic with our existing portfolio, with a focus on microsystems, electrochemical sensing, and emerging frontiers where Canatu's advanced CNTs can potentially deliver significant performance advantages. We are strengthening ecosystem collaboration and providing a CNT platform that others can build upon, while leveraging public funding to accelerate time-to-market for new high-value applications. To support this, Canatu was selected as a Leading Company (Veturi) by Business Finland and awarded EUR 10 million to build a world-class industrial ecosystem and accelerate the development and standardization of next-generation CNT-based solutions.

We upgraded our manufacturing capability for higher volumes with a second factory, expanding total production space to 5,400 m² and enabling multiple parallel reactor builds. The infrastructure is now complete, and the cleanroom remains on track for completion in H1/2026.

2025 marked the first full year operating as a publicly listed company following the 2024 listing on Nasdaq First North Growth Market Finland. We reinforced governance, reporting, and efficiency while executing strategy and investing for future growth and competitiveness.

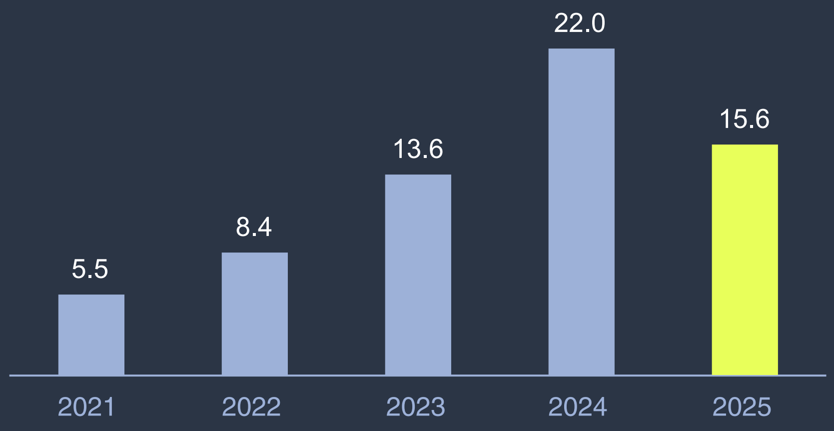
Looking ahead to 2026 and beyond, we remain confident in Canatu's long-term trajectory, building on a strong technology platform, advancing industrial validation and disciplined execution. The company's long-term potential across semiconductor, automotive, and medical diagnostics remains strong.

I would like to thank our customers, investors, employees, and partners for their continued trust and commitment. Canatu's journey toward the Carbon Age continues with focus and determination.

Juha Kokkonen
CEO

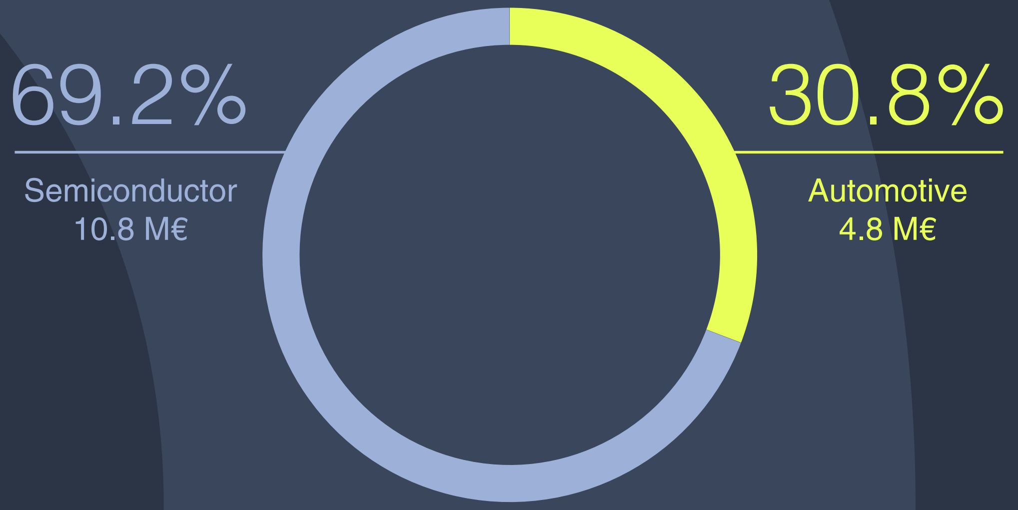
Key figures

REVENUE, M€



*Comparison years 2021–2024 in pro forma figures

SHARE OF REVENUE



-29.2%
Revenue growth*

11.3M€
Gross profit

72.5%
Gross margin

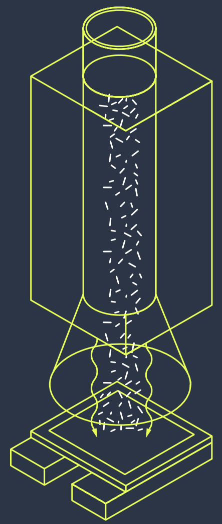
-65.3%
EBIT margin, adj.

5.0M€
CAPEX

296
Patents & applications

145
Employees, FTE

2025 Highlights



The first reactor and its peripherals, shipped to **Fine Semitech Corporation** in September 2024, received customer approval in July 2025, and we granted a license in October 2025, marking a key milestone toward the mass production of CNT pellicle membranes.

We deepened our collaboration with DENSO to improve CNT conductivity and develop a large-scale chamber for producing larger CNT films for future automotive applications.

We accelerated investments in **Medical Diagnostics** by creating an expert team and advancing technical capabilities with a clear focus on delivering an ultra-sensitive proof-of-concept and alpha prototype for hormone testing in 2026.

We began mass production of sensors that protect advanced electronic devices in the **defense industry**.

We built **new business development** to create a solid pipeline of new high-value applications for our CNT with enhanced resources, strengthened ecosystem collaboration, and public funding to accelerate the time-to-market.

We **upgraded manufacturing capability** for higher volumes with a second factory expanding total production space to 5,400 m² and enabling multiple parallel reactor builds. The infrastructure is complete, and the cleanroom remains on track for completion in H1/2026.

In 2025, we strengthened our leadership team:

In January, **Mikko Vesterinen** joined as Chief Financial Officer.

In April **Tapani Salminen** was appointed as Chief Operating Officer, overseeing operations and manufacturing.

In June **Nedal Safwat** joined Canatu as Chief Development Officer, heading the Medical Diagnostics business.

In September **Thomas Gädda** joined Canatu as Chief Product Officer, heading the Semiconductor business.

In addition, we increased the amount of **full-time equivalent employees** from 123 to 145.

The first CNT100 SEMI reactor was licensed to FST

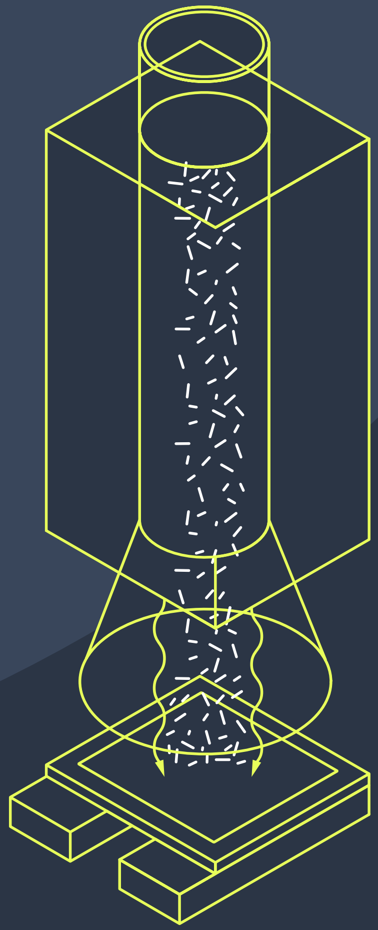
Progress in CNT pellicle validation, combined with deepened relationships and technical discussions with major players in the ecosystem.

ONGOING NEGOTIATIONS WITH EXISTING AND NEW CUSTOMERS

2nd CUSTOMER (FOUNDRY): SAT ONGOING

1st CUSTOMER (FST): REACTOR APPROVED AND LICENSED

1. Purchase order
2. Reactor design and manufacturing
3. Assembly and factory acceptance test (FAT) at Canatu
4. Reactor disassembly and shipping
5. Installation and site acceptance test (SAT) process at customer
6. Ready CNT pellicle product and manufacturing line acceptance
7. Pilot and risk mass production
8. High-volume mass production



- The duration of the process varies.
- Partial revenue recognition based on the degree of completion.
- Ramp-up to high-volume production is not immediate and typically takes several quarters at least.
- Steps 1–5 are the responsibility of Canatu, while steps 6–8 fall under the customer's responsibility.

Canatu as an investment

Canatu is a deep technology company with strong growth potential as a platform technology for advanced CNT applications. The company operates in growing markets, has seen strong growth in recent years, and delivers high value-add to its customers, reflected in good gross margins. Canatu has a scalable business model, proven mass production capabilities, and an excellent team & strong culture.

Canatu's key strengths

1 → Growing deep technology company **with attractive margins**

2 → **Technological transformation in our focus markets** creates strong growth potential

3 → Long-standing customer relationships with **leading global companies**

4 → **Differentiated IPR-protected technology** supporting a strong competitive position

5 → **Proven and efficient** mass manufacturing capability

6 → Scalable, asset-light business model **with high-margin growth potential**

7 → Technological expertise with experienced management **attracting global talent**

Board of Directors' Report

Significant events during the year

In 2025, we granted a commercial production license for the first CNT100 SEMI reactor, marking an important step toward mass production. Canatu's revenue and new reactor orders are largely tied to its first CNT100 SEMI reactor customers successfully moving from reactor installation to pilot and risk mass production of CNT pellicle membranes. This process experienced some initial delays, but continues to progress. As a result, 2025, revenue decreased by 29.2% to EUR 15.6 million from EUR 22.0 million in the prior year. The decline was mainly due to slower-than-anticipated customer approvals, which delayed revenue recognition and follow-on reactor orders from existing customers.

Gross profit decreased by 17.9% to EUR 11.3 million (13.8), but gross margin as percentage of revenue increased to 72.5% (62.5%). The improvement in the gross margin mainly reflects a higher contribution from licensing revenue and a smaller share of reactor sales.

In 2025, Canatu continued to strengthen the long-standing partnership with DENSO, building on successfully completed earlier Joint Development Programs improving CNT performance, productivity, cost, and reliability.

Canatu's balance sheet remains strong, and provides flexibility to continue investing in core portfolio and in selected new business and product development initiatives. Despite revenue headwinds, 2025 was a year of meaningful capability building. Canatu **continued to invest in people and capabilities** required to drive long-term growth. The management team was strengthened through key appointments across Finance, Operations, Semiconductor, and Medical Diagnostics. New roles across the business were added, growing the workforce from 123 to 145 full-time equivalent employees (FTEs).

Canatu accelerated investments in Medical Diagnostics by creating an expert team and advancing technical capabilities with a clear focus on delivering an ultra-sensitive proof-of-concept and alpha prototype for hormone testing in 2026.

We built new business development to create a solid pipeline of new high-value applications for our CNT with enhanced resources, strengthened ecosystem collaboration, and public funding to accelerate the time-to-market.

Our manufacturing capability was upgraded for higher volumes with a second factory expanding total production space to 5,400 m^2 and enabling multiple parallel reactor builds. The infrastructure is complete, and the cleanroom remains on track for completion in H1/2026.

Market overview

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

Semiconductor market

The rapid growth of AI is driving demand for advanced chips, making EUV lithography increasingly critical. Central to this is the adoption of ASML's high-power EUV scanners, which is expected to require CNT pellicles to protect photomasks (reticles) from defects during chip fabrication. In the view of Canatu's management, CNT pellicles are emerging as a key enabling technology, as traditional composite pellicles are expected to decrease their capabilities with the heat and stress of high-power EUV scanners. Deployment of 600W EUV scanners is now expected in 2027, and in the view of Canatu's management, this is anticipated to mark a key inflection point for broader adoption of CNT pellicles.

Canatu's proprietary direct Dry Deposition™ process enables the production of ultra-thin, highly uniform CNT pellicle membranes that outperform conventional composite pellicles, particularly in high-power scanners. These CNT pellicle membranes offer high transmission and durability, supporting productivity increase potential in the EUV lithography process by up to 8–15%.

ASML reported a record year in 2025, driven by increasing EUV sales. As the sole supplier of EUV lithography systems, ASML's performance reflects broader trends relevant to the CNT pellicle market, where growing advanced logic and memory chips demand is expected to drive EUV pellicle adoption. At SPIE Photomask + EUV Lithography 2025, ASML reported that its NXE:3800E platform now delivers up to 220 wafers per hour (wph), enabled by >500 W EUV light sources deployed in 2025. ASML also introduced its next-generation >600 W EUV light-source architecture, which will underpin future platforms including NXE:4000 and the High-NA EXE:5200 series.

Major technology companies, like Meta, Microsoft, and Amazon, are developing custom AI chips, often co-designed with Broadcom or AMD and manufactured by TSMC, to optimize efficiency for specific AI workloads. NVIDIA continues to dominate AI chip design, reporting +114% y-o-y revenue growth in 2025, while Broadcom and AMD also showed strong performance, reflecting robust overall demand for advanced nodes.

According to Counterpoint Research, a majority of these chips are manufactured by TSMC, which accounts for roughly 99% of wafer fabrication for the top 10 AI server compute shipments. TSMC reported strong revenue growth for year 2025 with increase of +31.6% y-o-y, and is investing aggressively in new fabs, including additional $100B in U.S. expansion.

Samsung's announcement in January 2026 to introduce EUV pellicles at its new Taylor fab marks a significant milestone and is expected to accelerate global EUV pellicle adoption. According to ETNews, Samsung has awarded a KRW 25 billion contract to South Korean supplier FST for EUV pellicle handling equipment at the U.S. site. In addition, Samsung has secured a KRW 22.8 trillion contract to produce Tesla's AI6 chips at the Taylor foundry.

According to Deloitte, the global semiconductor market is set to exceed USD 1 trillion by 2030, driven by AI and data center chip demand. Advanced AI chips (< 7nm features) are the fastest growing segment, projected to grow roughly at 20% CAGR between 2025-2030.

Increasing demand of advanced chips also translates to an increased requirement for faster throughput of equipment used to fabricate these chips. According to SemiconductorInsight, EUV mask inspection is a critical step in semiconductor manufacturing, and inspection tools from key manufacturers such as Lasertec, KLA, Applied Materials, and Zeiss are essential for ensuring defect-free EUV patterning. Lasertec, currently the market leader in EUV mask inspection, reported in its results for the first six months of the fiscal year ending June 2026, that y-o-y sales for the full fiscal year are expected to decline due to delayed EUV-related demand. However, Lasertec expects a gradual but steady recovery starting in calendar year 2026, with continued growth toward 2030 driven by broader EUV lithography adoption.

Geopolitical risks are affecting global market dynamics. Since political decisions are unpredictable, there is a constant risk of sudden changes in the market.

Canatu semiconductor business overview

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

Canatu has received customer approval (Site Acceptance Test, SAT) for the first reactor it shipped to FST in 2024, and granted license for commercial production of CNT pellicle membranes. After Canatu has received SAT for its reactor, the customer must secure approval(s) for the complete coated CNT pellicle product before pilot and risk production. Third-party certification for safety and performance by ASML is required for CNT pellicle use in EUV scanners. After successful pilot and risk production, high-volume production of CNT pellicle membranes can commence. Mass production will generate Canatu revenue from consumables and sold CNT pellicles.

Canatu believes that its competitive market position has even improved compared to the situation at the time of its listing in September 2024 based on the significant progress with the existing reactor customers and discussions with new customers. Canatu is not aware of any other party having conducted CNT reactor sales for CNT pellicle membrane production in the semiconductor industry besides Canatu. The company is, in the ordinary course of its sales operations, engaged in discussions with potential new customers entering the market.

Canatu inspection membranes play an important role in enhancing quality control during pre-lithography processes. Specifically, they are currently used in patterned EUV mask inspection to filter out debris generated by the EUV light source, protecting sensitive optics from contamination. Inspection membrane market also covers optical filters that improve measurement precision in EUV process monitoring by blocking short-wavelength photons and high-energy particles that can interfere with the measurement process, while providing high EUV/X-ray transmission.

Canatu is a leading supplier of inspection membranes for EUV mask inspection, used in both Low-NA and, more recently, High-NA inspection tools. Canatu's inspection membranes have been mass-produced since 2021.

Canatu estimates that its market share within the inspection membrane market is strong. The relative contribution of inspection membranes to the Semiconductor business revenue remained solid despite the demand having softened on an absolute basis.

Automotive market

The adoption of higher-level autonomous driving systems (ADAS) and the growth of battery electric vehicles (BEVs) are expected to drive increasing demand for reliable and efficient film heaters. Each stage of autonomous vehicle development requires a growing number of optical sensors with ever-higher optical performance requirements. At the same time, total energy optimization is becoming essential, with advanced HVAC systems, localized heating to reduce thermal losses, and next-generation solar panels enabling independent energy generation for extended driving range.

Although hot wire heaters are currently the most widely used heating solution, certain performance requirements originating from ADAS suggest the need for alternatives. However, no mainstream replacement has been established yet.

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

Automakers are advancing toward Level 3 driver assistance systems (conditional automation). BMW and Mercedes-Benz have already launched their systems in Germany. In February 2025, Stellantis announced that its Level 3 system is ready for rollout. Zeekr is currently testing its system, and XPeng plans to expand its XNGP platform across China. Honda is expected to introduce Level 3 capabilities in its Honda 0 series later this year. However, multiple market studies note that L3 adoption remains limited relative to L2/L2+ due to liability and regulatory complexity. Canatu anticipates delays in Level 3 adoption due to the high cost of implementation and the slow pace of regulatory changes across different regions.

Despite slower adoption of L3, robotaxis (L4) are advancing rapidly. Waymo uses a sensor fusion approach (LiDAR, radar, cameras, mapping) for ADAS, while Tesla utilizes a "vision-only" ADAS camera approach. Waymo continues to deploy Level 4 autonomous robotaxis, requiring no human driver, in selected U.S. cities, including Phoenix, San Francisco, and Los Angeles, and expanded service to Miami in January 2026, marking its sixth U.S. market. Level 4 testing continues in China with government support, though full commercialization is still several years away. In June 2025, Tesla launched a limited robotaxi service in Austin, Texas, initially with safety monitors onboard. By December 2025 Tesla began testing without a safety driver, and by January 2026 it started offering some public driverless rides in Austin. In February 2026, Waymo closed a US$16 billion funding round at a roughly US$110 billion valuation to accelerate U.S. and international expansion, underscoring investor confidence in autonomous ride-hailing.

Canatu automotive business overview

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

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

Medical diagnostics market & business overview

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

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

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

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

Financial outlook

2026 outlook

Canatu continues to see strong long-term potential in its three business focus areas: Semiconductor, Automotive, and Medical Diagnostics.

In accordance with its disclosure policy, Canatu does not issue any specific numerical guidance for the financial year 2026.

- In the near term, Canatu sees that there are certain factors which affect the revenue visibility and continue to increase the volatility, in the Semiconductor and Automotive businesses.
- Canatu has ongoing customer negotiations, the timing and outcome of which remain uncertain.
- The commercial roll-out of ready CNT pellicles, for example, ultimately depends on Canatu's customers' processes and timelines.
- The timeline for obtaining the second CNT100 SEMI reactor customer approval (SAT) is not fully within Canatu's control, and the risk of delays cannot therefore be excluded.

Long-term targets

Due to the ongoing strategy update, slower-than-expected market transition and recent delays especially in anticipated new customer projects, on 3 March 2026, the Board of Directors has decided to withdraw its previously communicated long-term financial targets of over EUR 100 million revenue and an EBIT margin of over 30% in 2027.

Canatu monitors its long-term financial targets on a continuous basis and reviews them more comprehensively, at least annually as part of its strategy review process. Canatu will communicate the results of its strategy update before the Capital Markets Day on 26 March 2026.

Key operative targets for 2026

Semiconductor

- Maintain and strengthen competitive position in CNT reactor technology and inspection membranes
- Complete the customer approval (Site Acceptance Test, SAT) for the 2nd CNT100 SEMI reactor
- Sell at least one new CNT100 SEMI reactor during 2026
- Receive recurring revenue from consumables and royalties on CNT pellicles sold
- Enable multiple parallel reactor builds

Automotive

- Start mass production of ADAS camera heaters with a lead customer
- Complete ongoing joint development programs on CNT conductivity and large-scale chamber
- Advance the development of ADAS camera heater concept with an enhanced material configuration in windshield glass
- Continue developing full windshield heaters and next-generation solar cells
- Sell one high-performance CNT100 HPR reactor

Medical Diagnostics

- Develop one integrated proof-of-concept system and a functional alpha prototype for hormone monitoring
- Publish scientific papers to build strong proof points

New business development

- Evaluate 10 new applications and identify the most promising business cases, primarily from the microsystems and electrochemical sensing domains
- Sign 1 new development agreement with a credible industrial player

Financial overview

Basis of presentation

Canatu's **consolidated** financial information presented in this report by the Board of Directors include parent company Canatu Plc's financial information for full financial years 1 January – 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 flow of Canatu for the comparison year, this report by the Board of Directors 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 report by the Board of Directors on pages 38-42.

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

Key figures (comparison year in pro forma figures)

EUR million	2025	2024	Change %
Revenue	15.6	22.0	-29.2%
Gross profit	11.3	13.8	-17.9%
as percentage of revenue, %	72.5%	62.5%	
EBITDA	-8.4	-3.6	-136.9%
as percentage of revenue, %	-53.9%	-16.1%	
Operating profit/loss (EBIT)	-10.7	-5.3	-101.2%
as percentage of revenue, %	-68.3%	-24.1%	
Adjusted EBIT*	-10.2	-4.8	-110.9%
as percentage of revenue, %	-65.3%	-21.9%	
Profit (loss) for the financial period	-9.7	-1.7	-466.6%
Cash flow from operating activities	-1.1	-2.1	48.2%
Capital expenditure	5.0	5.0	-0.5%
Research and development costs expensed through profit or loss	6.0	4.3	38.9%
Average number of employees during the period	145	123	17.9%
Earnings per share (EUR), basic and diluted	-0.29	-0.05	-461.1%

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

Key figures (comparison year in consolidated figures)

EUR million	2025	2024
Revenue	15.6	3.3
Gross profit	11.3	2.0
as percentage of revenue, %	72.5%	60.5%
EBITDA	-8.4	-4.6
as percentage of revenue, %	-53.9%	-138.8%
Operating profit/loss (EBIT)	-10.7	-5.2
as percentage of revenue, %	-68.3%	-155.7%
Adjusted EBIT*	-10.2	-5.0
as percentage of revenue, %	-65.3%	-151.0%
Profit (loss) for the financial period	-9.7	-3.6
Cash flow from operating activities	-1.1	-7.0
Capital expenditure**	5.0	19.3
Net debt	-89.9	-91.9
Equity ratio, %	93.2%	90.6%
Return on equity (ROE), %	-8.7%	-3.3%
Research and development costs expensed through profit or loss	6.0	1.2
Average number of employees during the period	145	40
Personnel at the end of period	181	137
Earnings per share (EUR), basic and diluted	-0.29	-0.20

*Operating profit (EBIT) adjusted for special items related to amortization of goodwill, totaling EUR 0.5 million for 1-12/2025 (1-12/2024: EUR 0.2 million).
** Capital expenditure in comparison year 2024 included additions of the assets recognized in the combination of Lifeline SPAC I and Canatu Finland, totaling EUR 18.2 million.

Revenue (comparison year in pro forma figures)

EUR million	1–12/2025	1–12/2024	Change %
Semiconductor	10.8	19.7	-45.2%
Automotive	4.8	2.3	110.8%
Medical Diagnostics	–	0.0	-100.0%
Total	**15.6**	**22.0**	**-29.2%**

In 2025, Canatu's revenue decreased by 29.2% compared to the corresponding period of the previous year on pro forma basis and was EUR 15.6 million (22.0). The decrease was attributable to the Semiconductor business unit's revenue decreasing by 45.2% to EUR 10.8 million (19.7) on pro forma basis. The decrease in the Semiconductor business unit's revenue was primarily due to the lack of new CNT100 SEMI reactor orders during the financial year. The final part of the first CNT100 SEMI reactor project's revenue was recognized in 2025. Automotive business unit's revenue increased by 110.8% to EUR 4.8 million (2.3) on pro forma basis. The increase was driven by joint development agreement with DENSO to improve CNT performance. Canatu also began mass-producing sensors for the defense industry. Medical Diagnostics business unit did not generate revenue during the financial year (0.0).

Profitability (comparison year in pro forma figures)

In 2025, Canatu's gross profit decreased by 17.9% compared to the corresponding period of the previous year on pro forma basis and was EUR 11.3 million (13.8). Gross profit as a percentage of revenue increased by 10.0% percentage points to 72.5% (62.5%). The increase in gross profit as a percentage of revenue mainly reflects a higher contribution from licensing revenue and a smaller share of reactor sales.

EBITDA decreased and was EUR -8.4 million (-3.6), i.e. -53.9% (-16.1%) from revenue. Adjusted EBIT decreased and was EUR -10.2 million (-4.8), i.e. -65.3% (-21.9%) from revenue. Operating profit (loss) decreased and was EUR -10.7 million (-5.3), i.e. -68.3% (-24.1%) from revenue. EBITDA and EBIT as percentage of revenue decreased mainly due to decrease in revenue and increase in personnel expenses driven by increased headcount.

Financial income and expenses total generated net financial income amounting to EUR 1.1 million (3.6). The decrease in net financial income was primarily attributable to the decrease in interest income yielded by Canatu's cash assets and current investments. Unrealized interest income of EUR 1.0 million accrued by money market investments in 2025 has not been recognized due to financial securities are measured in the balance sheet at cost or at fair value, whichever is lower. For more information on the fair values of investments, see the Consolidated financial statements note **10. Financial income and expenses**.

Profit (loss) for the financial year was EUR -9.7 million (-1.7). Basic and diluted earnings per share were EUR -0.29 (-0.05).

Balance sheet, cash flow and financing (comparison year in consolidated figures)

Canatu's balance sheet total at the end of December 2025 was EUR 117.9 million (125.4), of which equity accounted for EUR 108.0 million (113.5). Canatu's equity ratio was 93.2% (90.6%) at the end of December.

During the first half of the financial year, Canatu repaid prematurely part of its loans from financial institutions by EUR 3.3 million which was enabled by the good liquidity position of Canatu. At the end of December, Canatu's interest bearing debt amounted to EUR 2.2 million (6.1) and consisted of two separate product development loans. Net debt amounted to EUR -89.9 million (-91.9).

Cash and cash equivalents at the end of December 2025 amounted to EUR 22.1 million (97.9). During the first half of the financial year, Canatu made of its cash and cash equivalents a money market investment amounting to EUR 70.0 million. The investment is presented as the line item “Financial securities” in the balance sheet on 31 December 2025. Canatu classified the investment to be included into “Cash and cash equivalents” in the cash flow statement on the basis that the investments of the respective funds are primarily government debts, certificates of deposit and commercial papers which have a highly liquid market and have very low risk of volatility. 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 2025, Canatu's consolidated cash flow from operating activities was EUR -1.1 million (-7.0) and on pro forma basis EUR -1.1 million (-2.1).

Capital expenditure (comparison year in pro forma figures)

In 2025, Canatu's capital expenditure in tangible and intangible assets amounted to EUR 5.0 million (5.0) on pro forma basis. Capital expenditure was mainly related to investments in patents and machinery and equipment as well as to building the second factory. The investments were made to develop and maintain Canatu's production and R&D operations. Capital expenditure included also EUR 1.4 million (–) of capitalized development costs. The advance payments and work in progress consisted mainly of building a new automated production line for Automotive and Medical Diagnostics business. In August 2025, Canatu announced an investment in the PELMIS EUV pellicle inspection system. The system's delivery was originally scheduled for November 2025, but it was delayed and is now expected in H1 2026. Consequently, the investment was not recognized as capital expenditure in the reporting period, but is expected to be recognized in H1 2026 upon completion of delivery.

Research and development (comparison year in pro forma figures)

In 2025 Canatu's research and development costs amounted to EUR 7.3 million (4.3) excluding R&D equipment related depreciation expense. The costs were related to all business units of the group with significant weight towards Semiconductor business unit. Research and development costs expensed through profit or loss amounted to EUR 6.0 million (4.3) and capitalized costs into balance sheet amounted to EUR 1.4 million (–). The capitalized cost included EUR 1.1 million (–) of salaries and EUR 0.3 million (–) other capitalized development expenditures. The capitalized development payroll costs are included in the “Personnel expenses” line item in the income statement, and the corresponding deduction is presented under “Work performed for own use.” All capitalized development expenditure relates to development projects in the Semiconductor business unit.

In accordance with Finnish Accounting Standards, amortization of the capitalized development costs is begun already during the financial year. In January–December 2025, amortization of the capitalized development costs amounted to EUR -0.1 million (–).

At the end of December 2025, Canatu held 296 (213) patents and applications across 46 distinct families.

Personnel (comparison years in pro forma figures)

During 2025, Canatu continued to scale its organization. The amount of average number of full-time equivalent employees increased to 145 (123). Personnel expenses for the financial year totaled EUR 13.6 million (11.1).

	1.1.–31.12.2025	1.1.–31.12.2024	1.1.–31.12.2023
Employees on 31 December	181	137	109
FTE employees on average	145	123	93
Wages and salaries (EUR million)	13.6	11.1	8.4

Governance

Annual General Meeting 2025

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

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

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

The Board of Directors and the auditor

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

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

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

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

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

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

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

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

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

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

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

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

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

Changes in the Board of Directors

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

As of 9 June 2025 and at the end of the year, members of the Board of Directors were Timo Ahopelto (Chair), Ari Ahola, Thomas P. Lantzsch, Dino Nardicchio, Kai Seikku, Bernhard Stockmeyer and Tuomo Vähäpassi.

Changes in the Leadership Team

In January, Mikko Vesterinen, b. 1983, M.Sc. (Economics), was appointed as interim Chief Financial Officer. In March, his role transitioned into a permanent appointment as Chief Financial Officer, effective 28 March 2025.

In March, Tapani Salminen, b. 1989, M.Sc. (Engineering) was appointed as Chief Operations Officer, effective 1 April 2025. Salminen is responsible for Operations and Manufacturing, including production, supply chain management, facilities, quality, and information technology.

In June, Dr. Nedal Safwat, b. 1975, PhD (Biochemistry), was appointed Chief Development Officer of Canatu Plc and President of Canatu Inc., effective 9 June 2025. In this role, Dr. Safwat leads Canatu's Medical Diagnostics business.

In September, Thomas Gädda, b. 1977, Ph.D., M.Sc. (Tech), was appointed Chief Product Officer, effective 22 September 2025. Gädda leads Canatu's Semiconductor business, including the company's activities in CNT pellicles, inspection membranes, and other semiconductor-related product areas.

As of 22 September 2025 and at the end of the year, the Canatu Management Team consisted of:

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

All members of the leadership team report to CEO **Juha Kokkonen**.

After the reporting period, in February 2026 Antti Härmänmaa, b.1979, LL.M., (Helsinki, New York University), eMBA, (Aalto), was appointed as VP, Legal and General Counsel, and member of the leadership team, effective on 9 February 2026.

The composition of the Shareholders' Nomination Board

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

The composition of the Shareholders' Nomination Board as of 8 April 2025 and at the end of the year, was the following:

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

After the reporting period, on 7 January 2026, Canatu announced that the new members of Canatu Plc's Shareholders' Nomination Board were appointed. The composition of the Shareholders' Nomination Board, as of 7 January 2026, is: **Ari Ahola** (appointed by eFruit International, Inc.), **Denis Cherkasov** (appointed by Mymetics Holding (Cyprus) Limited), **Shinichiro Nakamura** (appointed by DENSO Corporation), and **Tuomo Vähäpassi** (appointed by Inventure Fund Ky). Read more at "significant events after the reporting period".

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 2025, Canatu's largest customer accounted for approximately 40%, its two largest customers for approximately 65% and its five largest customers for approximately 92% of its total revenue, and this trend is expected to persist. The concentration of sales among a few key entities exposes Canatu to heightened risks, including the potential loss of significant revenue sources if any major customer or partner relationship deteriorates.

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

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

Further, when Canatu licenses its CNT production technology to customers, there is a risk that the CNT products produced by customers may not achieve the anticipated benefits of the CNT in their own production. For example, EUV pellicles require a coating to prevent etching from hydrogen plasma in the extreme EUV environment. However, this coating decreases EUV transmission compared to uncoated CNTs. If the EUV pellicles are not coated properly, the benefits of high transmission EUV pellicles may be weaker, potentially decreasing productivity in the EUV lithography process, which could have a material adverse effect on the demand for Canatu CNT pellicle membranes and production technology. Canatu's customers carry out the coating step, hence Canatu has very little control over its effects.

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

Intellectual property rights are essential to Canatu's business. At the end of the review period, Canatu's intellectual property rights included 296 patents and patent applications. Canatu uses patents, trade secrets, trademarks and technological innovations in its business operations and relies on patent, trademark, and other intellectual property rights protection, non-disclosure agreements and certain other agreements and laws to protect such intellectual property. There can be no assurance that Canatu's intellectual property rights would cover the main parts of its production processes or use cases, that intellectual property rights would give Canatu a competitive advantage or that the measures Canatu takes would effectively deter competitors from the improper use of its intellectual property, in particular with regard to trade secrets and know-how, as their appropriation by another company may be difficult to prove. Third parties, which often are larger than Canatu, may seek to prohibit the use of, or seek restitution or compensation based on the intellectual property rights that are similar to the intellectual property rights Canatu owns or uses, or they may also take legal action for alleged infringement of the intellectual property rights or seek to, or bring claims, to invalidate or rescind Canatu's intellectual property rights. Any failure to protect and enforce Canatu's intellectual property rights or any legal action taken by third parties due to an alleged infringement of their corresponding rights by Canatu may have a material adverse effect on Canatu's business, financial position, results of operations, future prospects and share price.

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

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

Environment & sustainability

Canatu helps its customers to reach their ESG goals by delivering sustainable, high-performance material solutions. Canatu's carbon nanotubes play a key role in enabling a wide range of cleantech solutions, offering exceptional performance with a lower environmental footprint than traditional materials. Canatu CNT's are produced sustainably through a proprietary Dry Deposition method, which avoids harsh chemicals and UV-based processing.

Canatu's operations run on 100% renewable energy, and we continue to advance energy efficiency in line with Finland's national Energy Efficiency Agreements for 2026–2035.

Canatu is committed to an ambitious climate target, aiming to achieve net-zero CO_2e emissions from its own production by 2040.

Our contribution to sustainable electronics has been further strengthened by joining Sustronics, a €40M EU flagship project accelerating the shift toward circularity, eco-design, bio-based materials, and more material- and energy-efficient manufacturing.

Canatu's sustainability work is guided by the UN Sustainable Development Goals, and we have been a member of the UN Global Compact since 2023.

Also in 2025, Canatu was awarded the EcoVadis Bronze Sustainability Rating, placing us in the top 30% of companies assessed over the past year. The drop from our Gold rating in 2023 reflects Canatu's transition from a small company to a mid-sized company, which expanded the assessment scope to businesses with 100–999 employees.

Shares and trading

Trading in Canatu's series A shares commenced on 17 September 2024 in Nasdaq First North Growth Market Finland when Canatu Finland Oy was combined with Lifeline SPAC I Plc, a Finnish Special Purpose Acquisition Company (SPAC) founded in 2021 for acquisitions. Prior the combination, Lifeline SPAC I Plc's A shares were traded in the SPAC segment of the regulated market of Nasdaq Helsinki.

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

At the end of December 2025, Canatu Plc's registered share capital amounted to EUR 80,000. In January–December, a total of 387,000 new series A shares were registered in the Trade Register and admitted to public trading on the Nasdaq First North Growth Market Finland marketplace together with the pre-existing series A shares. Of the new shares, 38,485 shares were subscribed for with the option rights 2024-I and 348,515 shares were subscribed for with the Company's investor warrants. As a result of the share subscriptions the total number of shares at the end of December was 34,773,816, of which the number of series A shares was 33,723,816 and series B shares 1,050,000, respectively.

In 2025, 3,353,580 of Canatu's series A shares were traded in Nasdaq First North Growth Market Finland marketplace. The highest trading price was EUR 14.00 and the lowest price EUR 7.80. The volume weighted average price of Canatu's series A shares during the reporting period was EUR 9.54. The share's closing price on the last trading day of the financial year was EUR 8.18. Measured at the closing price of the financial year, the market capitalization of Canatu's series A and B shares was EUR 284.4 million.

At the end of December 2025, Canatu did not hold any treasury shares.

Canatu's largest shareholders as of 31 December 2025, were eFruit International Inc 10.02%, DENSO Corporation 9.39% and Varma Mutual Pension Insurance Company 7.54%. At the end of December 2025, the number of registered shareholders was 7,366, including nominee registers. At the end of the review period, nominee registered and direct foreign shareholders held 41.92% of the company's series A shares.

Flagging notifications

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

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 (PSP) and a share savings plan (ESSP) 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 December 2025	**33,723,816**	**33,723,816**	**33,723,816**	**33,723,816**	**33,723,816**	**33,723,816**	**33,723,816**	**33,723,816**	**33,723,816**	**33,723,816**	**33,723,816**
Number of series A shares via											
The exercise of the Investor Warrants*	0	3,016,483	3,016,483	3,016,483	3,016,483	3,016,483	3,016,483	3,016,483	3,016,483	3,016,483	3,016,483
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**	0	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	1,638,267	1,638,267	1,638,267	1,638,267	1,638,267	1,638,267	1,638,267	1,638,267	1,638,267	1,638,267	1,638,267
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	**35,398,216**	**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 in 2024 did not have an effect on the terms of the warrants.

	Number of warrants 31 December 2025	Subscription price, EUR per share
Founder warrants	495,833	12.00
Sponsor warrants	2,337,500	12.00
Investor warrants	3,016,483	11.50

Option plans

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

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

In Option Plan 2024-II the holders of option rights will receive new option rights entitling to new series A shares in Canatu Plc. 142,874 option rights will vest if the Company's volume-weighted average share price exceeds EUR 14.00 for any ten trading days (which for the sake of clarity need not be consecutive) in any period of 30 trading days before 31 December 2027. 142,874 option rights will vest if the 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 Company's volume-weighted average share price exceeds EUR 22.00 for any ten trading days (which for the sake of clarity need not be consecutive) in any period of 30 trading days before 31 December 2028. Every vested option right in Option Plan 2024-II entitles its holder to subscribe for one new series A share in the Company.

	Number of options 31 December 2025	Subscription price, EUR per share
Consideration options 2024-I	1,638,267	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 are 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. The final number of matching shares depends on the employees' participation and savings rate in the plan, the fulfillment of the prerequisites for receiving matching shares and the number of shares acquired from the market with savings.

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.

Proposal of the Board of Directors for distribution of profit

Canatu Plc's distributable earnings on 31 December 2025 totaled EUR 120,122,219.53 of which loss for the year was EUR -1,269,266.52. The Board of Directors proposes to the Annual General Meeting that no dividend is distributed for the financial year ended on 31 December 2025, and that the result for the financial year is recognized in the retained earnings.

Annual General Meeting 2026

The Annual General Meeting of Canatu Plc is scheduled to be held on 16 April 2026. The notice of the Annual General Meeting, which includes the board's proposals, will be published as a separate company release.

Significant events after the end of the financial year

On January 2, 2026, Canatu announced that Canatu and DENSO enter Joint Development Agreement to develop large-scale CNT chamber, supporting potential automotive applications such as full windshield heaters. Under the JDA, the companies will build a large-scale CNT deposition chamber compatible with existing Canatu CNT100 HPR reactors and related post-processing tools. The system will first be built and tested at Canatu's facility in Finland. The total contract value is classified as the lowest quartile of the "Medium" (1.0–5.0 M€) category in accordance with Canatu's disclosure policy, with corresponding revenue expected to be recognized primarily in H1/2026, subject to the completion of the defined milestones.

On January 7, 2026, Canatu announced the composition of Canatu Plc's Shareholders' Nomination Board. The composition of the Shareholders' Nomination Board is the following:

- **Ari Ahola** (appointed by eFruit International, Inc.)
- **Denis Cherkasov** (appointed by Mymetics Holding (Cyprus) Limited)
- **Shinichiro Nakamura** (appointed by DENSO Corporation), and
- **Tuomo Vähäpassi** (appointed by Inventure Fund Ky).

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 2025, considering the nominee-registered shares, and exercised their right of appointment. As the fourth largest shareholder Varma Mutual Pension Insurance Company 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, Inventure Fund Ky, which appointed the fourth member of the Shareholder's Nomination Board.

On 27 January 2026 Canatu announced that The Board of Directors of Canatu Plc has resolved to launch the second plan period under the Employee Share Savings Plan. The ESSP is intended to consist of plan periods commencing in 2025, 2026 and 2027, each with a 12-month savings period followed by a holding period of approximately two years. The first plan period of the ESSP started on 1 March 2025 and will end on 31 December 2027. Participation in the ESSP is voluntary, and employees are invited to participate in each plan period separately. The Board of Directors of Canatu Plc has resolved to launch the second plan period for the years 2026–2028 under the ESSP.

On 6 February 2026, Canatu announced that it has been selected as a finalist for DIGITALEUROPE's 2026 Future Unicorn Award, one of Europe's leading recognitions for high-potential technology scale-ups. The Future Unicorn Award has three finalists which were selected from 34 nominees across Europe.

On 9 February 2026, Canatu announced the appointment of Antti Härmänmaa (LL.M., Helsinki, New York University; eMBA, Aalto; b. 1979) as VP, Legal and General Counsel, effective on 9 February 2026. Härmänmaa is also a member of the leadership team.

On 18 February 2026, Canatu announced that Canatu Plc's new series A shares subscribed for with investors warrants were registered with the Finnish Trade Register. During the fourth subscription period of the investor warrants between 1 October 2025 and 31 December 2025, a total of 322 Canatu Plc's new series A shares were subscribed for with the Company's investor warrants. The entire subscription price of EUR 3,703.00 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 was in total 33,724,138, the number of series B shares was in total 1,050,000 and the number of series C shares was in total 0. The total number of shares and votes after the conversion was 34,774,138.

On 3 March 2026, Canatu announced the withdrawal of its long-term financial targets. Due to the ongoing strategy update, slower-than-expected market transition and recent delays especially in anticipated new customer projects, the Board of Directors decided to withdraw its previously communicated long-term financial targets.

On 3 March 2026, Canatu announced that Canatu has received a purchase order for long lead time items from an existing CNT100 SEMI reactor customer. The purchase order is limited to long lead-time items and associated preparatory work related to the design, fabrication and potential sourcing preparation for components that could be used in customer's possible second CNT100 SEMI reactor.

Helsinki, 3 March 2026

Canatu Plc
Board of Directors

Reconciliation and calculation of key figures and alternative performance measures

Earnings per share (basic and diluted)

	Canatu 1–12/2025	Pro forma 1–12/2024
Profit (loss) for the financial period attributable to the shareholders (EUR million)	-9.7	-1.7
Weighted average number of outstanding shares during the period, basic (1,000 shares)	33,664	33,337
Earnings per share, basic and diluted (EUR)	**-0.29**	**-0.05**

	Canatu 1–12/2025	Canatu 1–12/2024
Profit (loss) for the financial period attributable to the shareholders (EUR million)	-9.7	-3.6
Weighted average number of outstanding shares during the period, basic (1,000 shares)	33,664	18,361
Earnings per share, basic and diluted (EUR)	**-0.29**	**-0.20**

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

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

Gross profit

EUR million	Canatu 1–12/2025	Pro forma 1–12/2024
Revenue	**15.6**	**22.0**
Cost of goods sold:		
Change in inventory of finished and work-in-progress products	-0.2	0.5
Materials and external services total	-3.3	-8.1
Production related variable staff expenses	-0.7	-0.6
Total cost of goods sold	**-4.3**	**-8.3**
Gross profit	**11.3**	**13.8**

EUR million	Canatu 1–12/2025	Canatu 1–12/2024
Revenue	**15.6**	**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	-3.3	-1.3
Production related variable staff expenses	-0.7	-0.2
Total cost of goods sold	**-4.3**	**-1.3**
Gross profit	**11.3**	**2.0**

Adjusted EBIT

EUR million	Canatu 1–12/2025	Pro forma 1–12/2024
Operating profit (loss)	-10.7	-5.3
Goodwill amortization	0.5	0.5
Adjusted EBIT	**-10.2**	**-4.8**

EUR million	Canatu 1–12/2025	Canatu 1–12/2024
Operating profit (loss)	-10.7	-5.2
Goodwill amortization	0.5	0.2
Adjusted EBIT	**-10.2**	**-5.0**

EBITDA

EUR million	Canatu 1–12/2025	Pro forma 1–12/2024
Operating profit (loss)	-10.7	-5.3
Amortization and depreciation	2.2	1.7
EBITDA	**-8.4**	**-3.6**

EUR million	Canatu 1–12/2025	Canatu 1–12/2024
Operating profit (loss)	-10.7	-5.2
Amortization and depreciation	2.2	0.6
EBITDA	**-8.4**	**-4.6**

Formulas for the key figures

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

Additional unaudited pro forma financial information

Pro forma basis of presentation

This Report by the Board of Directors 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 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 statement for the year 2024 to illustrate the combined company's cash flows for the ongoing business operations. The hypothetical pro forma cash flows are presented for illustrative purposes only and may differ from the actual cash flows of Canatu and are not intended to give an indication of the cash flows of the combined company in the future.

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

Income statement (comparison year in unaudited pro forma figures)

EUR million	1–12/2025	1–12/2024
REVENUE	**15.6**	**22.0**
Change in inventory of finished and work-in-progress products	-0.2	0.5
Work performed for own use	1.1	–
Other operating income	0.8	1.1
Materials and external services	-3.3	-8.1
Personnel expenses	-13.6	-11.1
Depreciation, amortization and impairment	-2.2	-1.7
Other operating expenses	-8.7	-8.0
OPERATING PROFIT (LOSS)	**-10.7**	**-5.3**
Financial income	1.3	4.0
Financial expenses	-0.2	-0.4
Financial income and expenses total	**1.1**	**3.6**
PROFIT (LOSS) BEFORE APPROPRIATIONS AND TAXES	**-9.5**	**-1.7**
Income tax expense	-0.2	–
PROFIT (LOSS) FOR THE FINANCIAL PERIOD	**-9.7**	**-1.7**

Cash flow statement (comparison year in unaudited pro forma figures)

EUR million	1–12/2025	1–12/2024
Cash flow from operating activities		
Profit (loss) before income taxes	-9.5	-1.7
Adjustments:		
Depreciation and amortization according to plan	2.2	1.7
Provisions	0.1	–
Interest received to escrow account	–	-2.8
Non-cash transactions	–	-0.0
Financial income and expenses	-1.1	-0.8
Cash flow before change in working capital	**-8.3**	**-3.6**
Change in working capital:		
Change in current non-interest bearing receivables	4.7	-4.7
Change in inventories	-0.1	-0.7
Change in current non-interest bearing liabilities	1.8	3.2
Cash flow from operating activities before financial items and taxes	**-2.0**	**-5.7**
Interest and other financial expense paid	-0.2	-0.3
Interest income received	1.3	4.0
Taxes paid	-0.2	–
Total cash flow from operating activities	**-1.1**	**-2.1**

EUR million	1–12/2025	1–12/2024
Cash flow from investing activities		
Investments in tangible and intangible assets	-5.0	-5.0
Total cash flow from investing activities	**-5.0**	**-5.0**
Cash flow from financing activities		
Share issue	–	0.9
Subscription of shares with stock options and investor warrants	4.1	–
Repayment of non-current and current loans	-3.9	-1.2
Total cash flow from financing activities	**0.3**	**-0.3**
Change in cash and cash equivalents	**-5.8**	**-7.4**
Cash and cash equivalents at the beginning of period	97.9	106.5
Effects of exchange rate changes on cash and cash equivalents	-0.0	–
Cash and cash equivalents at the end of the period	**92.1**	**99.1**

Pro forma income statement adjustments 2024

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

Pro forma adjustments:

1) In 2024 pro forma income statement, the Group's consolidated financial information includes the parent company Canatu Plc (former Lifeline SPAC I Plc) 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).

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

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

Pro forma cash flow statement adjustments 2024

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

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

Financial Statements

Consolidated Financial Statements

Consolidated Income statement

EUR million	Note	1 Jan – 31 Dec 2025	1 Jan – 31 Dec 2024
REVENUE	4	**15.6**	**3.3**
Change in inventory of finished and work-in-progress products		-0.2	0.2
Work performed for own use		1.1	–
Other operating income	5	0.8	0.3
Materials and external services	6	-3.3	-1.3
Personnel expenses	7	-13.6	-3.8
Depreciation, amortization and impairment	8	-2.2	-0.6
Other operating expenses	9	-8.7	-3.4
OPERATING PROFIT (LOSS)		**-10.7**	**-5.2**
Financial income	10	1.3	3.8
Financial expenses	10	-0.2	-2.3
Financial income and expenses total		**1.1**	**1.6**
PROFIT (LOSS) BEFORE APPROPRIATIONS AND TAXES		**-9.5**	**-3.6**
Income tax expense	11	-0.2	–
PROFIT (LOSS) FOR THE FINANCIAL PERIOD		**-9.7**	**-3.6**
Earnings per share (EUR), basic and diluted		-0.29	-0.20

Consolidated Balance sheet

EUR million	Note	31 December 2025	31 December 2024
ASSETS			
NON-CURRENT ASSETS			
Goodwill	12	4.0	4.5
Intangible assets	12	3.5	1.4
Tangible assets	13	14.0	12.8
Total non-current assets		**21.5**	**18.7**
CURRENT ASSETS			
Inventory	14	1.2	1.1
Long-term receivables			
Other receivables	15	0.3	0.3
Total long-term receivables		**0.3**	**0.3**
Short-term receivables			
Trade receivables	15	1.0	0.2
Other receivables	15	0.5	0.4
Accrued income	15	1.3	6.9
Total short-term receivables		**2.7**	**7.4**
Financial securities	16	70.0	–
Cash and cash equivalents	16	22.1	97.9
Total current assets		**96.4**	**106.7**
TOTAL ASSETS		**117.9**	**125.4**

EUR million	Note	31 December 2025	31 December 2024
EQUITY	18		
Share capital		0.1	0.1
Reserve for invested unrestricted equity		121.9	117.8
Translation differences		-0.0	–
Retained earnings		-4.3	-0.7
Profit (loss) for the period		-9.7	-3.6
TOTAL EQUITY		**108.0**	**113.5**
PROVISIONS			
Other provisions	19	0.1	–
TOTAL PROVISIONS		**0.1**	**–**
LIABILITIES			
NON-CURRENT LIABILITIES			
Loans from financial institutions	20	1.7	4.4
Total non-current liabilities		**1.7**	**4.4**
CURRENT LIABILITIES			
Loans from financial institutions	20	0.5	1.6
Received prepayments	21	2.0	0.1
Accounts payables	21	1.7	2.9
Other liabilities	21	0.5	0.3
Accrued liabilities	21	3.4	2.6
Total current liabilities		**8.1**	**7.5**
TOTAL LIABILITIES		**9.8**	**11.9**
TOTAL EQUITY AND LIABILITIES		**117.9**	**125.4**

Consolidated Cash flow statement

EUR million	Note	1 Jan – 31 Dec 2025	1 Jan – 31 Dec 2024
Cash flow from operating activities			
Profit (loss) before income taxes		-9.5	-3.6
Adjustments:			
Depreciation and amortization according to plan	8	2.2	0.6
Provisions	19	0.1	–
First North listing fees	10	–	2.2
Interest received to escrow account	10	–	-2.8
Non-cash transactions		–	–
Financial income and expenses	10	-1.1	-1.0
Cash flow before change in working capital		**-8.3**	**-4.6**
Change in working capital:			
Change in current non-interest bearing receivables		4.7	-1.2
Change in inventories		-0.1	-0.1
Change in current non-interest bearing liabilities		1.8	-2.1
Cash flow from operating activities before financial items and taxes		**-2.0**	**-8.0**
Interest and other financial expenses paid		-0.2	-0.1
Interest income received		1.3	1.0
Taxes paid	11	-0.2	–
Total cash flow from operating activities		**-1.1**	**-7.0**

EUR million	Note	1 Jan – 31 Dec 2025	1 Jan – 31 Dec 2024
Cash flow from investing activities			
Investments in tangible and intangible assets	12-13	-5.0	-1.1
Acquisition of subsidiary shares net of cash acquired		–	0.9
Total cash flow from investing activities		**-5.0**	**-0.2**
Cash flow from financing activities			
Share issue	18	–	0.9
Subscription of shares with stock options and investor warrants	18	4.1	–
Released funds from escrow account	16	–	106.3
Repayment of non-current and current loans	20	-3.9	-0.3
First North listing fees	10	–	-2.2
Total cash flow from financing activities		**0.3**	**104.7**
Change in cash and cash equivalents		**-5.8**	**97.5**
Cash and cash equivalents at the beginning of period	16	97.9	0.4
Effects of exchange rate changes on cash and cash equivalents		-0.0	–
Cash and cash equivalents at the end of the period	16	**92.1**	**97.9**

Consolidated Statement of changes in equity

2025

EUR million	Share capital	Reserve for invested unrestricted equity	Translation differences	Retained earnings	Total equity
Equity at 1 January 2025	**0.1**	**117.8**	**0.0**	**-4.3**	**113.5**
Subscription of shares with stock options and investor warrants		4.1			4.1
Profit (loss) for the financial year				-9.7	-9.7
Translation differences			-0.0		-0.0
Equity at 31 December 2025	**0.1**	**121.9**	**-0.0**	**-14.1**	**108.0**

2024

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 5 July 2024		0.9			0.9
Canatu acquisition 16 September 2024		12.6			12.6
Profit (loss) for the financial year				-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**

Notes to the Consolidated Financial Statements

1. General information of the company

Parent company of the Group is Canatu Plc (3229349-3), which is a Finnish publicly listed company. Company's domicile is Helsinki and registered address of the parent company is Tiilenlyöjänkuja 9 A, 01720 Vantaa, Finland.

2. Basis of preparation of the consolidated financial statements

Accounting policy

The consolidated financial statements for the financial year ended 31 December 2025 and the comparative financial year ended 31 December 2024 have been prepared in accordance with the laws and regulations governing the preparation of financial statements in Finland ("Finnish Accounting Standards" or "FAS"). The 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 include parent company Canatu Plc financial information for full financial years from 1 January to 31 December, and its subsidiaries Canatu Finland Oy and Canatu Inc. from 17 September 2024. All intra-group transactions, receivables and liabilities have been eliminated when preparing consolidated financial information.

3. Valuation principles and methods

Intangible and tangible assets

Intangible and tangible assets as well as goodwill are measured on the balance sheet at their acquisition cost, less any depreciation according to plan. Depreciation according to plan is determined on straight-line method during the estimated useful life of an asset item.

The estimated useful lives of the asset items are as follows:

	Estimated useful life	Depreciation and amortization method
Buildings and structures	20 years	Straight-line depreciation
Machinery and equipment	5-10 years	Straight-line depreciation
Patents	10 years	Straight-line amortization
Goodwill	10 years	Straight-line amortization
Software	5 years	Straight-line amortization
Leasehold improvements	5 years	Straight-line amortization
Development costs	5 years	Straight-line amortization

Inventory

The Group's inventory consists of materials, supplies, work in progress and finished goods. Inventory is measured at cost or net realizable value, depending on which one is lower. The cost of inventory is determined based on variable costs. Raw materials and supplies are measured based on weighted average cost. The net realizable value is the estimated amount that can be realized from the sale of the item in the ordinary course of business, less the estimated cost of realization of completion and the estimated direct costs necessary to make the sale.

Deferred taxes

Deferred tax assets are recognized in the balance sheet to the extent that it is probable that future taxable profit will be available to which the deductible temporary differences can be utilized.

Capitalization of development costs

Development costs were capitalized into the balance sheet starting on 1 January 2025. In 2024, development costs were expensed through profit or loss as incurred. Capitalized development costs into balance sheet included salaries and other capitalized development expenditures. The capitalized development payroll costs are included in the “Personnel expenses” line item in the income statement, and the corresponding deduction is presented under “Work performed for own use.” All of capitalized development expenditure relate to development projects in the Semiconductor business unit.

The capitalization of development costs depends on the expected future income attributable to it, and if these income expectations are not realized, the capitalized development costs may need to be written down.

In accordance with Finnish Accounting Standards, amortization of the capitalized development costs is begun already during the financial year.

Revenue recognition for long-term projects

Revenue recognition for all long-term projects is calculated using the percentage of completion method. Detailed information on revenue recognition principle is presented in the notes for the consolidated financial statements, note **4. Revenue**.

Government grants

The Company has continued to invest in research and development activities. The Company was involved in several projects and received government grants from Business Finland. Grants have been recognized in other operating income concurrently in connection with the expenses they compensate. The company has complied with the terms of its financing decisions.

Translation differences

The consolidated financial statements are presented in euros, which is the functional and reporting currency of the parent company. Transactions denominated in foreign currency are translated into euros by using the exchange rate prevailing at the transaction date. Foreign exchange gains and losses arising in respect of business operations, such as sales and purchases, are recognized in EBIT. Foreign exchange differences arising from financing transactions are recognized in finance income and costs.

The income statements of foreign subsidiaries are translated into euros by using the weighted average exchange rate for the period and balance sheets are translated into euros by using the exchange rate prevailing at the balance sheet date. Translation differences that arise when translating the financial statements of subsidiaries are recognized into equity.

Notes to the income statement

4. Revenue

Revenue by business unit

EUR million	1 Jan – 31 Dec 2025	1 Jan – 31 Dec 2024
Semiconductor	10.8	2.8
Automotive	4.8	0.5
Medical diagnostics	–	–
TOTAL	**15.6**	**3.3**

The Group monitors business operations by business units. Business unit specific breakdown describes the distribution of the business operations best.

Revenue recognition for long-term projects

Revenue recognition for all long-term projects 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 long-term 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.

Breakdown of receivables relating to long-term projects

EUR million	1 Jan – 31 Dec 2025	1 Jan – 31 Dec 2024
Net amount presented in accrued income (+) / received prepayments (-)	-0.2	5.4

5. Other operating income

EUR million	1 Jan – 31 Dec 2025	1 Jan – 31 Dec 2024
Government grants received	0.8	0.3
Other income	0.0	–
Total other operating income	**0.8**	**0.3**

6. Materials and services

EUR million	1 Jan – 31 Dec 2025	1 Jan – 31 Dec 2024
Purchases during the financial year	-3.1	-1.3
Inventory change of materials and supplies	0.3	0.0
External services	-0.6	-0.0
Total materials and services	**-3.3**	**-1.3**

7. Personnel expenses

EUR million	1 Jan – 31 Dec 2025	1 Jan – 31 Dec 2024
Personnel expenses		
Wages and salaries		
Fixed	-10.6	-2.8
Variable	-0.6	-0.2
Wages and salaries total	**-11.2**	**-3.0**
Pension expenses		
Fixed	-1.7	-0.6
Variable	-0.1	-0.0
Pension expenses total	**-1.9**	**-0.7**
Other social security expenses		
Fixed	-0.5	-0.1
Variable	-0.0	-0.0
Other social security expenses total	**-0.5**	**-0.1**
Total personnel expenses	**-13.6**	**-3.8**
Employees on December 31	181	137
Average number of employees during the financial year	145	40

8. Depreciation, amortization and impairment

EUR million	1 Jan – 31 Dec 2025	1 Jan – 31 Dec 2024
Intangible assets		
Amortization	-0.4	-0.1
Goodwill		
Amortization	-0.5	-0.2
Tangible assets		
Depreciation	-1.4	-0.3
Total amortization, depreciation and impairment	**-2.2**	**-0.6**

Amortization of intangible assets includes amortization of capitalized development EUR -0.1 million (–).

9. Other operating expenses

EUR million	1 Jan – 31 Dec 2025	1 Jan – 31 Dec 2024
Other expenses	-8.7	-3.4
Total other operating expenses	**-8.7**	**-3.4**

Other operating expenses included the following auditor's fees to KPMG Oy Ab:

EUR million	1 Jan – 31 Dec 2025	1 Jan – 31 Dec 2024
Auditor's fees		
Statutory audit	-0.1	-0.1
Auditor's statements and certificates (Auditing Act 1.1,2§)	-0.0	-0.0
Tax advisory services	–	–
Other services	-0.0	-0.5
Total auditor's fees	**-0.1**	**-0.5**

In comparison year 2024, the other services presented in the auditor's fees relate mainly to transaction and listing costs incurred by former Lifeline SPAC I Plc for the non-completed transactions as well as for the completed combination with Canatu Finland.

The Audit Oversight of the Finnish Patent and Registration Office has granted KPMG Oy Ab, upon its application, an exemption regarding the maximum amount of non-audit fees as referred to in Chapter 5, Section 4 of the Auditing Act (1141/2015) for the comparison year 2024.

10. Financial income and expenses

EUR million	1 Jan – 31 Dec 2025	1 Jan – 31 Dec 2024
Interest income	1.3	3.8
Foreign exchange gains	0.0	-0.0
Gains on the sale of financial assets	0.0	0.0
Total financial income	**1.3**	**3.8**
Interest expenses from financial institution loans	-0.1	-0.1
Other interest expenses	-0.0	-0.0
First North listing fees	–	-2.2
Foreign exchange losses	-0.0	-0.0
Other financial expenses	-0.0	–
Total financial expenses	**-0.2**	**-2.3**
Total financial income and expenses	**1.1**	**1.6**

Nominal values and fair values of current money market investments

EUR million	31 December 2025	31 December 2024
Financial securities		
Nominal value	70.0	–
Fair value	71.0	–
Unrecognized gains (losses) on fair value changes	**1.0**	**–**

During the financial year, Canatu made of its cash and cash equivalents a money market investment amounting to EUR 70.0 million. This investment is presented as *financial securities* in the balance sheet on 31 December 2025.

Canatu's assets generated in January–December financial income amounting to EUR 1.3 million (3.8). The decrease in interest income yielded by Canatu's cash assets and current investments was primarily attributed to measurement of the money market investments in the balance sheet at cost or at fair value, whichever is lower. Unrealized interest income accrued by these money market investments amounted to EUR 1.0 million in January–December 2025, has not been recognized.

In the comparison year 2024, Canatu listed on the Nasdaq First North Growth Market Finland. The costs incurred from the company's listing, amounting to EUR -2.2 million, were presented in the financial expenses.

11. Taxes

EUR million	1 Jan – 31 Dec 2025	1 Jan – 31 Dec 2024
Income tax (withholding tax)	-0.2	–
Total income tax	**-0.2**	**–**

On 31 December 2025, the group had tax losses carried forwards in Finland totaling EUR 36.4 million (38.7). These tax losses carried forwards will expire during years 2026–2035. A deferred tax asset has not been recognized on losses in accordance with the principle of prudence.

Notes to the assets in the balance sheet

12. Intangible assets

	Patents		Goodwill		Development costs		Other intangible assets		Advance payments and work in progress		Total	
EUR million	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
Acquisition cost 1 January	**1.5**	**–**	**4.7**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**6.1**	**–**
Additions in business combination	–	1.3	–	4.7	–	–	–	–	–	–	–	5.9
Additions	0.5	0.2	–	–	1.4	–	0.2	–	0.4	–	2.4	0.2
Acquisition cost 31 December	**2.0**	**1.5**	**4.7**	**4.7**	**1.4**	**–**	**0.2**	**–**	**0.4**	**–**	**8.6**	**6.1**
Accumulated amortization 1 January	**-0.1**	**–**	**-0.2**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**-0.2**	**–**
Amortization for the financial year	-0.2	-0.1	-0.5	-0.2	-0.1	–	-0.0	–	–	–	-0.9	-0.2
Accumulated amortization 31 December	**-0.3**	**-0.1**	**-0.6**	**-0.2**	**-0.1**	**–**	**-0.0**	**–**	**–**	**–**	**-1.1**	**-0.2**
Carrying amount 31 December	**1.7**	**1.4**	**4.0**	**4.5**	**1.2**	**–**	**0.2**	**–**	**0.4**	**–**	**7.5**	**5.9**

13. Tangible assets

	Buildings and structures		Machinery and equipment		Advance payments and work in progress		Total	
EUR million	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**	**2025**	**2024**
Acquisition cost 1 January	**1.6**	**–**	**9.3**	**–**	**2.3**	**–**	**13.1**	**–**
Additions in business combination	–	1.6	–	7.2	–	3.5	–	12.3
Additions	–	–	1.6	0.9	1.0	–	2.6	0.9
Disposals	–	–	–	–	–	–	–	–
Transfers between items	–	–	1.0	1.2	-1.0	-1.2	–	–
Acquisition cost 31 December	**1.6**	**1.6**	**11.9**	**9.3**	**2.2**	**2.3**	**15.7**	**13.1**
Accumulated depreciation 1 January	**-0.0**	**–**	**-0.3**	**–**	**–**	**–**	**-0.3**	**–**
Depreciation for the financial year	-0.1	-0.0	-1.3	-0.3	–	–	-1.4	-0.3
Accumulated depreciation 31 December	**-0.1**	**-0.0**	**-1.6**	**-0.3**	**–**	**–**	**-1.7**	**-0.3**
Carrying amount 31 December	**1.5**	**1.6**	**10.3**	**9.0**	**2.2**	**2.3**	**14.0**	**12.8**

14. Inventory

EUR million	31 December 2025	31 December 2024
Materials and supplies	0.8	0.5
Work in progress	0.2	–
Finished goods	0.2	0.6
Total inventory	**1.2**	**1.1**

15. Receivables

EUR million	31 December 2025	31 December 2024
Long-term receivables		
Other receivables	0.3	0.3
Total long-term receivables	**0.3**	**0.3**
Short-term receivables		
Trade receivables	1.0	0.2
Other receivables	0.5	0.4
Accrued income	1.3	6.9
Total short-term receivables	**2.7**	**7.4**
Total receivables	**3.0**	**7.7**

EUR million	31 December 2025	31 December 2024
Material items of accrued income		
Accrued grant receivable	0.7	1.0
Accrued sales	–	5.4
Other prepayments and accrued income	0.5	0.4
Total accrued income	**1.3**	**6.9**

16. Cash and cash equivalents and financial securities

EUR million	31 December 2025	31 December 2024
Cash and cash equivalents	22.1	97.9
Total cash and cash equivalents	**22.1**	**97.9**

EUR million	31 December 2025	31 December 2024
Financial securities	70.0	–
Total financial securities	**70.0**	**–**

At the end of December 2025, cash and cash equivalents in the balance sheet amounted to EUR 22.1 million (97.9). During the financial year, Canatu made of its cash and cash equivalents a money market investment amounting to EUR 70.0 million. This investment is presented as *financial securities* in the balance sheet on 31 December 2025.

17. Holdings in the Group companies

Company name		Ownership %	Domicile
Canatu Finland Oy	Subsidiary	100%	Helsinki, Finland
Canatu Inc.	Subsidiary	100%	Orlando, USA

Notes to the equity and liabilities in the balance sheet

18. Equity

Share capital and number of shares

Canatu Plc's registered share capital was EUR 80,000 at the end of December. The company has three series of shares: series A, series B and series C. The changes in shares and share capital during the financial year are as follows:

Number of shares	A-shares	B-shares	C-shares	Total
Total number of shares registered and outstanding at 1 January 2025	**33,336,816**	**1,050,000**	**–**	**34,386,816**
Subscription of shares with investor warrants at 10 February 2025	343,519	–	–	343,519
Subscription of shares with stock options at 20 May 2025	25,832	–	–	25,832
Subscription of shares with investor warrants at 21 May 2025	4,707	–	–	4,707
Subscription of shares with stock options at 18 August 2025	8,400	–	–	8,400
Subscription of shares with investor warrants at 19 August 2025	160	–	–	160
Subscription of shares with stock options at 11 November 2025	4,253	–	–	4,253
Subscription of shares with investor warrants at 12 November 2025	129	–	–	129
Total number of shares registered and outstanding at 31 December 2025	**33,723,816**	**1,050,000**	**–**	**34,773,816**
Total number of shares registered and outstanding 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 outstanding at 31 December 2024	**33,336,816**	**1,050,000**	**–**	**34,386,816**

During 2024–2025 Canatu did not hold any treasure shares.

Share-based payments and earn-out

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

	Maximum number of series A shares	Subscription price, EUR per share	Subscription or measurement period
Founder warrants 2021-A	495,833	12.00	from 30 days after completion of acquisition and lasts 5 years
Sponsor warrants 2021-B	2,337,500	12.00	from 30 days after completion of acquisition and lasts 5 years
Investor warrants 2021-C	3,016,483	11.50	from 16 October 2024 and lasts 5 years
Consideration options 2024-I	1,638,267	3.50	from 16 October 2024 until 31 December 2029
Option plan 2024-II	500,074	0.01	depends on development of share price, earliest 12 months after completion of acquisition but no longer than until 31 December 2029
Earn-out	6,499,831	N/A	depends on development of share price until 31 December 2027 and/or 31 December 2028
Share-based incentive plan PSP 2025–2028*	2,189,295	N/A	the first measurement period 1 January 2025–31 December 2027, and the second 1 January–31 December 2028
Share savings plan ESSP 2025–2027**	36,133	N/A	depends on development of share price during 1 March 2025–31 December 2027, award of matching shares after 31 December 2027
Total	**16,713,416**		

*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. The final number of matching shares depends on the employees' participation and savings rate in the plan, the fulfillment of the prerequisites for receiving matching shares and the number of shares acquired from the market with savings.

19. Provisions

EUR million	31 December 2025	31 December 2024
Provisions at 1 Jan	–	–
Additions	0.2	–
Decreases	-0.1	–
Provisions at 31 Dec	**0.1**	**–**

Provisions on 31 December 2025 comprised of warranty provisions related to long-term projects.

20. Loans from financial institutions

EUR million	31 December 2025	31 December 2024
Non-current liabilities	1.7	4.4
Current liabilities	0.5	1.6
Total loans from financial institutions	**2.2**	**6.1**

During 2025, Canatu repaid prematurely part of its loans from financial institutions by EUR 3.3 million which was enabled by the good liquidity position of Canatu. At the end of December 2025, Canatu's interest bearing debt consisted of two separate product development loans classified as government grants for a total of two separate product development projects. The principal amount of these loans as at 31 December 2025 was EUR 2.2 million in total (interest-bearing liabilities at the end of the comparison year totaled EUR 6.1 million).

21. Other current liabilities

EUR million	31 December 2025	31 December 2024
Advances received	2.0	0.1
Accounts payable	1.7	2.9
Accrued expenses	3.4	2.6
Other liabilities	0.5	0.3
Total other current liabilities	**7.6**	**5.8**

EUR million	31 December 2025	31 December 2024
Material items of accrued expenses		
Personnel expense accruals	3.3	2.5
Interest expense accruals	0.0	0.0
Other accrued expenses	0.1	0.1
Total accrued expenses	**3.4**	**2.6**

22. Off-balance sheet commitments

EUR million	31 December 2025	31 December 2024
Loan secured by business mortgage	–	3.3
Business mortgages	0.4	6.9
Credit cards, available amount	0.5	0.3
Security		
Bank deposit	0.3	0.3
Rental liabilities of premises		
During next 12 months	1.1	0.6
During later	4.9	0.6
Leasing		
During next 12 months	0.1	0.1
During later	0.1	0.1

As of 31 December 2025, Canatu had commitments of EUR 7.3 million related to purchase of tangible and intangible assets (as of 31 December 2024 EUR 0.8 million related to tangible assets work in progress). The commitments as of 31 December 2025 primarily related to capital expenditure in the new factory, including cleanrooms.

As of 31 December 2025, Canatu had grant settlements that included a possible repayment liability amounting EUR 0.5 million (1.2), corresponding to the amount of the grant received.

23. 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. Transactions with related parties are made on normal commercial terms.

Canatu Plc's related party transactions primarily comprise the fees payable to the Board of Directors, the CEO and the Management Team. The fees payable during year 2025 to the current Board of Directors were pursuant to the resolutions made by the Extraordinary General Meeting on 23 August 2024 and the Annual General Meeting on 15 May 2025. The fees payable during 2025 to the CEO of Canatu were pursuant to the managing director agreement approved by the Board of Directors.

Remuneration of the Board of directors and management

EUR	1 Jan – 31 Dec 2025	1 Jan – 31 Dec 2024
Board of Directors		
Timo Ahopelto, Chair of the Board	80,000	33,958
Ari Ahola, Deputy Chair of the Board[1]	55,500	14,000
Thomas P. Lantzsch[1]	54,000	12,833
Kai Seikku[1]	54,000	12,833
Tuomo Vähäpassi[1]	54,000	12,833
Dino Nardicchio[2]	37,500	–
Bernhard Stockmeyer[2]	37,500	–
Scott Sears[3]	19,000	12,833
Anthony Cannestra[4]	16,500	12,833
Alan-Gabriel Courtines[5]	–	7,083
Caterina Fake[5]	–	7,083
Irena Goldenberg[5]	–	7,083
Petteri Koponen[5]	–	7,083
CEO		
Juha Kokkonen[1]	269,413	60,939
Tuomo Vähäpassi[5]	–	102,170
Other Management Team	1,771,907	475,520

[1] From 16 September 2024
[2] From 16 May 2025
[3] From 16 September 2024 until 8 June 2025
[4] From 16 September 2024 until 15 May 2025
[5] Until 15 September 2024

Transactions made with related parties

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

During 1 January 2025 – 16 March 2025, the salaries and fees to **Tuomo Vähäpassi** amounted to EUR 72,914.29 based on the termination period of the CEO agreement with Lifeline SPAC I Plc (EUR 42,070.00 during 16 September 2024 – 31 December 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 and options at the end of the financial year 2025 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	PSP 2025-2028*	ESSP*
Board of Directors											
Timo Ahopelto[1]	260,360	165,607	425,967	1.22%	446,875	–	10,555	–	–	–	–
Ari Ahola[2]	3,484,077	–	3,484,077	10.02%	–	–	–	–	–	–	–
Thomas P. Lantzsch	–	–	–	–%	–	–	–	114,360	34,108	–	–
Dino Nardicchio	–	–	–	–%	–	–	–	–	–	–	–
Kai Seikku	20,000	–	20,000	0.06%	–	–	6,666	–	–	–	–
Bernhard Stockmeyer	–	–	–	–%	–	–	–	–	–	–	–
Tuomo Vähäpassi[3]	252,500	157,500	410,000	1.18%	–	425,000	11,666	–	–	–	–
CEO and other management team											
Juha Kokkonen	2,009	–	2,009	0.01%	–	–	–	528,388	157,602	400,000	387
Other management team	38,732	26,250	64,982	0.19%	–	70,833	–	682,526	203,563	590,001	1,727
Total	**4,057,678**	**349,357**	**4,407,035**	**12.67%**	**446,875**	**495,833**	**28,887**	**1,325,274**	**395,273**	**990,001**	**2,114**

[1] Timo Ahopelto's subscription 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 subscription for series A shares have been made through 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.

*The shares allocated to the management in PSP and ESSP plans on 31 December 2025.

24. Significant events after the end of the financial year

On January 2, 2026, Canatu announced that Canatu and DENSO enter Joint Development Agreement to develop large-scale CNT chamber, supporting potential automotive applications such as full windshield heaters. Under the JDA, the companies will build a large-scale CNT deposition chamber compatible with existing Canatu CNT100 HPR reactors and related post-processing tools. The system will first be built and tested at Canatu's facility in Finland. The total contract value is classified as the lowest quartile of the "Medium" (1.0–5.0 M€) category in accordance with Canatu's disclosure policy, with corresponding revenue expected to be recognized primarily in H1/2026, subject to the completion of the defined milestones.

On January 7, 2026, Canatu announced the composition of Canatu Plc's Shareholders' Nomination Board. The composition of the Shareholders' Nomination Board is the following: **Ari Ahola** (appointed by eFruit International, Inc.), **Denis Cherkasov** (appointed by Mymetics Holding (Cyprus) Limited), **Shinichiro Nakamura** (appointed by DENSO Corporation), and **Tuomo Vähäpassi** (appointed by Inventure Fund Ky).

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 2025, considering the nominee-registered shares, and exercised their right of appointment. As the fourth largest shareholder Varma Mutual Pension Insurance Company 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, Inventure Fund Ky, which appointed the fourth member of the Shareholder's Nomination Board.

On 27 January 2026 Canatu announced that The Board of Directors of Canatu Plc has resolved to launch the second plan period under the Employee Share Savings Plan. The ESSP is intended to consist of plan periods commencing in 2025, 2026 and 2027, each with a 12-month savings period followed by a holding period of approximately two years. The first plan period of the ESSP started on 1 March 2025 and will end on 31 December 2027. Participation in the ESSP is voluntary, and employees are invited to participate in each plan period separately. The Board of Directors of Canatu Plc has resolved to launch the second plan period for the years 2026–2028 under the ESSP.

On 6 February 2026, Canatu announced that it has been selected as a finalist for DIGITALEUROPE's 2026 Future Unicorn Award, one of Europe's leading recognitions for high-potential technology scale-ups. The Future Unicorn Award has three finalists which were selected from 34 nominees across Europe.

On 9 February 2026, Canatu announced the appointment of Antti Härmänmaa (LL.M., Helsinki, New York University; eMBA, Aalto; b. 1979) as VP, Legal and General Counsel, effective on 9 February 2026. Härmänmaa is also a member of the leadership team.

On 18 February 2026, Canatu announced that Canatu Plc's new series A shares subscribed for with investors warrants were registered with the Finnish Trade Register. During the fourth subscription period of the investor warrants between 1 October 2025 and 31 December 2025, a total of 322 Canatu Plc's new series A shares were subscribed for with the Company's investor warrants. The entire subscription price of EUR 3,703.00 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 was in total 33,724,138, the number of series B shares was in total 1,050,000 and the number of series C shares was in total 0. The total number of shares and votes after the conversion was 34,774,138.

On 3 March 2026, Canatu announced the withdrawal of its long-term financial targets. Due to the ongoing strategy update, slower-than-expected market transition and recent delays in customer projects, the Board of Directors decided to withdraw its previously communicated long-term financial targets.

On 3 March 2026, Canatu announced that Canatu has received a purchase order for long lead time items from an existing CNT100 SEMI reactor customer. The purchase order is limited to long lead-time items and associated preparatory work related to the design, fabrication and potential sourcing preparation for components that could be used in customer's possible second CNT100 SEMI reactor.

Parent Company Financial Statements

Parent Company Income Statement

EUR million	Note	1 Jan – 31 Dec 2025	1 Jan – 31 Dec 2024
Revenue	3	**0.9**	**0.1**
Personnel expenses	4	-1.7	-0.7
Other operating expenses	5	-1.6	-0.9
Operating profit (-loss)		**-2.4**	**-1.5**
Interest income and other financial income	6	1.2	3.8
Interest expense and other financial expenses	6	-0.0	-2.1
Financial income and expenses total		**1.2**	**1.7**
PROFIT (-LOSS) BEFORE TAX		**-1.3**	**0.2**
Income tax expenses		–	–
RESULT FOR THE FINANCIAL YEAR		**-1.3**	**0.2**

Parent Company Balance Sheet

EUR million	Note	31 December 2025	31 December 2024
Assets			
Non-current assets			
Investments in group companies	7	36.4	21.4
Total non-current assets		**36.4**	**21.4**
Current assets			
Receivables from group companies	8	1.1	0.2
Prepayments and other receivables	8	0.0	0.0
Accrued income	8	0.3	0.4
Financial securities	9	70.0	–
Cash and cash equivalents	9	13.5	96.1
Total current assets		**84.9**	**96.7**
Total assets		**121.2**	**118.0**
Equity	10		
Share capital		0.1	0.1
Reserve for unrestricted equity		121.9	117.8
Retained earnings		-0.5	-0.7
Profit (-loss) for the financial year		-1.3	0.2
Total equity		**120.2**	**117.3**
Liabilities			
Current liabilities			
Accounts payables	11	0.1	0.3
Liabilities to group companies	11	0.1	0.0
Other liabilities	11	0.2	0.0
Accrued liabilities	11	0.6	0.4
Total current liabilities		**1.0**	**0.7**
Total liabilities		**1.0**	**0.7**
Total equity and liabilities		**121.2**	**118.0**

Parent Company Cash Flow Statement

EUR million	1 Jan – 31 Dec 2025	1 Jan – 31 Dec 2024
Cash flow from operating activities		
Profit (loss) before income taxes	-1.3	0.2
First North listing fees	–	2.1
Interest received to escrow account	–	-2.8
Financial income and expenses	-1.2	-1.1
Cash flow before change in working capital	**-2.4**	**-1.5**
Change in working capital		
Change in current non-interest-bearing receivables	-0.8	-0.5
Change in current non-interest-bearing liabilities	0.3	0.3
Total cash flow from operating activities before financial items and taxes	**-2.9**	**-1.6**
Interest and other financial expenses paid	-0.0	-0.0
Interest income received	1.1	1.1
Total cash flow from operating activities	**-1.8**	**-0.6**
Cash flow from investing activities		
Investments in subsidiaries	-15.0	-8.8
Total cash flow from investment activities	**-15.0**	**-8.8**
Cash flow from financing activities		
Subscription of shares with stock options and investor warrants	4.1	–
Share issue	–	0.9
Released funds from escrow account	–	106.3
First North listing fees	–	-2.1
Total cash flow from financing activities	**4.1**	**105.1**
Change in cash and cash equivalents	**-12.6**	**95.7**
Cash and cash equivalents at the beginning of the period	96.1	0.4
Cash and cash equivalents at the end of the period	83.5	96.1
Change	**-12.6**	**95.7**

Notes to the Parent Company's Financial Statements

1. General information

Corporate information

Canatu Plc (3229349-3) (former Lifeline SPAC I Plc) was founded in 2021 as a Finnish Special Purpose Acquisition Company (SPAC) to identify and combine with a high-growth unlisted technology company. In October 2021 former Lifeline SPAC I was listed on the SPAC-segment of the Nasdaq Helsinki regulated market (the "IPO"). In the IPO, former Lifeline SPAC I raised gross proceeds of EUR 100 million by offering a total of 10,000,000 new series A shares for subscription. The IPO was oversubscribed, and the listing was carried out as planned. Trading with series A shares began on 15 October 2021. Former Lifeline SPAC I's objective was to carry out an acquisition within 36 months from the IPO and following an extensive review of potential targets former Lifeline SPAC I selected Canatu Finland after concluding that it materially conformed to the investment criteria. The combination between former Lifeline SPAC I Plc and Canatu Finland was consummated on 16 September 2024.

Canatu Plc is subject to Finnish laws and regulations and its registered office is at Helsinki.
1 January – 31 December 2025 is the Canatu Plc's fourth full financial year.

2. Accounting principles

The parent company's financial statements have been prepared in accordance with the laws and regulations governing the preparation of financial statements in Finland ("Finnish Accounting Standards" or "FAS") and the Canatu Group's accounting principles.

The financial statements have been presented in millions of euros.

The shares in subsidiaries have been recognized at acquisition cost.

Notes to the income statement

3. Revenue

Revenue for the parent company consists of intercompany service fees amounting to EUR 0.9 million (0.1).

4. Personnel expenses

EUR million	1 Jan – 31 Dec 2025	1 Jan – 31 Dec 2024
Personnel expenses		
Wages and salaries	**-1.5**	**-0.6**
Pension expenses	-0.2	-0.1
Other social security expenses	-0.0	-0.0
Total personnel expenses	**-1.7**	**-0.7**
Average number of employees during the financial year	9	3

Remuneration for the CEO and the members of the Board of Directors is presented in **Note 23** to the consolidated financial statements.

5. Other operating expenses

EUR million	1 Jan – 31 Dec 2025	1 Jan – 31 Dec 2024
Other operating expenses	-1.6	-0.9
Total other operating expenses	**-1.6**	**-0.9**

Auditor fees

EUR million	1 Jan – 31 Dec 2025	1 Jan – 31 Dec 2024
Statutory audit	-0.0	-0.0
Auditor's statements and certificates (Auditing Act 1.1,2§)	-0.0	-0.0
Other services	-0.0	-0.5
Total audit fees	**-0.0**	**-0.5**

In comparison year 2024, the other services relate mainly to transaction and listing costs incurred by former Lifeline SPAC I for the non-completed transactions as well as for the completed combination with Canatu Finland.

The Audit Oversight of the Finnish Patent and Registration Office has granted KPMG Oy Ab, upon its application, an exemption regarding the maximum amount of non-audit fees as referred to in Chapter 5, Section 4 of the Auditing Act (1141/2015) for the comparison year 2024.

6. Financial income and expenses

EUR million	1 Jan – 31 Dec 2025	1 Jan – 31 Dec 2024
Interest income	1.2	3.8
Total financial income	**1.2**	**3.8**
Other financial expenses	-0.0	-0.0
First North listing fees	–	-2.1
Foreign exchange losses	-0.0	-0.0
Total financial expenses	**-0.0**	**-2.1**
Total financial income and expenses	**1.2**	**1.7**

Notes to the balance sheet

7. Investments in group companies

Subsidiary	Ownership %	Domicile
Canatu Finland Oy	100%	Helsinki, Finland
Canatu Inc.	100%	Orlando, USA

8. Short-term receivables

EUR million	31 December 2025	31 December 2024
Receivables from others		
Prepayments and other receivables	–	0.0
Accrued income	0.3	0.4
Total	**0.3**	**0.4**

EUR million	31 December 2025	31 December 2024
Receivables from group companies		
Other receivables	1.1	0.2
Total	**1.1**	**0.2**
Total short-term receivables	**1.4**	**0.6**

EUR million	31 December 2025	31 December 2024
Material items of accrued income		
Prepaid insurance fees	0.3	0.3
Other prepayments and accrued income	0.0	0.1
Total accrued income	**0.3**	**0.4**

9. Cash and cash equivalents and financial securities

EUR million	31 December 2025	31 December 2024
Cash and cash equivalents	13.5	96.1
Total cash and cash equivalents	**13.5**	**96.1**

EUR million	31 December 2025	31 December 2024
Financial securities	70.0	–
Total financial securities	**70.0**	**–**

As a result of the completion of the combination in the second half of 2024, the proceeds raised by former Lifeline SPAC I Plc in its initial listing which were deposited in the escrow account, were released in September 2024 for Canatu and are currently in use as Canatu's cash and cash equivalents and as a money market investment.

At the end of December 2025, cash and cash equivalents in the balance sheet amounted to EUR 13.5 million (96.1). During the financial year, Canatu made of its cash and cash equivalents a money market investment amounting to EUR 70.0 million. This investment is presented as *financial securities* in the balance sheet on 31 December 2025.

10. Equity

EUR million	Share capital	Reserve for invested unrestricted equity	Retained earnings	Total equity
Equity 1 January 2025	**0.1**	**117.8**	**-0.5**	**117.3**
Subscription of shares with stock options and investor warrants		4.1		4.1
Profit (loss) for the financial year			-1.3	-1.3
Equity 31 December 2025	**0.1**	**121.9**	**-1.8**	**120.2**
Equity 1 January 2024	**0.1**	**104.3**	**-0.7**	**103.6**
Directed share issue 5 July 2024		0.9		0.9
Canatu acquisition 16 September 2024		12.6		12.6
Profit (loss) for the financial year			0.2	0.2
Equity 31 December 2024	**0.1**	**117.8**	**-0.5**	**117.3**

Calculation of the parent company's distributable equity

EUR	31 December 2025	31 December 2024
Reserve for invested non-restricted equity	121,940,535.71	117,797,915.71
Retained earnings	-1,818,316.18	-549,049.66
Distributable equity	**120,122,219.53**	**117,248,866.05**

Changes in number of shares are presented in **Note 18** to the consolidated financial statements.

Proposal of the Board of Directors for distribution of profit

Canatu Plc's distributable equity on 31 December 2025 totaled EUR 120,122,219.53 of which loss for the year was EUR -1,269,266.52. The Board of Directors proposes to the Annual General Meeting that no dividend is distributed for the financial year ended on 31 December 2025, and that the result for the financial year is recognized in the retained earnings.

11. Current liabilities

EUR million	31 December 2025	31 December 2024
Liabilities to others		
Accounts payables	0.1	0.3
Accrued expenses	0.6	0.4
Other payables	0.2	0.0
Total	**0.9**	**0.7**

EUR million	31 December 2025	31 December 2024
Liabilities to group companies		
Other payables	0.1	0.0
Total	**0.1**	**0.0**
Total current liabilities	**1.0**	**0.7**

EUR million	31 December 2025	31 December 2024
Material items of accrued expenses		
Personnel expense accruals	0.6	0.4
Other accrued expenses	0.0	0.0
Total accrued expenses	**0.6**	**0.4**

12. Off-balance sheet commitments

As of 31 December 2025, Canatu Plc had commitments of EUR 0.0 million related to leasing agreement during next 12 months.

13. Related party transactions

The related party transactions are presented in **Note 23** to the consolidated financial statements.

Signatures of the Board of Directors' report and the Financial statements

Helsinki, 3 March 2026

Timo Ahopelto
Chair of the Board

Ari Ahola
Vice Chair of the Board

Thomas P. Lantzsch
Member of the Board

Dino Nardicchio
Member of the Board

Kai Seikku
Member of the Board

Bernhard Stockmeyer
Member of the Board

Tuomo Vähäpassi
Member of the Board

Juha Kokkonen
CEO

Auditor's note

A report on the audit performed has been issued today.

Helsinki, 3 March 2026

KPMG OY AB
Audit firm

Jussi Paski
Authorized Public Accountant, KHT

This document is an English translation of the Finnish auditor's report. Only the Finnish version of the report is legally binding.

Auditor's report

To the Annual General Meeting of Canatu Oyj

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Canatu Oyj (business identity code 3229349-3) for the year ended 31 December, 2025. The financial statements comprise the balance sheets, the income statements, cash flow statements and notes for the group as well as for the parent company.

In our opinion, the financial statements give a true and fair view of the group's and the company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Reporting Requirements

Other Information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors. Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. Our responsibility also includes considering whether the report of the Board of Directors has been prepared in compliance with the applicable provisions.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in compliance with the applicable provisions.

If, based on the work we have performed, we conclude that there is a material misstatement of the report of the Board of Directors, we are required to report that fact. We have nothing to report in this regard.

Helsinki, 3 March 2026

KPMG OY AB
Audit firm

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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 145 employees (FTE) representing 35 nationalities, with 20 percent holding or pursuing doctorates. Discover more at **www.canatu.com** and follow us on **LinkedIn**.