

Nightingale Health

HALF-YEAR REPORT
1 JULY 2024–31 DECEMBER 2024



Nightingale Health Group's half-year report 1 July 2024 – 31 December 2024
(unaudited)

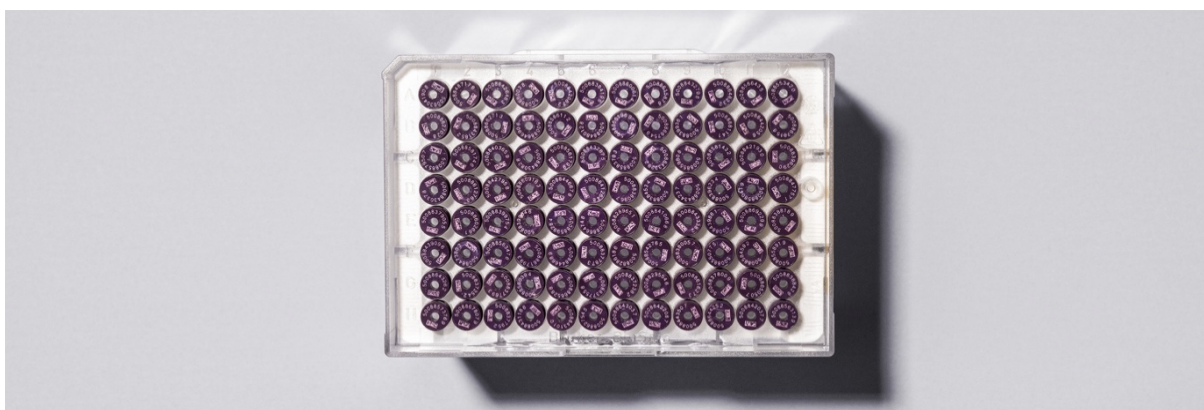
Company release, 6 March 2025 at 9:00 a.m. (EET)

**INTERNATIONAL EXPANSION CONTINUES IN SOUTHEAST ASIA AND
THE UNITED STATES**

Numbers in brackets refer to corresponding year-on-year period unless otherwise stated.

July-December 2024 (H1) key financials (IFRS)

- Revenue was EUR 2.31 (1.71) million
- EBITDA was EUR -4.72 (-5.34) million
- Operating loss was EUR -9.13 (-9.31) million
- Net loss for the period was EUR -8.20 (-8.53) million
- Unadjusted earnings per share (EPS) was EUR -0.14 (-0.14)
- Net cash on 31 December 2024 was EUR 58.01 (30 Jun 2024: EUR 63.40) million



Significant events during the half-year period 1 Jul 2024–31 Dec 2024

- Nightingale Health received the second and third regulatory approvals for healthcare use from Singapore's Health Sciences Authority (HSA), the national body that regulates medical devices, therapeutics, and other healthcare products. The first approval received earlier in 2024 covered the analysis of eight common clinically used biomarkers: total cholesterol, HDL cholesterol, LDL cholesterol, triglycerides, apolipoprotein A1, apolipoprotein B, glucose, and creatinine. The second approval covered the analysis of the following fatty acids: total fatty acids, polyunsaturated fatty acids, monounsaturated fatty acids, saturated fatty acids, omega-3 fatty acids and omega-6 fatty acids. The third regulatory approval covered the analysis of alanine, glycine, histidine, isoleucine, phenylalanine, tyrosine, valine, total branched-chain amino acids, albumin, and lactate. The approval from HSA is based on the review of conformity with the safety and performance requirements set for medical devices. The HSA approval means that Nightingale Health's product satisfies the strict requirements for quality, safety, and efficacy.
- In addition, Nightingale Health's Singaporean subsidiary Nightingale Health Asia Pte. Ltd. was granted ISO 13485:2016 certification. ISO 13485 is the international quality management system standard for the design, production and distribution of medical devices. ISO 13485 is a requirement for medical device distribution in Singapore, and together with Health Sciences Authority approvals, this certification made Nightingale Health ready to launch its blood testing service in Singapore.
- The opening ceremony of Nightingale Health's laboratory in Singapore was held on 2 December 2024. The opening of the Singapore laboratory marked an important milestone in Nightingale Health's global expansion. Located in the hub of Southeast Asia, the laboratory is ready to serve healthcare and medical research customers in the region. The first healthcare samples are expected to arrive to the lab in the first quarter of 2025.
- Nightingale Health and Boston Heart Diagnostics Corporation ("Boston Heart") successfully completed the pilot announced in June 2024 and signed an agreement to start providing Nightingale's blood test based Health Check to Boston Heart's customers. The parties have agreed on a commercial service model that makes Nightingale Health's blood test based Health Check widely available for Boston Heart's customers.
- Nightingale Health announced a partnership with Phenome Health, a U.S.-based non-profit research organization. The collaboration includes research studies, population health programs, and healthcare initiatives.
- Nightingale Health attained UKCA (UK Conformity Assessed) marking under the UK Medical Devices Regulations. The UKCA marking shows compliance with the UK requirements for medical devices and is an important step in bringing Nightingale Health's blood analysis technology to healthcare use in the UK.
- Nightingale Health's peer-reviewed study was published in Nature Communications, showcasing the accuracy and performance of Nightingale Health's blood biomarker-based risk prediction

models. The world's largest population study in the field includes data from more than 700,000 participants in three national biobanks from Finland, Estonia and the United Kingdom. The population study findings show that Nightingale Health's risk prediction models have better risk detection capabilities for chronic diseases than polygenic risk scores and they add value beyond existing clinical risk assessment tools.

- The Board of Directors of Nightingale Health decided to investigate the possible transfer of the company's publicly traded series B shares from Nasdaq First North Growth Market Finland to the main market of Nasdaq Helsinki Ltd and the possible cross-trading of the Shares on the OTCQX market, managed by the OTC Markets Group Inc. in the United States. The aim of the possible transfer to the Main Market in Finland and entry to the OTCQX market in the United States is to improve the liquidity of the Shares and to achieve a broader international shareholder base.

Key figures

EUR thousand	Group 7–12/2024	Group 7–12/2023	Group 2023–2024
Revenue	2,308	1,715	4,358
EBITDA	-4,723	-5,336	-10,434
Operating loss	-9,131	-9,306	-18,592
Net loss for the period	-8,202	-8,529	-17,463
Equity ratio	94%	94%	92%
Net debt to equity ratio	-77%	-76%	-76%
Balance sheet total	80,979	97,040	90,840
Number of employees on average	92	85	84
Employee benefits*	-3,990	-4,238	-8,783
Net cash at the end of the period	58,010	69,054	63,401

* Employee benefits include expenses in accordance with the IFRS 2 *Share based payments* standard, which totaled EUR 0.97 (1.49) million in the half-year period.

Share performance indicators*

	Group 7–12/2024	Group 7–12/2023	Group 2023–2024
Earnings per share (EPS), undiluted and diluted**, EUR	-0.14	-0.14	-0.29
Equity per share, EUR	1.24	1.48	1.36
Market value of the shares at the end of the period, EUR	173,808,458	67,340,042	138,783,240
Number of shares at the end of period	60,928,079	60,918,459	60,918,459
Average number of shares	60,919,452	60,918,459	60,918,459
B shares			
Number of shares at the end of period	40,302,841	39,153,970	40,040,415
Average number of shares	40,156,493	39,152,334	39,219,676
Lowest share price, HEALTH, EUR	1.97	0.80	0.80
Highest share price, HEALTH, EUR	4.40	1.28	2.30
Closing price at the end of period, HEALTH, EUR	2.88	1.12	2.30
Average daily trading volume of the share	93,211	57,903	59,535
Relative share trading volume, %	29.37	18.8	38.0
A shares			
Number of shares at the end of period	19,526,438	20,585,924	19,779,244
Average number of shares	19,663,833	20,585,924	20,541,843
EMP shares			
Number of shares at the end of period	1,098,800	1,178,565	1,098,800
Average number of shares	1,099,127	1,180,201	1,156,940

* The table does not show the P/E ratio because it is negative.

** The company's potential dilutive instruments consist of stock options. As the company's business has been unprofitable, stock options would have an anti-dilutive effect and therefore they are not taken into account in calculating the dilutive loss per share. Thus, there is no difference between the undiluted and diluted earnings per share.

From the CEO

Prevention of chronic diseases is the foundation of better healthcare. While the treatment of diseases must continuously improve, chronic diseases are persistent in nature, and therefore treating those already sick does not reduce the number of people suffering from these diseases.

At the core of a preventative healthcare system is the ability to detect disease risks. When people at highest risk of disease can be identified in time, healthcare services and interventions can be targeted to those who benefit the most from them, and the onset of chronic diseases can be prevented.

Steering our society towards a healthier future means that we need to start systematically identifying disease risks. The actions and tools for reducing the risks are already well known. However, the most significant barrier to implementing preventative healthcare has been the inability to detect disease risks in a healthy population, as the risk assessment tools currently used in healthcare require too many resources to be applied on a population-wide scale.

The risk detection test developed by Nightingale Health enables, for the first time, the comprehensive and cost-effective detection of chronic disease risks at the population level. The more systematically risks are detected, the more effectively preventative measures can be targeted, thereby reducing the number of sick people in the future.

Through collaboration with Terveystalo, Nightingale Health's risk detection test is now in nationwide use in Finland, covering 30% of the Finnish workforce. By the end of 2024, over 100,000 of Terveystalo's occupational health customers had received their risk report, and more than 1,000 healthcare professionals were utilizing the risk reports in their daily patient care.

After the successful launch of the Terveystalo collaboration, we have focused on implementing the next commercial projects during the first half of the current financial year, particularly in Singapore and the United States.

In Singapore, since late 2023, we have worked together with Innoquest Diagnostics, a leading clinical diagnostics service provider, to bring Nightingale Health's blood analysis technology to Southeast Asia. During the half-year period, we obtained all the required certifications and regulatory approvals; our Singaporean subsidiary was granted ISO 13485:2016 certification and we received the necessary regulatory approvals for healthcare use from Singapore's Health Sciences Authority. These regulatory approvals cover individual blood values such as lipids, fatty acids and amino acids, which required that Nightingale Health demonstrated that the analytical performance of these blood values matches established analysis methods. I am very proud that we have once again demonstrated that we can manage different regulatory processes in different environments efficiently and with excellent results.

In parallel with the regulatory processes, we have also been setting up the laboratory and data processing readiness in Singapore, and that work was successfully completed in December 2024. The laboratory is now ready to serve healthcare and medical research customers in the Southeast Asia region. Opening the laboratory in Singapore marked an important milestone in our global expansion strategy.

In the United States, Nightingale Health and Boston Heart Diagnostics Corporation successfully completed the pilot announced in June 2024, and signed an agreement to start providing Nightingale's blood test based Health Check to Boston Heart's customers. We are very pleased with the positive reception of Nightingale's Health Check in the pilot phase. After the pilot phase, we have focused on



preparing for the production phase of the service, and the work has progressed well. Nightingale's Health Check is the world-leading solution in detecting risks for chronic diseases, and we strongly believe that many customers in the United States will greatly benefit from the advantages of our technology in building more preventative, scalable, and efficient healthcare solutions.

In the second half of the financial year, we will, step by step, continue to expand the commercial use of our blood analysis technology globally. In the healthcare market, this will take time, but it will ultimately enable the creation of a global preventive healthcare system that can help in steering away from the current negative trend in healthcare. With Nightingale Health's blood analysis technology, a future with fewer sick people, more healthy life years, lower costs, and increasingly effective healthcare is achievable.

Teemu Suna
CEO and Co-founder, Nightingale Health Plc

Business targets for the financial year 2024–2025

Nightingale Health's business targets for the financial year 2024–2025 are:

- **Win new large international deals**

Nightingale Health aims to win new international flagship deals and convert pilots to commercial contracts to accelerate the adoption of Nightingale Health's technology in large-scale healthcare use

- KPI: Win a large-scale international healthcare project

- **Increase revenue**

Nightingale Health aims to continue increasing its revenue, despite the fact that new deals typically take more than 12 months to ramp-up and convert into revenue

- KPI: Increase revenue compared to previous financial year

- **Improve efficiency**

Nightingale Health will continue investing in growth while preserving the strong cash position and solid runway

- KPI: Improve adjusted EBITDA* level compared to previous financial year

*Adjusted EBITDA = EBITDA – share-based payments – extraordinary items – items affecting comparability

Mid-term and long-term business targets

Nightingale Health's mid-term and long-term business targets remain the same.

Mid-term business targets are:

- To conclude an agreement to analyze two million samples annually in Europe
- To conclude an agreement to analyze ten million samples annually in the United States or in Asia
- To extend laboratory capacity in respective geographical areas to meet the analysis capacity required by the aforementioned agreements
- To achieve positive EBITDA

Long-term business targets are:

- To analyze 100 million blood samples from partnerships with the healthcare sector, health initiatives, and white label partners
- To generate EUR 500 million in annual revenue from partnerships with the healthcare sector, health initiatives, and white label partners



Market outlook

Nightingale Health's technology is the world-leading technology for predicting risks related to chronic diseases such as type 2 diabetes, heart diseases, and chronic kidney disease. Chronic diseases are the most common cause of death in the world and treating them accounts for more than 80 percent of the total healthcare costs in several countries. Chronic diseases could be combated on a significantly wider scale by identifying the people at the highest risk of illness and by targeting disease prevention measures specifically to them. That would enable the creation of a healthcare system, in which the number of sick people and the cost of the system would decrease.

The importance of preventative healthcare has been recognized worldwide, and many healthcare providers have started to offer preventative services in addition to traditional diagnosis and medical treatment. Insurance companies have also included preventative services as part of their health insurances. It is of utmost importance to tackle the health and cost challenges related to chronic diseases. That will increase the global demand for preventative healthcare services, especially related to risk detection, for preventative healthcare is not possible without means for effective, holistic and cost-efficient risk detection. Nightingale Health has a unique position to fulfill that demand in the global preventative healthcare market.

Numerous scientific studies are constantly being conducted around chronic diseases. The research aims not only to find out the reasons for the occurrence of diseases, but also to develop effective treatment methods and preventive strategies. In 2022, tens of billions of dollars were spent on chronic disease research in the United States alone. The demand for blood analysis services from medical research customers is expected to remain high in the future.

Financial review 1 July 2024–31 December 2024

Revenue and result

Revenue

The Group's revenue during the half-year period totaled EUR 2.31 (1.71) million.

Nightingale Health's revenue consisted of blood analysis services offered to research programs, universities and healthcare providers.

Result

Group-level operating loss was EUR -9.13 (-9.31) million. EBITDA was EUR -4.72 (-5.34) million. Loss before appropriations and taxes was EUR -8.20 (-8.50) million. Net loss for the half-year period was EUR -8.20 (-8.53) million.

The Group's material and service expenses totaled EUR 0.42 (0.54) million.

The Group's employee benefits during the half-year period totaled EUR 3.99 (4.24) million including expenses in accordance with the IFRS 2 *Share based payments* standard of EUR 0.97 (1.49) million.

Depreciation and amortization of tangible and intangible assets during the half-year period totaled EUR 4.41 (3.97) million.

Balance sheet, cash flows and investments

Balance sheet and cash flows

At the end of the half-year period, the Group balance sheet totaled EUR 80.98 (97.04) million, of which equity constituted EUR 75.66 (90.31) million. Equity ratio at the end of the half-year period was 94 (94) per cent.

At the end of the half-year period, the Group's net debt totaled EUR -58.01 (-69.05) million. Long-term interest-bearing debt totaled EUR 0.32 (1.49) million. Net debt to equity ratio at the end of the half-year period was -77 (-76) per cent.

Net cash flow from operating activities during the half-year period totaled EUR 5.28 (-5.33) million.

Cash flow from investments totaled EUR -15.27 (-0.98) million consisting of investments in tangible and intangible assets and in current investments, which were made in accordance with the company's liquidity management strategy.

Cash flow from financing activities totaled EUR -0.87 (-1.74) million.

Cash and cash equivalents at the end of the half-year period amounted to EUR 22.39 (72.61) million with cash flows from operations, investments and financing totaling EUR -21.42 (-8.06) million. Liquid funds, including cash, cash equivalents and current investments, at the end of the half-year period amounted to EUR 59.71 (72.61). Change of liquid funds totaled EUR -6.33 (-8.06) million.

Investments and development

New investments in tangible and intangible assets during the half-year period totaled EUR 0.94 (2.03) million. Investments in intangible assets were mainly related to product development. Product development investments consisted of investments in the development of applications, laboratory technology

and risk models. Investments in tangible assets consisted of investments in laboratory premises and laboratory equipment.

Personnel

The Group had an average of 92 (85) employees during the half-year period. Of the employees, 30 worked in sales and business development, 51 in research and development and operations, and 11 in administration. At the end of the half-year period, Nightingale Health employed 94 people including the CEO. Of the 94 employees, 80 worked in Finland, 7 in Japan, 4 in the UK, 2 in Singapore and 1 in Estonia.

Shares and shareholders

Nightingale Health Plc's Series B shares are listed on First North Growth Market Finland marketplace, maintained by Nasdaq Helsinki Ltd. Nightingale Health's trading symbol is HEALTH. Nightingale Health's industry classification is Health Care.

Shares issued and share capital

Nightingale Health has three series of shares, Series A shares, Series B shares and EMP shares, which carry different voting rights in the company and different rights to distribution of funds. At Nightingale Health's General Meeting, each Series A share is entitled to 10 votes and each Series B share is entitled to one vote. Series B shares are paid a dividend five per cent higher than Series A shares and EMP shares. This right does not concern any other distribution of capital or assets than the distribution of dividends. EMP shares, which are shares owned by personnel, are non-voting shares, and the holder of an EMP share is not entitled to a vote at the General Meeting. The shares have no nominal value.

At the end of the half-year period on 31 December 2024, Nightingale Health's share capital amounted to EUR 80 thousand and the company had issued 60,928,079 fully paid shares of which 19,526,438 were Series A shares, 40,302,841 were Series B shares and 1,098,800 were EMP shares.

Nightingale Health held 577,920 EMP shares at the end of the half-year period, 31 December 2024, which constituted approximately 1 (1) per cent of outstanding shares. The shares held by the company carry no voting rights and no entitlement to dividends.

Trading in the shares

The closing price of the share on the last trading day of the half-year period, 30 December 2024, was EUR 2.88. The highest price quoted in the period was EUR 4.40 and the lowest EUR 1.97. The average closing price of the share during the period was EUR 2.92 and the average daily trading volume was 93,211 shares.

Nightingale Health's market value on 31 December 2024 was EUR 173.81 million.

Shareholders

Nightingale Health had 12 787 Finnish-registered shareholders on 31 December 2024 (31 December 2024: 11,238). The company's 100 largest Finnish-registered shareholders are presented on the company's website.

The company's shares are registered in the book entry system. Information on the shareholders is based on information received from Euroclear Finland Oy.

Governance and management

Nightingale Health is committed to good governance, with its decision-making and governance adhering to the Limited Liability Companies Act, securities markets legislation, the rules of Nasdaq First North Growth Market Finland, the company's Articles of Association and other provisions applicable to the company. Additionally, Nightingale Health complies with the Corporate Governance Code of the Securities Market Association.

Nightingale Health's Corporate Governance Statement and Remuneration Report for the financial year 2023–2024 were released as part of the Annual Report.

Annual General Meeting

The Annual General Meeting of Nightingale Health Plc was held on 8 November 2024. The meeting was held as a fully virtual remote meeting in accordance with Chapter 5, Section 16, Subsection 3 of the Finnish Companies Act. The General Meeting adopted the Financial Statements and the Consolidated Financial Statements, discharged the members of the Board of Directors and the CEO from liability and approved in an advisory vote the Remuneration Report of the governing bodies for the financial period of 1 July 2023–30 June 2024.

Use of profit shown on the balance sheet and the payment of dividend

The General Meeting resolved that based on the balance sheet adopted for the financial period of 1 July 2023–30 June 2024, no dividend is paid, and that the loss of the financial period is recorded in retained earnings.

Board of Directors

The number of members of the Board of Directors was confirmed to be six (6). Antti Kangas, Olli Karhi, Ilkka Laurila, Leena Niemistö, Timo Soininen and Teemu Suna were re-elected as members of the Board of Directors. In the organizational meeting held after the Annual General Meeting, the Board of Directors elected Leena Niemistö as chair from among its members.

The General Meeting resolved that the members of the Board of Directors are paid a monthly remuneration of EUR 2,000.

Auditor

Authorized Public Accounting firm PricewaterhouseCoopers Oy was elected as the Auditor, and it has announced Panu Vänskä, Authorized Public Accountant, to be the Auditor with principal responsibility. The remuneration of the Auditor is paid in accordance with a reasonable invoice approved by the company.

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

The General Meeting authorized the Board of Directors to decide on the repurchase of the company's own shares on the following terms and conditions:

- By virtue of the authorization, the Board of Directors is entitled to repurchase a maximum of 1,952,643 A-series shares and 4,029,322 B-series shares by using the non-restricted equity of the company. The shares may be repurchased in one or more lots.
- The company's own shares shall be repurchased at the market price prevailing at the time of the repurchase through public trading on Nasdaq First North Growth Market Finland marketplace organized by Nasdaq Helsinki Ltd or otherwise at a market price. The authorization entitles the Board of

Directors to decide on the repurchase also other than in proportion to the shareholdings of the shareholders (directed repurchase).

- The shares may be repurchased to be used in the implementation of possible acquisitions or other arrangements within the company's business, to finance investments, to develop the company's financial structure, as part of the implementation of possible incentive schemes of the company and/or otherwise to be kept by the company, transferred or cancelled.
- The authorization includes the right of the Board of Directors to decide on other terms and conditions related to the repurchase of the company's own shares. The authorization is valid for 18 months. The authorization revokes the authorization to repurchase the company's own shares decided by the previous Annual General Meeting on 16 November 2023.

Authorizing the Board of Directors to decide on the share issue and granting of special rights entitling to shares

The General Meeting authorized the Board of Directors to decide on issuing new shares, conveying the company's own shares held by the company and/or granting of special rights referred to in Chapter 10, Section 1 of the Companies Act on the following terms and conditions:

Maximum amount of shares to be issued

- By virtue of the authorization, the Board of Directors is entitled to issue and/or convey a maximum of 573,598 A-series shares under one or more decisions. The share issue and shares granted under the special rights are included in the specified maximum amount.
- In addition, by virtue of the authorization, the Board of Directors is entitled to convey a maximum of 577,920 EMP-series shares held by the company under one or more decisions.
- The authorization does not apply to the company's B-series shares.
- The authorization now granted revokes the authorization decided by the Annual General Meeting on 16 November 2023 to authorize the Board of Directors to decide on the share issue and granting of special rights entitling to shares.

The authorization now granted does not revoke or change the authorization resolved at the Extraordinary General Meeting held on 18 February 2021, which is valid until 18 February 2026. By virtue of the granted authorization and the unused part of the already valid authorization, the Board of Directors is entitled to issue and/or convey no more than 2,037,198 A-series shares and 6,900,000 B-series shares of the company in total. The share issue and shares granted under the special rights are included in the mentioned maximum amounts. In addition, by virtue of the authorization now granted, the Board of Directors is entitled to convey a maximum of 577,920 EMP-series shares held by the company.

Other conditions

The shares may be issued either against payment or without payment and they may also be issued to the company itself. The authorization entitles the Board of Directors to implement the share issue also as a directed issue. The authorization may be used in the implementation of possible acquisitions or other arrangements within the company's business, to finance investments, to develop the company's financial structure, as part of the implementation of possible incentive schemes of the company and/or for other purposes decided by the Board of Directors.

The authorization includes the right of Board of Directors to decide on other terms and conditions of the share issue and granting of special rights referred to in Chapter 10, Section 1 of the Companies Act. The authorization is valid for 18 months.

Management Team

Members of Nightingale Health's Management Team at the end of the half-year period were Teemu Suna (Chief Executive Officer), Antti Kangas (Chief Technology Officer), Satu Saksman (Chief Operating Officer), Minja Salmio (Chief Legal Officer), Salla Ruosaari (Chief Research and Development Officer), Jeffrey Barrett (Chief Scientific Officer) and Tuukka Paavola (Chief Financial Officer).

Auditor

Authorized Public Accounting firm PricewaterhouseCoopers Oy acts as Nightingale Health's Auditor. PricewaterhouseCoopers Oy has announced Panu Vänskä, Authorized Public Accountant, to be the Auditor with principal responsibility.

Option programs

Nightingale Health has established option programs as incentive programs for personnel of the company, covering employees of the company and its group companies and other key persons. The company's Board of Directors has outlined that the option programs of the company must be tied to an increase in the company's value. The purpose of the option programs is to bind the option holders to the economic growth of the company and to the development of the company's share value as well as create a long-term relationship between the company and the option holders, which benefits the company both economically and operationally.

Nightingale Health's share-based incentive programs are described in more detail on the company's website and in note *Share based payments* in the financial statements for the financial year ended June 30, 2024.

Environment, health and safety

The analytical performance of Nightingale Health's technology and its capability to detect disease risks at an early stage have been broadly validated. Validations prove that the technology is capable of measuring blood biomarkers in accordance with clinical standards and that it can also be used to improve early risk detection of the most common lifestyle diseases in place of the currently used clinical chemistry tests.

Nightingale Health's blood test, which is based on NMR spectroscopy, has been validated in accordance with clinical standards. Nightingale Health's laboratory processes adhere to the SFS-EN ISO/IEC 17025:2017 standard, and the laboratory has been accredited by the FINAS accreditation service.¹ Nightingale Health's blood analysis technology is CE-marked, allowing its clinical use in the EEA region. In the UK, the IVD device has UKCA marking under the UK Medical Devices Regulations, and in Singapore, the most common clinical biomarkers analyzed by Nightingale Health's technology have regulatory approvals for healthcare use. The quality management system according to which the laboratory processes are conducted is compliant with the EN ISO 13485 standard and certified by Dekra Certification B.V. Nightingale Health also participates in the UK NEQAS and WEQAS programs that are used to monitor analysis quality between Nightingale Health's laboratory and other laboratories. In Japan, Nightingale Health also participates in the JAMT Clinical Laboratory Accuracy Control Survey program.

Nightingale Health does not use compounds in its operations that are harmful to the environment or health. The biological waste from Nightingale Health's operations is handled and disposed of in an appropriate manner in accordance with separate guidelines. Nightingale Health's operations generate considerably less biological waste than corresponding laboratory operations.

¹ Nightingale Health Plc, laboratory is a testing laboratory T333 as accredited by FINAS accreditation service, accreditation criteria SFS-EN ISO/IEC 17025. Scope of accreditation for clinical laboratory tests and test sites are available at www.finas.fi.

Risks and uncertainties

Nightingale Health is exposed to risks related to possible changes in the company's business, industry, financial position and regulation. Nightingale Health's risk management is based on the risk management policy approved by the company's Board of Directors. Risk management is part of Nightingale Health's strategic and operational planning, day-to-day decision-making processes and internal control systems. Risk management includes all activities related to setting targets and detecting, measuring, reviewing, handling, reporting, monitoring and avoiding risks.

Nightingale Health's risk management and the risks related to its business are described in detail in the company's Annual Report, notes to the financial statements and on the company's website.

The risks that Nightingale considers significant with potential negative impact on the company's business and the industry, personnel, financial position, regulatory compliance and information security have remained unchanged during the half-year period and were described in more detail at the end of the previous financial year. If materialized, the risks may have a negative impact on the company's business, financial position, business result and outlook and the value of the company.

Significant events after the end of the period

- On 23 January 2025, Nightingale Health announced the performance metrics of its latest generation disease risk assessments to be rolled out in Singapore and the United States.
- On 27 January 2025, Nightingale Health announced the collaboration with Enigma Genomics to sell Nightingale Remote Health Check in the MENA region.
- On 7 February 2025, Nightingale Health announced its updated regulatory plan in the United States.
- On 27 February 2025, Nightingale Health announced the development of innovative LLM based tool to empower anyone to take informed decisions to lower disease risks.
- In addition, Nightingale Health has, as part of its effort to establish a laboratory in the United States, committed to a lease of a laboratory and office space in the United States.

Live webcast for investors and media

Nightingale Health will arrange a live webcast for investors and media in English on 6 March 2025 at 2 p.m. EET. The webcast can be followed online at:

<https://nightingalehealth.events.inderes.com/2024-2025-h1-results>

Presentation will be held by CEO Teemu Suna and CFO Tuukka Paavola. A recording of the event will be available later the same day at www.nightingalehealth.com/investors.

Helsinki, 5 March 2025
Nightingale Health Plc
Board of Directors

Calculation of key figures

Key figure	Formula
EBITDA	Operating profit (loss) before depreciation and amortization
Operating profit (loss)	Profit (loss) before income taxes and financial income and expenses
Equity ratio, %	Total equity / (Balance sheet total – deferred income)
Net debt to equity ratio, %	Net debt / total equity
Earnings per share (EPS), undiluted, EUR	Profit (loss) for the period / weighted average number of shares outstanding during the period
Earnings per share (EPS), diluted, EUR	Profit (loss) for the period / weighted average number of shares outstanding during the period + potential dilutive shares
Relative share trading volume, %	Number of shares traded during the financial period / average number of shares
Net cash	Cash and cash equivalents + current investments – interest-bearing debt – lease liabilities

Financial figures of half-year report and notes

Consolidated income statement

EUR thousand	Note	7–12/24	7–12/23	7/23–6/24
Revenue	3	2,308	1,715	4,358
Other income		11	17	83
Materials and services		-425	-539	-1,462
Employee benefits	4	-3,990	-4,238	-8,783
Depreciation, amortization and impairment losses		-4,408	-3,970	-8,158
Other expenses		-2,615	-2,272	-4,597
Share of joint venture's result		-12	-18	-31
Operating profit (loss)		-9,131	-9,306	-18,592
Finance income		1,561	1,109	2,014
Finance costs		-623	-304	-798
Net finance items		933	805	1,216
Profit (loss) before tax		-8,198	-8,502	-17,375
Income tax expense		-4	-8	-65
Deferred taxes		-	-19	-23
Taxes total		-4	-28	-88
Profit (loss) for the period		-8,202	-8,529	-17,463
Profit (loss) for the period attributable to				
Owners of the parent company		-8,202	-8,529	-17,463
Earnings per share				
Undiluted and diluted earnings per share, EUR – Series A and EMP shares		-0.14	-0.14	-0.29
Undiluted and diluted earnings per share, EUR – Series B shares		-0.14	-0.14	-0.29

Consolidated comprehensive income statement

EUR thousand	Note	7–12/24	7–12/23	7/23–6/24
Profit (loss) for the period		-8,202	-8,529	-18,083
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss				
Foreign operations - foreign currency translation differences, net of tax		-8	-8	48
Other comprehensive income for the period		-8	-8	48
Total comprehensive income for the period		-8,210	-8,537	-18,034
Total comprehensive income attributable to				
Owners of the parent company		-8,210	-8,537	-18,034

Consolidated statement of financial position

EUR thousand	Note	31 Dec 2024	30 June 2024
Assets			
Non-current assets			
Goodwill	5	1,023	1,023
Intangible assets	5	9,837	12,306
Property, plant and equipment	6	6,367	6,757
Right-of-use assets	6	1,301	1,843
Investment in joint venture		25	37
Other assets		361	432
Deferred tax assets		6	7
Total non-current assets		18,920	22,405
Current assets			
Inventories		1,269	704
Trade and other receivables		1,081	1,695
Current investments	8	37,322	22,385
Cash and cash equivalents		22,387	43,651
Total current assets		62,059	68,435
Total assets		80,979	90,840
Equity and liabilities			
Equity	7		
Share capital		80	80
Reserve for invested unrestricted equity		142,397	142,380
Translation differences		138	146
Accumulated losses		-66,954	-59,725
Total equity		75,661	82,880
Liabilities			
Non-current liabilities			
Loans and borrowings		-	261
Lease liabilities		316	724
Deferred tax liabilities		22	24
Total non-current liabilities		338	1,008
Current liabilities			
Loans and borrowings		437	566
Lease liabilities		946	1,086
Advances received		887	1,022
Trade and other payables		2,710	4,279
Total current liabilities		4,980	6,952
Total liabilities		5,319	7,960
Total equity and liabilities		80,979	90,840

Consolidated cashflow statement

EUR thousand	Note	7-12/24	7-12/23	7/23-6/24
Cash flows from operating activities				
Loss for the period		-8,202	-8,529	-17,463
Adjustments:				
Depreciation and amortization		4,408	3,970	8,158
Share based payments		973	1,491	2,932
Share of joint venture's result		12	18	31
Other finance income and costs, net		-933	-805	-1,216
Income tax expense		4	28	88
Other adjustments		-	-	-46
Cash flows before change in working capital		-3,738	-3,826	-7,516
Change in working capital				
Change in trade and other receivables (increase (-) / decrease (+))		708	-206	-518
Change in inventories (increase (-) / decrease (+))		-566	94	-154
Change in current non-interest-bearing payables (increase (+) / decrease (-))		-1,695	-1,280	56
Cash flows before finance items and taxes		-5,291	-5,190	-8,132
Interest paid		-44	-107	-175
Interest received		73	1	5
Income taxes paid		-20	-9	-107
Net cash from operating activities		-5,281	-5,334	-8,408
Cash flows from investing activities				
Investments in intangible assets		-782	-932	-2,379
Investments in tangible assets		-270	-936	-2,209
Acquisition of businesses		-	-	37
Repayment of loan receivables		-	28	28
Current investments		-14,937	-	-22,385
Interest received from current investments		719	856	1,372
Net cash used in investing activities		-15,270	-984	-25,536
Cash flows from financing activities				
Share subscriptions with options		18	-	-
Repayment of non-current loans and borrowings		-294	-882	-1,114
Sale and leaseback arrangements		-96	-280	-717
Payment of lease liabilities		-501	-578	-996
Net cash from financing activities		-873	-1,741	-2,826
Net decrease in cash and cash equivalents in cash flow statement		-21,424	-8,059	-36,771
Cash and cash equivalents at the beginning of the period		43,651	80,640	80,640
Effect of movements in exchange rates		160	25	-218
Cash and cash equivalents in the end of the period		22,387	72,606	43,651

Consolidated statement of changes in equity

Consolidated statement of changes in equity 1 July 2024 – 31 December 2024

Equity attributable to owners of the parent company

EUR thousand	Share capital	Reserve for invested un-restricted equity	Translation differences	Accumulated losses	Total
Equity on 1 July 2024	80	142,380	146	-59,725	82,880
Comprehensive income					
Profit (loss) for the period	-	-	-	-8,202	-8,202
Other comprehensive income	-	-	-8	-	-8
Total comprehensive income	-	-	-8	-8,202	-8,210
Transactions with owners of the company					
Share subscriptions with options	-	18	-	-	18
Share-based payments	-	-	-	973	973
Total transactions with owners of the company	-	18	-	973	991
Equity on 31 December 2024	80	142,397	138	-66,954	75,661

Consolidated statement of changes in equity 1 July 2023 – 31 December 2023

Equity attributable to owners of the parent company

EUR thousand	Share capital	Reserve for invested un-restricted equity	Translation differences	Accumulated losses	Total
Equity on 1 July 2023	80	142,380	90	-45,194	97,355
Comprehensive income					
Profit (loss) for the period	-	-	-	-8,529	-8,529
Other comprehensive income	-	-	-8	-	-8
Total comprehensive income	-	-	-8	-8,529	-8,537
Transactions with owners of the company					
Share-based payments	-	-	-	1,491	1,491
Other changes	-	-	17	-14	2
Total transactions with owners of the company	-	-	17	1,477	1,493
Equity on 31 December 2023	80	142,380	99	-52,247	90,312

Notes to the half-year report

1 Accounting principles

The half-year report has been prepared in accordance with IAS 34. The report follows the same accounting principles and methods as the consolidated financial statements for the financial year ended June 30, 2024, which were prepared in compliance with the IFRS standards and interpretations approved by the EU as of June 30, 2024. New and amended standards and changes in their interpretations that have come into effect subsequently have not had a material impact on the Group.

All figures in this half-year report are unaudited.

Russia's invasion of Ukraine

The Group does not have any operations in Russia or Ukraine. At the current state the sanctions imposed on Russia do not have a direct impact on Nightingale Health's operation.

2 Seasonality

Nightingale Health's revenue consisted of blood analysis services offered to research programs, universities and healthcare providers. Research projects are typically carried out over long periods, which means the related analysis services may be rendered during several months or even several years. That creates a seasonality effect on the Group's revenue.

3 Revenue

Revenue by geographical market

EUR thousand	7-12/24	7-12/23	7/23-6/24
Finland	425	263	805
UK	171	237	600
Rest of Europe	499	334	826
USA	921	597	1,477
Others	292	283	649
Total	2,308	1,715	4,358

In the half-year period Nightingale Health had 1 customer, whose share of the Group's revenue was more than 10%. The total amount of revenue received from this customer was EUR 819 thousand.

4 Share-based payments

Impact of share-based payments on income statement and statement of financial position

EUR thousand	7-12/24	7-12/23	7/23-6/24
Employee benefits recognized in profit and loss	973	1,491	2,932
Yhteensä	973	1,491	2,932

5 Intangible assets

Reconciliation of carrying amounts

7/2024–12/2024 EUR thousand	Good- will	Other technol- ogy	Patents	Trade secrets	Trade- marks	Applica- tions	Labora- tory technol- ogy	Risk models	Total
Acquisition cost									
Balance on 1 Jul	1,023	418	1,604	301	100	9,406	9,189	5,724	27,766
Additions	-	-	-	-	-	32	588	163	782
Balance on 31 Dec	1,023	418	1,604	301	100	9,438	9,777	5,887	28,548
Accumulated amortiza- tion and impairment losses									
Balance on 1 Jul	-	-102	-295	-55	-18	-6,122	-4,342	-3,504	-14,438
Amortization	-	-18	-132	-25	-8	-1,331	-815	-923	-3,252
Balance on 31 Dec	-	-120	-427	-80	-27	-7,453	-5,157	-4,426	-17,690
Carrying amount on 1 Jul	1,023	316	1,310	246	82	3,284	4,847	2,221	13,329
Carrying amount on 31 Dec	1,023	298	1,177	221	74	1,985	4,620	1,461	10,859

Intangible assets not yet available for use

The carrying amounts of the following intangible assets contain intangible assets not yet available for use totaling EUR 2,322 thousand on 31 December 2024 (EUR 1,539 thousand on 30 June 2024):

Applications: EUR 237 thousand (EUR 205 thousand on 30 June 2024)

Laboratory technology: EUR 1,863 thousand (EUR 1,275 thousand on 30 June 2024)

Risk models: EUR 222 thousand (EUR 59 thousand on 30 June 2024)

6 Property, plant and equipment

Reconciliation of carrying amounts

7/2024–12/2024 EUR thousand	Leasehold im- provement costs	Machinery and equipment	Total	Right-of-use assets
Cost on 1 Jul	842	8,637	9,479	6,121
Additions	3	151	154	26
Deductions	-	-	-	-126
Exchange rate differences	17	134	150	11
Cost on 31 Dec	862	8,922	9,784	6,031
Accumulated depreciation and impairment on 1 Jul	-494	-2,229	-2,723	-4,277
Deductions	-	-	-	45
Depreciation	-74	-586	-660	-496
Exchange rate differences	-8	-26	-34	-2
Accumulated depreciation and impairment on 31 Dec	-576	-2,841	-3,419	-4,730
Carrying amount on 1 Jul	348	6,408	6,757	1,843
Carrying amount on 31 Dec	286	6,081	6,367	1,301

7 Equity

Changes in share numbers and Group's equity

The parent company has three share series. In the shareholders general meeting, Series A entitles to 10 votes, Series B to 1 vote. Series EMP shares have no voting rights. The dividends that will be paid to Series B shares will be 5% higher than those paid to Series A shares and EMP shares. The shares have no voting restrictions. The parent company's shares do not have a nominal value. All shares issued have been fully paid.

The table below discloses changes in the number of shares and respective changes in share capital and reserve for invested unrestricted equity.

EUR thousand	Share capital	Reserve for invested unrestricted equity	Pcs Series A shares	Pcs Series B shares	Pcs Series EMP shares
1 July 2024	80	142,380	19,779,244	40,040,415	1,098,800
Share subscriptions with options	-	18	-	3,600	6,020
Conversion of share series	-	-	-252,806	258,826	-6,020
31 December 2024	80	142,397	19,526,438	40,302,841	1,098,800

Shares

The number of shares by series of shares is presented in the table below.

Pcs	31 Dec 2024	30 Jun 2024
Series A shares	19,526,438	19,779,244
Series B shares	40,302,841	40,040,515
Series EMP shares	1,098,800	1,098,800
Total shares	60,928,079	60,918,459

At the end of the half-year period, Nightingale Health had issued 60,928,079 fully paid shares. Shares were divided into share series as follows: Series A shares (19,526,438 pcs), Series B shares (40,302,841 pcs) and Series EMP shares (1,098,800 pcs).

Nightingale Health held 577,920 EMP shares at the end of the half-year period, which constituted approximately 1 per cent of outstanding shares. The shares held by the company carry no voting rights and no entitlement to dividends.

According to the company's Articles of Association, Series A shares or EMP shares can be converted into Series B shares at the request of a shareholder, or, in case of nominee-registered shares, a nominee custodian entered in the shareholders' register. The conversion is made with a conversion rate of one to one (1:1), in which case one Series A share or EMP share is converted into one Series B share. During the half-year period 6,020 Series EMP shares and 252,806 Series A shares, totaling 258,826 were converted to Series B shares.

8 Financial assets

Liquid funds

EUR thousand	31 Dec 2024	30 Jun 2024
Current investments	37,322	22,385
Cash and cash equivalents	22,387	43,651
Total	59,709	66,036

Liquid funds comprise current investments, cash and cash equivalents. Current investments consist of fixed-term deposits with carrying amount of EUR 22,000 thousand on 31 December 2024, and two fixed income investments with carrying amount of EUR 15,322 thousand on 31 December 2024. These investments do not fulfill the recognition criteria of cash and cash equivalents and are therefore categorized as current investments on the balance sheet.

The company estimates that the carrying amounts of the financial assets at amortized cost correspond to their fair values. An exception to this is one of the fixed income investments, which had a market value of EUR 5,449 thousand on 31 December 2024 (carrying amount: EUR 5,460 thousand). The market value of the other fixed income investment is equal to its carrying amount (EUR 9,862 thousand).

The current investments follow the Group's liquidity management strategy.

Net cash

EUR thousand	31 Dec 2024	30 Jun 2024
Current investments	37,322	22,385
Cash and cash equivalents	22,387	43,651
Net cash excluding lease liabilities and borrowings	59,709	66,036
Non-current borrowings	-	-261
Current borrowings	-437	-566
Lease liabilities	-1,262	-1,809
Net cash total	58,010	63,401

Net cash comprise the Group's liquid assets deducted by interest-bearing debt and lease liabilities.

9 Provision, contingencies and commitments

Collaterals and other obligations

EUR thousand	31 Dec 2024	30 Jun 2024
<u>Loans secured by business mortgages</u>		
Bank loans	-	33
Business mortgages	7,800	7,800

Off-balance sheet commitments

EUR thousand	31 Dec 2024	30 Jun 2024
<u>Off-balance sheet commitments</u>		
Machinery acquisition commitments	1,097	1,065

10 Related party transactions

Remuneration of key management

EUR thousand	CEO		Other management team		Board of Directors		Total	
	7-12/24	7-12/23	7-12/24	7-12/23	7-12/24	7-12/23	7-12/24	7-12/23
Salaries and other short-term employee benefits	-142	-127	-452	-437	-72	-72	-666	-636
Pension benefits (defined contribution plans)	-27	-23	-83	-79	-5	-5	-115	-107
Share-based payments	-404	-662	-436	-707	-57*	-46*	-897	-1,415
Total	-574	-812	-971	-1,223	-134	-123	-1,678	-2,158

*Excluding the CEO

Remuneration of the Board of Directors

EUR thousand	7-12/24	7-12/23
Board of Directors		
Leena Niemistö, Chair	-12	-12
Antti Kangas	-12	-12
Olli Karhi	-12	-12
Ilkka Laurila	-12	-12
Teemu Suna	-12	-12
Timo Soininen	-12	-12
Total	-72	-72

The General Meeting held on 8 November 2024 decided that each Board member will be paid a monthly fee of EUR 2 thousand.

Amendment to the CEO's incentive program

During the half-year period, the Group had one significant related party transaction when Nightingale Health's Board of Directors resolved on 20 September 2024 to amend the CEO's stock option program by issuing additional 1,000,000 stock option rights to the CEO. The right to subscribe for shares with the new stock option rights is earned based on reaching the market capitalization of 1,500 million. Each option right entitles the CEO to subscribe for one Series B share. The subscription price of each share is EUR 6.75 per share. The fair value of the option is determined using the Monte Carlo-method, and the fair value of each option is EUR 0.62.

The Board of Directors has on 3 March 2021 resolved on the CEO's stock option program by issuing 2,000,000 stock option rights of which 1,000,000 can be subscribed for Series B shares based on reaching market capitalization of EUR 500 million (first vesting event) and 1,000,000 based on reaching market capitalization of 1,000 million (second vesting event). With the amendment the total number of stock option rights based on the CEO's stock option program is 3,000,000 stock option rights. The market capitalizations are calculated based on the volume weighted average price. The share subscription period for the stock option programs ends on 31 December 2031.

Management option rights

On 31 December 2024, the members of the Board of Directors and the management team owned a total of 9,297,145 company options, which entitle them to subscribe for a total of 10,302,145 company shares if vesting conditions are met.

On 30 June 2024, the members of the Board of Directors and the management team owned a total of 8,297,145 company options, which entitle them to subscribe for a total of 9,302,145 company shares if vesting conditions are met.

In addition, two of the board members are entitled to options, which correspond to certain percentages of the company's shares at the time of achieving the defined target market capitalization.

Option programs are described in detail in the note 7 Share based payments of the financial statements for the financial year ended June 30, 2024.

Loans granted by the parent company (employee share issue)

The parent company has granted loans to its employees in connection with employee share issues. These loans were granted in 2017 to pay the subscription price of Series EMP shares as part of the share-based remuneration plans. All employees were offered the opportunity to borrow funds from the company to purchase EMP shares. The interest rate on these loans is linked to the 12-month Euribor rate but is always at least 0.0%. The interest is due and payable on repayment of the loan. The loans granted mature on 31 December 2026 at the latest. The employee has the right to repay the loan to the company in part or in full before the maturity date. The shares relating to the loans are pledged as collateral.

EUR thousand	31 Dec 2024	30 Jun 2024
Loans granted to employees	192	192
Accrued interest	13	9

Transactions with the joint venture and open balances

The parent company has delivered services to the joint venture PetMeta Labs Oy.

EUR thousand	7-12/24	7-12/23
Sales of services	12	23
Purchases of services	-	-

EUR thousand	31 Dec 2024	30 Jun 2024
Trade and other receivables	22	8
Trade and other payables	-	-

Transactions with other related companies and open balances (excluding joint venture)

The parent company has acquired the services needed for its business from the related party companies: Labquality Oy.

EUR thousand	7-12/24	7-12/23
Sales of services	-	-
Purchases of services	-82	-230

EUR thousand	31 Dec 2024	30 Jun 2024
Trade and other receivables	-	-
Trade and other payables	19	83

11 Significant events after the end of the period

- On 23 January 2025, Nightingale Health announced the performance metrics of its latest generation disease risk assessments to be rolled out in Singapore and the United States.
- On 27 January 2025, Nightingale Health announced the collaboration with Enigma Genomics to sell Nightingale Remote Health Check in the MENA region.
- On 7 February 2025, Nightingale Health announced its updated regulatory plan in the United States.
- On 27 February 2025, Nightingale Health announced the development of innovative LLM based tool to empower anyone to take informed decisions to lower disease risks.
- In addition, Nightingale Health has, as part of its effort to establish a laboratory in the United States, committed to a lease of a laboratory and office space in the United States.