



Lifeline SPAC I Plc

Business ID 3229349-3

**Half-Year Report**

**1 January – 30 June 2023**

24 Aug 2023

## 1 January – 30 June 2023

- Lifeline SPAC I Plc (“Lifeline SPAC I” or the “Company”) has continued to evaluate and analyse high-growth technology companies in Finland and other Nordic countries during the review period.
- The operating loss for the review period was EUR 0.7 million and the profit was EUR 0.2 million. Typically for a SPAC company in the search phase, the Company had no revenue during the review period.
- At the end of the review period, the Company’s cash and bank receivables were approximately EUR 1.2 million.
- The funds deposited on the Company’s escrow account were approximately EUR 101.5 million<sup>1</sup>.

*The Half-Year Report is unaudited.*

### **CEO Tuomo Vähäpassi:**

“Lifeline SPAC I has continued to operate systematically and proceeded with the analysis of high-growth potential technology companies in different stages of maturity in Finland and other Nordic countries.

Even though we have also assessed new potentials, our main focus under the reporting period and thereafter has been in a more profound analysis of and dialogue with such already identified companies that we deem most interesting for our shareholders.

One of the material equity market themes since our IPO has been the strong decline in market capitalisations and valuation levels of listed companies in the technology sector. We also have been closely monitoring this development. Although there are still uncertainties in the capital markets and different views of the outlook, the market capitalisations and valuation levels in the technology sector showed signs of appreciation and stabilisation during the reporting period and also thereafter. For instance, compared to the market values that prevailed at the beginning of January 2023, BVP Nasdaq Emerging Cloud Index increased some 21 % by mid-August 2023, whereas the Goldman Sachs Non-Profitable Technology Company Index increased some 28 % over the same period.

From Lifeline SPAC I’s perspective, a potential negative factor in the strong decline in valuation levels has been the slowness in discussions with some target companies. Should the valuation environment in the technology sector stabilise, we expect that it may impact Lifeline SPAC I’s activities positively.”

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<sup>1</sup> On 15 October 2021, the Company raised EUR 100 in gross proceeds in the initial public offering by issuing 10 million new series A shares. These proceeds are deposited in an escrow account and are primarily intended to be used on financing the growth of the target company of the acquisition. The funds deposited in the escrow account are presented in the balance sheet item Other receivables.

## Lifeline SPAC I

Lifeline SPAC I is a Finnish Special Purpose Acquisition Company founded for corporate acquisitions. We raised capital with an initial public offering and listed on the SPAC segment of the regulated market of Nasdaq Helsinki on 15 October 2021 (the "IPO"). Our objective is to carry out an acquisition within 36 months from the IPO.

The Company raised EUR 100 million in gross proceeds in the IPO by issuing 10 million new series A shares. These proceeds are deposited in an escrow account<sup>2</sup> and the proceeds are primarily intended to be used on financing the growth of the target company of the Acquisition.

We offer investors an opportunity to invest in companies that retail investors or many institutional investors otherwise would not be able to invest in, because these kinds of investments are typically made by later-stage private equity funds. Our aim is to generate profit for shareholders and increase the value of the target company by supporting its growth and development also after the acquisition<sup>3</sup>.

The so-called sponsors of Lifeline SPAC I are Timo Ahopelto, Kai Bäckman, Petteri Koponen and Juha Lindfors (the "Sponsors"). At the end of the review period Timo Ahopelto, Petteri Koponen and Juha Lindfors were partners of the Lifeline Ventures venture capital firms<sup>4</sup>.

## Investment Strategy

The primary strategy of Lifeline SPAC I is to identify and acquire an unlisted target company with high growth potential operating in the technology sector. The core of our strategy is to carry out the acquisition through a share consideration, in which case the funds raised by the company from the IPO will be used to finance the growth of the target company.

Our investment strategy includes detecting such corporate acquisition targets and carrying out such acquisitions that will provide considerable long-term value to shareholders. We are seeking a target company with excellent long-term growth and internationalization potential that we, along with our Sponsors, can support and accelerate.

Our target segments include, for instance, enterprise software, healthtech, climate technology, digital consumer products and services, as well as robotics and hardware. These technology segments represent markets that are extremely large globally, with also a very strong growth outlook.

Generally speaking, the Company's investment strategy is rooted in the notion that the best possible way of creating value for the shareholders in the long term is to select a target company whose growth

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<sup>2</sup> These assets are presented in the balance sheet item Other receivables.

<sup>3</sup> The Company's Sponsors, members of the Board of Directors and management have committed to a lock-up of 24 months in respect of their series A shares after the completion of the Acquisition.

<sup>4</sup> LLV Fund Management Ltd., Lifeline Ventures Fund Management Ltd. and the funds managed by them

and development may be supported through leveraging the company's extensive expertise and experience as well as its international contact network.

## Financial development

Lifeline SPAC I's operating loss for the review period 1 January – 30 June 2023 was EUR 0.7 (0.3) million and the profit for the review period was EUR 0.2 (-1.1) million. Earnings per share (basic and diluted) was EUR 0.08 (-0.43)<sup>5</sup>. Typically for a SPAC company in the search phase, the Company had no revenue during the review period.

The Company's employee benefits expenses, totalling EUR 0.2 (0.2) million, consisted of wages and salaries and related social security expenses.

The Company's other operating expenses, totalling EUR 0.5 (0.1) million, consisted mainly of professional services related to the search of a target company and administrative services related to company's operations.

The Company's financial income and expenses, totalling EUR 0.9 (-0.7) million, consisted mainly of the interest income, which the Company earned on its cash reserves and for the funds deposited to the escrow account, as well as costs related to the IPO, which had been allocated as an expense to the review period.

The Company's return on equity during the review period was 7.9 (-31.9) %<sup>6</sup>.

## Financial Position and Cash Flow

Lifeline SPAC I's balance sheet total on 30 June 2023 was EUR 102.7 (101.7) million. The proceeds raised from the issue of series A shares in the IPO have been deposited in an escrow account and are therefore presented in other receivables in the Company's balance sheet. Series A shares are financial instruments subject to IAS 32 and, due to the redemption clause included in them, the share subscription prices have been recognised in financial liabilities and measured at amortised cost using the effective interest rate method. Considering that the Annual General Meeting held on 26 June 2023 resolved, in accordance with the proposal of the Board of Directors, to grant an additional period of 12 months, until 15 October 2024, for the approval of the Acquisition, but the Acquisition may still be completed within 12 months from the end of the review period, 1/3 of the amortised cost were recorded as current debt of the Company and 2/3 as non-current debt of the Company.

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<sup>5</sup> Earnings per share = Profit for the financial period / Weighted average number of series B-shares during the period. Redeemable series A-shares as well as Founder and Sponsor Warrants are not taken into account as dilutive potential ordinary shares in the calculation of earnings per share.

<sup>6</sup> Return on equity = Profit for the financial period / Shareholders equity (average)

At the end of the review period, the Company's cash and bank receivables were EUR 1.2 (1.9) million. If the Company needs additional working capital for the search of the target company and its operations, the Company's Sponsors have undertaken to subscribe for a maximum of 200,000 series A shares of the Company at a subscription price of EUR 10.00 per share.

The Company's cash flow from operating activities totalled EUR -0.4 (-0.2) million. There was no cash flow from investing activities and financing activities during the review period.

At the end of the review period, the Company's equity ratio was 2.5 (2.8) %<sup>7</sup> and shareholders' equity per share was EUR 1.03 (1.14)<sup>8</sup>.

## Shares, Shareholders and Share Price Development

Lifeline SPAC I's share capital was EUR 80,000 in the end of the review period and the number of shares totalled 12,500,000. Lifeline SPAC I has two series of shares. Series A shares (FI4000512496) are listed on the SPAC segment of the regulated market of Nasdaq Helsinki. Series B shares (FI4000512124) are held by the Company's Sponsors, members of the Board of Directors and management and are not publicly traded. In the end of the review period, the number of series A shares totalled 10,000,000 and the number of series B shares 2,500,000.

The average weighted number of series B shares during the review period was 2,500,000.

All of the Company's shares carry equal voting and economic rights, except for the redemption condition of series A shares and the exclusion of the right to dividend and distribution of assets and of the right to distributive share in the dissolution of the Company of series B shares. Series B shares can be converted into series A shares if the conditions set out in the Articles of Association, which are described in the Company's listing prospectus, are met.

In accordance with the Company's Articles of Association, the Company's Sponsors and the Company's founder-CEO Tuomo Vähäpassi have, until the acquisition and two years thenceforth, together the right upon written notice to the company to appoint two members of the Board, in aggregate. The General Meeting appoints the other from three to six ordinary members. The Board of Directors elects a Chair from among its members.

Lifeline SPAC I had a total of 2,995 (3,204) shareholders on 30 June 2023. The twenty largest registered shareholders held a total of 69.0 (69.0) % of all the Company's shares. Nominee-registered shareholders held a total of 4.4 (3.7) % of all the Company's shares.

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<sup>7</sup> Equity ratio = Shareholders' equity / (Balance sheet total – Advance payments received)

<sup>8</sup> Shareholders' equity per share = Equity / Number of series B-shares at the end of the financial period

The Company's 20 largest shareholders at the end of the review period were as follows:

	<b>Shareholder</b>	<b>A-shares</b>	<b>B-shares</b>	<b>Total</b>	<b>% of shares</b>
1	Oy G.W.Sohlberg Ab	1,000,000	0	1,000,000	8.00
2	Anchor Oy Ab	1,000,000	0	1,000,000	8.00
3	Varma Mutual Pension Insurance Company	900,000	0	900,000	7.20
4	Ahlstrom Invest B.V	700,000	0	700,000	5.60
5	Mandatum Life Insurance Company Limited	642,138	0	642,138	5.14
6	TSOEH Oy	35,000	375,000	410,000	3.28
7	Heikintorppa Oy	400,000	0	400,000	3.20
8	Wipunen Varainhallinta Oy	400,000	0	400,000	3.20
9	TA Ventures Oy	0	394,302	394,302	3.15
10	Långdal Ventures Oy	0	394,302	394,302	3.15
11	Decurion Ventures Oy	0	394,302	394,302	3.15
12	Sofki Oy	0	394,302	394,302	3.15
13	Säästöpankki Korke Plus-Sijoitusrahasto	298,017	0	298,017	2.38
14	Illusian Oy	50,000	194,118	244,118	1.95
15	Sijoitusrahasto Säästöpankki Pienyhtiöt	217,779	0	217,779	1.74
16	Kaleva Mutual Insurance Company	210,000	0	210,000	1.68
17	Op-alternative Portfolio -erikoissijoitusrahasto	170,000	0	170,000	1.36
18	Julius Tallberg Corp.	160,574	0	160,574	1.29
19	Livränteanstalten Hereditas	150,000	0	150,000	1.20
20	Procurator-Holding Oy	150,000	0	150,000	1.20
	<b>20 largest shareholders in total</b>	<b>6,483,508</b>	<b>2,146,326</b>	<b>8,629,834</b>	<b>69.04</b>

During the review period, the highest share price of the series A shares of Lifeline SPAC I on Nasdaq Helsinki was EUR 10.50 (13.10), the lowest EUR 9.58 (9.98), and the volume-weighted average price EUR 9.92 (11.08). At the end of the review period, the closing price of the share was EUR 9.80 (10.25), and the total market value of series A shares was EUR 98.0 (102.5) million<sup>9</sup>. A total of 0.5 (1.2) million series A shares were traded on Nasdaq Helsinki during the review period, corresponding to 4.6 (11.7) % of all series A shares.

In addition to series A and B shares, the Company has issued a total of 2,833,333 Sponsor and Founder Warrants, each of which entitles the holder to subscribe for one series A share under certain conditions. The terms of Sponsor and Founder Warrants are described in the Company's listing prospectus. If all

<sup>9</sup> Market value = Number of shares at the end of the financial period x Share price at the end of the financial period

of the issued Sponsor and Founder Warrants were exercised to subscribe new series A shares, the new shares would represent approximately 18.5% of all shares and votes in the Company<sup>10</sup>.

In addition, on 30 September 2021, the Company's Board of Directors decided to issue a maximum of 3,333,333 Investor Warrants for subscription to the holders of the Company's series A shares in connection with the completion of the Acquisition. Investor Warrants will be issued to those shareholders who have not voted against the Acquisition at the General Meeting and have not demanded the redemption of their series A shares after the General Meeting deciding on the Acquisition. Each Investor Warrant entitles the holder to subscribe for one of the Company's series A shares under certain conditions. The terms of the Sponsor, Founder and Investor Warrants are described in the Company's listing prospectus.

## **The General Meeting and the Board of Directors' Authorisations**

Lifeline SPAC I Plc's Annual General Meeting was held on 26 June 2023. The Annual General Meeting adopted the Financial Statements and discharged the members of the Board of Directors and the CEO from liability for the financial period of 1 January–31 December 2022. The Annual General Meeting approved in advisory resolutions the remuneration report of governing bodies.

The General Meeting resolved, in accordance with the proposal of the Board of Directors, that no dividend is distributed for the financial period ended 31 December 2022, and that the loss for the financial period is recorded in retained earnings.

It was resolved that the number of the members of the Board of Directors shall be five. In accordance with the company's Articles of Association, the sponsors have the right to appoint two Board members and the General Meeting appoints the other three Board members. The company has on 30 May 2023 received a written notice from the Sponsors, pursuant to which Timo Ahopelto and Petteri Koponen will act as the sponsor representatives in the company's Board of Directors. The General Meeting resolved to appoint Alain-Gabriel Courtines, Caterina Fake and Irena Goldenberg as members of the Board of Directors.

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

Authorised Public Accounting firm KPMG Oy Ab was elected as the Auditor. Authorised Public Accountant Jussi Paski will act as the Responsible Auditor. The Auditor is paid remuneration in accordance with a reasonable invoice approved by the company.

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<sup>10</sup> Before any potential new shares subscribed with Investor Warrants

The General Meeting resolved, in accordance with the proposal of the Board of Directors, to grant an additional period of 12 months for the approval of the acquisition. The additional period will begin on 16 October 2023 and end on 15 October 2024.

The organisational meeting of the Board of Directors, held after the Annual General Meeting, elected from among the Board members Timo Ahopelto as the Chair and Alain-Gabriel Courtines as the Vice Chair.

By unanimous resolution of the Company's shareholders on 28 September 2021, the Board of Directors has the following authorisation:

- The Board of Directors is authorised to decide on the issuance of new series A shares and/or conveyance of the series A shares held by the Company in one or more instalments against or without payment, and the issuance of special rights entitling to shares and/or share option rights by one or several decisions. The number of shares to be issued pursuant to the authorisation and the amount of shares issued or conveyed by virtue of the authorisation to issue special rights entitling to shares shall not exceed 9,000,000 series A shares. The Board of Directors is entitled to decide on the terms of the share issue or conveyance of the shares held by the Company and/or terms of the special rights entitling to shares or share option rights, including deviation from the shareholders' pre-emptive subscription right. The authorisation is valid until 28 September 2026. Based on this authorisation, the Board of Directors resolved that no more than 3,333,333 Investor Warrants are offered for subscription to the holders of the Company's series A shares in connection with the completion of the Acquisition under certain conditions.

## **The Company's Board of Directors, Management Team and Personnel**

The Board of Directors of Lifeline SPAC I has five members: Timo Ahopelto, Alain-Gabriel Courtines, Caterina Fake, Irena Goldenberg and Petteri Koponen. Timo Ahopelto acts as a Chairman and Alain-Gabriel Courtines as a Vice-Chairman.

The Company's Board of Directors resolved on 30 September 2021 to establish a Sponsor Committee consisting of Sponsors and the Chair of the Sponsor Committee to evaluate acquisition targets and make proposals to the Company's Board of Directors regarding possible acquisition targets. Ilkka Paananen was elected as a Chairman of the Sponsor Committee and Timo Ahopelto, Kai Bäckman, Petteri Koponen and Juha Lindfors as members.

The Annual General Meeting resolved on 26 June 2023 to appoint Audit firm KPMG Oy Ab as the auditor of the Company and Authorised Public Accountant Jussi Paski as Auditor in charge.

The Company's Management Team consists of CEO Tuomo Vähäpassi and CFO Mikko Vesterinen. Timo Ahopelto, the Chairman of the Company's Board of Directors, actively cooperates with the Management Team and the Chairman of the Sponsor Committee Ilkka Paananen.



In addition to the CFO, the Company had no other employees during the review period.

The members of the Company's Board of Directors, the members of the Sponsor Committee as well as the Company's CEO and CFO held, directly and through their controlled entities, the Company's shares and warrant at the end of the review period as follows:

<b>Name</b>	<b>Shareholding in Lifeline SPAC I on 30 June 2023</b>
Timo Ahopelto	394,302 series B shares
Chair of the Board of Directors and member of the Sponsor Committee	446,875 Sponsor Warrants
Alain-Gabriel Courtines	97,058 series B shares
Vice Chair of the Board of Directors	109,999 Sponsor Warrants
Caterina Fake	97,058 series B shares
Member of the Board of Directors	109,999 Sponsor Warrants
Irena Goldenberg	97,058 series B shares
Member of the Board of Directors	109,999 Sponsor Warrants
Petteri Koponen	394,302 series B shares
Member of the Board of Directors and the Sponsor Committee	446,875 Sponsor Warrants
Ilkka Paananen	50,000 series A shares
Chair of the Sponsor Committee	194,118 series B shares 220,003 Sponsor Warrants
Kai Bäckman	394,302 series B shares
Member of the Sponsor Committee	446,875 Sponsor Warrants
Juha Lindfors	394,302 series B shares
Member of the Sponsor Committee	446,875 Sponsor Warrants
Tuomo Vähäpassi	35,000 series A shares
CEO	375,000 series B shares 425,000 Founder Warrants
Mikko Vesterinen	404 series A shares
CFO	62,500 series B shares 70,833 Founder Warrants
<b>Total</b>	<b>85,404 series A shares</b> <b>2,500,000 series B shares</b> <b>495,833 Founder Warrants</b> <b>2,337,500 Sponsor Warrants</b>

## Key Business Risks and Uncertainties

*On 24 February 2022 Russia started a widespread invasion into Ukraine. As a consequence, the US, the EU and the UK amongst others have imposed sanctions targeting Russia's ability to access capital and financial markets, sanctioning numerous individuals and banks, as well as trading in general. These sanctions, possible counter sanctions and generally heightened uncertainties may create increased turbulence in the capital markets and impact Lifeline SPAC I's operations.*

The risks and uncertainties related to Lifeline SPAC I's business are described in the listing prospectus. The key risks and uncertainties are as follows:

- The Company has not previously had, nor will it prior to the Acquisition have, any operational activities with the exception of preparation of the Acquisition and negotiations, and it has not generated any revenue, and therefore it may be difficult for investors to assess the Company's ability to attain its business targets and generate revenue in the future.
- The Company may not be able to complete the Acquisition within 36 months, which may result in the discontinuation of trading in the Company's series A shares and the Company has to be placed into liquidation, in which case there is a significant risk that the investor will not recover all the invested capital.
- The Company's success and its ability to complete a successful Acquisition is contingent upon the Company's key personnel, the Board of Directors and the Company's service providers.
- The Company faces risks related to the Acquisition and actions aimed at completing the Acquisition may cause considerable costs, without the Acquisition being executed.
- The Company may encounter considerable competition in the M&A market, which may hamper the Company's chances of identifying acquisition objects and completing the Acquisition.
- The SPAC model has not established itself in Finland, the terms for SPACs or the securities used in them have not yet been standardised and any negative publicity concerning SPACs could have a negative impact on the Company and the entire SPAC market in Finland.
- If the Acquisition is completed on unfavourable terms or the business of the target company develops unfavourably, the shareholders may lose all or part of their investment.
- Risks related to the target company cannot currently be evaluated, because the Company has not yet identified a potential Acquisition target.
- The materialisation of the tax risks related to the Company may have an adverse effect on its taxation and financial standing.

## **Future Outlook**

Lifeline SPAC I is in the search phase, in which it identifies and analyses possible target companies with the aim to complete the Acquisition of a high growth potential Nordic technology company within 36 months of the IPO. Taken the nature of the Company's activities as a SPAC in a search phase, the Company does not issue any specific guidance or other future outlook.

## **Events After the Review Period**

On 27 July 2023, the Governing Council of the European Central Bank decided to raise the three key ECB rates by 25 basis points. Accordingly, the interest rate on the ECB's deposit facility was increased to 3.75% with effect from 2 August 2023. The ECB's decision to raise interest rates has a positive impact on the Company's interest income.

## Tables

### Income Statement

EUR	1.1.-30.6.2023	1.1-30.6.2022	1.1.-31.12.2022
<b>Revenue</b>	-	-	-
<b>Employee benefits expenses</b>	<b>-195,383.03</b>	<b>-197,235.11</b>	<b>-373,943.62</b>
Wages and salaries	-168,632.81	-171,548.94	-316,423.54
Social security expenses	-26,750.22	-25,686.17	-57,520.08
Other operating expenses	-542,185.88	-149,322.28	-288,839.23
<b>Operating profit (-loss)</b>	<b>-737,568.91</b>	<b>-346,557.39</b>	<b>-662,782.85</b>
<b>Financial income and expenses</b>	<b>932,133.22</b>	<b>-735,307.42</b>	<b>-888,849.39</b>
Interest income and other financial income	1,416,222.83	-	372,932.87
Interest expense and other financial expenses	-484,089.61	-735,307.42	-1,261,782.26
<b>Profit (-loss) before tax</b>	<b>194,564.31</b>	<b>-1,081,732.98</b>	<b>-1,551,632.24</b>
<b>Profit (-loss) for the financial period</b>	<b>194,564.31</b>	<b>-1,081,732.98</b>	<b>-1,551,632.24</b>
<b>Profit for the period attributable to the shareholders of the company</b>	<b>194,564.31</b>	<b>-1,081,732.98</b>	<b>-1,551,632.24</b>
<b>Earnings per share</b>			
Basic earnings per share *	0.08	-0.43	-0.62
Diluted earnings per share *	0.08	-0.43	-0.62

The Company has not had any items in the comprehensive Profit and Loss

\* Earnings per share = Profit for the financial period / Weighted average number of series B-shares during the period. Redeemable series A-shares as well as Founder and Sponsor Warrants are not taken into account as dilutive potential ordinary shares in the calculation of earnings per share.

## Balance Sheet

EUR	30.6.2023	30.6.2022	31.12.2022
<b>Assets</b>			
<b>Non-current assets</b>			
Other receivables	101,476,236.29	99,769,772.58	-
<b>Total non-current assets</b>	<b>101,476,236.29</b>	<b>99,769,772.58</b>	<b>-</b>
<b>Current assets</b>			
Prepayments and other receivables	21,987.57	-	100,079,725.08
Accrued income	51,303.62	66,495.78	35,313.52
Cash and cash equivalents	1,163,703.10	1,883,277.62	1,581,094.96
<b>Total current assets</b>	<b>1,236,994.29</b>	<b>1,949,773.40</b>	<b>101,696,133.56</b>
<b>Total assets</b>	<b>102,713,230.58</b>	<b>101,719,545.98</b>	<b>101,696,133.56</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Issued capital	80,000.00	80,000.00	80,000.00
Reserve for invested unrestricted equity	4,284,635.82	4,284,635.82	4,284,635.82
Retained earnings / accumulated deficit	-1,791,704.81	-1,516,369.86	-1,986,269.12
<b>Total equity</b>	<b>2,572,931.01</b>	<b>2,848,265.96</b>	<b>2,378,366.70</b>
<b>Non-current liabilities</b>			
Other financial liabilities (redeemable shares)	66,476,931.75	65,829,335.67	-
<b>Total non-current liabilities</b>	<b>66,476,931.75</b>	<b>65,829,335.67</b>	<b>-</b>
<b>Current liabilities</b>			
Other financial liabilities (redeemable shares)	33,238,465.87	32,912,271.03	99,231,308.00
Accounts payable and other liabilities	424,901.95	129,673.32	86,458.86
<b>Total current liabilities</b>	<b>33,663,367.82</b>	<b>33,041,944.35</b>	<b>99,317,766.86</b>
<b>Total liabilities</b>	<b>100,140,299.57</b>	<b>98,871,280.02</b>	<b>99,317,766.86</b>
<b>Total equity and liabilities</b>	<b>102,713,230.58</b>	<b>101,719,545.98</b>	<b>101,696,133.56</b>

## Statement of Changes in Equity

EUR	Share capital	Reserve for invested unrestricted equity	Retained earnings	Total equity
<b>1.1.2022</b>	80,000.00	4,284,635.82	-434,636.88	3,929,998.94
Profit for the period	0.00	0.00	-1,551,632.24	-1,551,632.24
<b>31.12.2022</b>	<b>80,000.00</b>	<b>4,284,635.82</b>	<b>-1,986,269.12</b>	<b>2,378,366.70</b>

EUR	Share capital	Reserve for invested unrestricted equity	Retained earnings	Total equity
<b>1.1.2022</b>	80,000.00	4,284,635.82	-434,636.88	3,929,998.94
Profit for the period	0.00	0.00	-1,081,732.98	-1,081,732.98
<b>30.6.2022</b>	<b>80,000.00</b>	<b>4,284,635.82</b>	<b>-1,516,369.86</b>	<b>2,848,265.96</b>

EUR	Share capital	Reserve for invested unrestricted equity	Retained earnings	Total equity
<b>1.1.2023</b>	80,000.00	4,284,635.82	-1,986,269.12	2,378,366.70
Profit for the period	0.00	0.00	194,564.31	194,564.31
<b>30.6.2023</b>	<b>80,000.00</b>	<b>4,284,635.82</b>	<b>-1,791,704.81</b>	<b>2,572,931.01</b>

## Statement of Cash Flows

EUR	1.1.-30.6.2023	1.1.-30.6.2022	1.1.-31.12.2022
<b>Cash flow from operating activities</b>			
Profit / loss for the financial period	194,564.31	-1,081,732.98	-1,551,632.24
Other adjustments*	484,089.61	479,362.14	969,063.45
Interest paid**	-	245,567.84	287,143.83
Interest received**	-1,396,607.19	-	-366,772.93
Change in working capital	300,561.41	206,128.10	209,340.33
<b>Total cash flow from operating activities</b>	<b>-417,391.86</b>	<b>-150,674.90</b>	<b>-452,857.56</b>
<b>Cash flow from investment activities</b>			
Cash flow from investment activities	-	-	-
<b>Total cash flow from investment activities</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Cash flow from financing activities</b>			
Cash flow from financing activities	-	-	-
<b>Total cash flow from financing activities</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Change in cash and cash equivalents</b>	<b>-417,391.86</b>	<b>-150,674.90</b>	<b>-425,857.56</b>
Cash and cash equivalents at the beginning of the period	1,581,094.96	2,033,952.52	2,033,952.52
Cash and cash equivalents at the end of the period	1,163,703.10	1,883,277.62	1,581,094.96
<b>Change</b>	<b>-417,391.86</b>	<b>-150,674.90</b>	<b>-452,857.56</b>

\* Other adjustment consists of amortised financial expenses.

\*\* Interest paid consists of the negative interest paid for the funds deposited on the Company's escrow account. Interest received consists of the interest earned on the funds deposited on the Company's escrow account.

## Corporate Information

### General information

Lifeline SPAC I Plc (hereinafter "Lifeline SPAC I" or the "Company") (Business ID: 3229349-3), is a Finnish limited liability company acting under Finnish law and planning corporate acquisition as SPAC-Company ("Special Purpose Acquisition Company").

The Company was incorporated 13.8.2021 and was registered 18.8.2021 in Helsinki, Finland. The Company is subject to Finnish laws. The Company's registered office is at Helsinki. The Company's founders are TSOEH Oy (Tuomo Vähäpassi's related party company) and Mikko Vesterinen. Company's so-called sponsors are Timo Ahopelto, Kai Bäckman, Petteri Koponen ja Juha Lindfors (together the "Sponsors"). At the end of review period Timo Ahopelto, Petteri Koponen and Juha Lindfors were shareholders of Lifeline Ventures<sup>11</sup>. All Sponsors act in their role personally or through their controlled entities. Lifeline Ventures is not participating in the Company's operations.

The Company's first financial year is 13.8.2021-31.12.2021 and its registered financial year is calendar year.

The Company has not had any other business operations than administration related to establishing SPAC entity and identifying acquisition target.

### Operations and objectives

The Company's target is to complete an acquisition ("Acquisition") as defined in the applicable stock exchange rules within 36 months of the listing. The Company's investment strategy includes identifying and making Acquisitions that generate significant long-term financial added value for shareholders. The Company's strategy is primarily to identify and acquire an unlisted technology-focused company with high growth potential, which is primarily located in Finland or other Nordic countries. The focus of the Company's strategy is to complete the Acquisition entirely or almost entirely with share consideration, in which case the funds raised by the Company through the IPO will be used to finance the growth of the target company.

The Company's business is not expected to generate revenue prior to the Acquisition.

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<sup>11</sup> "Lifeline Ventures" means Lifeline Ventures Fund Management Oy, LLV Fund Management Oy and Lifeline Ventures - investment fund companies.



## **Basis of Preparation**

The Company's Half-Year Report has been prepared in compliance with the IAS 34 standard. The Half-Year Report has been prepared in accordance with the same preparation principles as in the Company's first IFRS financial statements for the financial year ending on 31 December 2022.

The figures in the Half-Year Report are presented in euros.

## **Classification of Series A Shares**

Series A shares are IAS 32 Financial instruments and, due to the redemption condition connected to them, the subscription prices of the shares are recorded as the Company's liability until the completion of the Acquisition. Considering that the Annual General Meeting held on 26 June 2023 resolved, in accordance with the proposal of the Board of Directors, to grant an additional period of 12 months, until 15 October 2024, for the approval of the Acquisition, but the Acquisition may still be completed within 12 months from the end of the review period, 1/3 of the subscription prices were recorded as current debt of the Company and 2/3 as non-current debt of the Company.

## **Receivables**

The proceeds from the IPO have been deposited to an escrow account managed by a bank independent from the Company. The funds will remain in the escrow account until the Acquisition has been completed. The funds deposited to the escrow account were a total of EUR 101.5 million. The Company earned interest on the funds deposited to the escrow account as follows: 2.00% from 1 January until 7 February, 2.50% from 8 February until 21 March, 3.00% from 22 March until 9 May, 3.25% from 10 May until 20 June, and 3.50% from 21 June until 30 June 2023.

Such funds that are not available for the Company's use are presented in other receivables and are not classified as cash or cash equivalents. The completion of the Acquisition within the next 12 months is uncertain and therefore the funds deposited on the escrow account have been classified as non-current receivables.

The Company may not be able to complete the Acquisition within 36 months, which may result in the discontinuation of trading in the Company's series A shares and the Company has to be placed into Financial Statements 31 liquidation, in which case there is a significant risk that the investor will not recover all the invested capital.

## **Events After the Review Period**

On 27 July 2023, the Governing Council of the European Central Bank decided to raise the three key ECB rates by 25 basis points. Accordingly, the interest rate on the ECB's deposit facility was increased to 3.75% with effect from 2 August 2023. The ECB's decision to raise interest rates has a positive impact on the Company's interest income.