



Lifeline SPAC I and Canatu complete the combination; trading in the combined company's shares on Nasdaq First North Growth Market Finland commences on 17 September 2024

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Lifeline SPAC I Plc ("**Lifeline SPAC I**") announced on 5 July 2024 that Lifeline SPAC I and Canatu Oy's ("**Canatu**") shareholders and option holders (the "**Sellers**") had signed a share exchange agreement whereby Lifeline SPAC I acquired all shares, option rights, and other rights exchangeable to shares in Canatu by way of a directed share issue consisting of Lifeline SPAC I's new shares (the "**Combination**") to form a combined company. Since the conditions precedent of the Combination, including the conditions set out for business combination in the Nordic Main Market Rulebook, have been met, Lifeline SPAC I and the Sellers have today resolved to complete the Combination and signed a closing memorandum, thereby consummating the share exchange agreement concluded on 5 July 2024.

The combined company will be called Canatu Plc (Canatu Oyj in Finnish) (the "**Combined Company**"). Trading in the Combined Company's existing series A shares will commence on the Nasdaq First North Growth Market Finland marketplace (the "**First North marketplace**") operated by Nasdaq Helsinki Ltd ("**Nasdaq Helsinki**") under the trading code "**CANATU**" (ISIN code: FI4000512496) on 17 September 2024.

Authorised by the Extraordinary General Meeting held on 23 August 2024, the Board of Directors of Lifeline SPAC I has resolved on the issuance of shares and option rights related to the Combination. In addition, other resolutions related to and conditional on the Combination will enter into force.

Share consideration

The fixed purchase price payable by Lifeline SPAC I to the Sellers for the shares and option rights in Canatu will be paid in its entirety by 21,791,821 Lifeline SPAC I's new series C shares (ISIN code: FI4000578067) in a directed share issue (the "**Consideration Shares**") and 1,676,752 new, fully vested option rights entitling to series A shares of Lifeline SPAC I (the "**Consideration Options**"). The new articles of association of the Combined Company include a conversion clause under which all outstanding series C shares will be automatically converted into series A shares after 60 days at a 1:1 conversion ratio. The timing of conversion of the Consideration Shares is 15 November 2024 at the end of the day. Consideration Options may not be exercised to subscribe for series A shares before the investor warrants' record date of 23 September 2024. The Consideration Shares and Consideration Options therefore do not entitle their holders to investor warrants.

After the conversion of the Consideration Shares, the Combined Company will have two series of shares, divided into 31,886,816 series A shares and 2,500,000 series B shares. The Combined Company's share capital is EUR 80,000.

The Consideration Shares were registered in the Trade Register today on 16 September 2024. Trading in Consideration Shares converted into series A shares will commence on the First North marketplace on or about 18 November 2024.

Additional purchase price

Lifeline SPAC I and the Sellers have agreed on an additional purchase price in connection with the Combination. If the Combined Company's volume-weighted average share price exceeds EUR 14.00 for any ten trading days (which for the sake of clarity need not be consecutive) in any period of 30 trading days before 31 December 2027, 1,857,093 new series A shares in the Combined Company will be offered to the Sellers for subscription without payment ("**Earn-Out Payment I**"). 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, 1,857,093 new series A shares in the Combined Company will be offered to the Sellers for subscription without payment in addition to Earn-Out Payment I ("**Earn-Out Payment II**"). If the Combined Company's volume-weighted average share price exceeds EUR 22.00 for any ten trading days (which for the sake of clarity need not be consecutive) in any period of 30 trading days before 31 December 2028, 2,785,645 new series A shares in the Combined Company 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 offered for subscription 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 the Combined Company.

Option Plan 2024-II

In connection with the Combination, Lifeline SPAC I will establish a new option program (“**Option Plan 2024-II**”), from which holders of option rights in Canatu will receive a total of 500,074 new option rights entitling to new series A shares in the Combined Company. 142,874 option rights will vest if the Combined Company’s volume-weighted average share price exceeds EUR 14.00 for any ten trading days (which for the sake of clarity need not be consecutive) in any period of 30 trading days before 31 December 2027. 142,874 option rights will vest if the Combined Company’s volume-weighted average share price exceeds EUR 18.00 for any ten trading days (which for the sake of clarity need not be consecutive) in any period of 30 trading days before 31 December 2028. 214,326 option rights will vest if the Combined Company’s volume-weighted average share price exceeds EUR 22.00 for any ten trading days (which for the sake of clarity need not be consecutive) in any period of 30 trading days before 31 December 2028. Every vested option right in Option Plan 2024-II entitles its holder to subscribe for one new series A share in the Combined Company. Together the additional purchase price of 6,499,831 Series A shares in the Combined Company and 500,074 option rights in Option Plan 2024-II represent a total maximum of 6,999,905 new Series A shares in the Combined Company. However, no series A shares may be subscribed for under Option Plan 2024-II before 12 months have passed from the completion of the Combination.

Amendments of the Articles of Association

Lifeline SPAC I’s Extraordinary General Meeting held on 23 August 2024 resolved to change the Articles of Association so that the amended Articles of Association enter into force immediately upon the completion of the Combination. The most significant amendments include changes to the company name and line of business; removal of redemption of series A shares; introduction of the additional share series C including a conversion clause from series C to series A shares; removal of liquidation clause; and removal of any references relating to the business acquisition.

As a result of the completion of the Combination, the amendments of the Articles of Association will be immediately entered in the Trade Register.

Composition of the Board of Directors

According to the Articles of Association, Lifeline SPAC I’s sponsors Timo Ahopelto, Kai Bäckman, Petteri Koponen and Juha Lindfors as well as Lifeline SPAC I’s CEO Tuomo Vähäpassi have the right to appoint two sponsor representatives to the Combined Company’s Board of Directors until 24 months have passed since the completion of the Combination. The sponsors and Tuomo Vähäpassi have appointed Timo Ahopelto and Tuomo Vähäpassi as the sponsor representatives in the Combined Company’s Board of Directors.

Pursuant to the Articles of Association, the General Meeting appoints the other members of the Board of Directors. The Extraordinary General Meeting of Lifeline SPAC I held on 23 August 2024 resolved to appoint Ari Ahola, Anthony Cannestra, Thomas P. Lantzsch, Scott Sears and Kai Seikku as new members of the Board of Directors. It was resolved that the members of the Board of Directors are paid an annual remuneration as follows: for the chair of the Board EUR 80,000, the vice chair of the Board EUR 48,000 and for each ordinary member of the Board EUR 44,000. The resolutions were conditional on the completion of the Combination.

As a result of the completion of the Combination, Timo Ahopelto, Ari Ahola, Anthony Cannestra, Thomas P. Lantzsch, Scott Sears, Kai Seikku and Tuomo Vähäpassi are the members of the Board of Directors of the Combined Company. As previously communicated, the Combined Company’ Board of Directors has today elected Timo Ahopelto as Chair of the Board of Directors and Ari Ahola as Vice Chair of the Board of Directors.

The Combined Company’s Managing Director and Management Team

As previously communicated, the Combined Company’s Board of Directors has approved the appointment of Juha Kokkonen as Managing Director of the Combined Company. The new Management Team has taken up its position. As described in the company description dated 2 August 2024, in addition to the Managing Director, the Company’s Management Team includes

- Timo Suominen, CFO
- Jussi Rahomäki, CPO, Conductive Films (mainly automotive industry)
- Heikki Heinaro, CPO, Free-Standing Films (mainly semiconductor industry)
- Ilkka Varjos, CTO
- Samuli Kohonen, CSO
- Mari Makkonen, VP, Marketing & Communications
- Taneli Juntunen, VP, Engineering

- Antti Valkola, VP, Manufacturing
- Markku Lamberg, VP, Supply Chain Management
- Risto Laine, VP, Manufacturing Equipment
- Ann-Sofi Reims, VP, HR

The Company Description and its English-language translation are available on Lifeline SPAC I's website at the addresses <https://www.lifeline-spac1.com/fi/lifeline-spac-in-ja-canatun-yhdistyminen/> and <https://www.lifeline-spac1.com/combination-of-lifeline-spac-i-and-canatu/>. In addition, the Finnish Company Description is available as a printed copy during normal office hours at the registered head offices of Lifeline SPAC I at Pursimiehenkatu 26 C, FI-00150 Helsinki, Finland.

Advisors

Carnegie Investment Bank AB, Finland Branch ("**Carnegie**") and Danske Bank A/S, Finland Branch ("**Danske**") acted as Lifeline SPAC I's joint financial advisors and Borenius Attorneys Ltd as its legal advisor. Krogerus Attorneys Ltd acted as legal advisor of Lifeline SPAC I's joint financial advisors. Avance Attorneys Ltd acted as Canatu's legal advisor in connection with the Combination. IR Partners Oy acts as the Combined Company's communications advisor. Carnegie Investment Bank AB (publ) acts as the Combined Company's certified advisor.

Further enquiries and interview requests

Chair of the Board of Directors Timo Ahopelto, tel. +358 40 056 9628

Lifeline SPAC I's CEO Tuomo Vähäpassi, tel. +358 40 736 0676

Canatu's CEO Juha Kokkonen, tel. +358 405 430 367

About Canatu

Canatu develops advanced CNT-based materials and CNT reactors for products that transform industries. Canatu's development work for carbon nanotube technology, Canatu CNT, has created an advanced Dry DepositionTM process that aims to ensure the required versatility and reliability of CNT material for advanced engineered solutions. Canatu partners with forerunner companies to transform the product offering with nano carbon. Canatu's focus is on the semiconductor industry, the automotive industry and medical diagnostics, with its portfolio covering, among others, CNT membranes used in EUV lithography and film heaters for ADAS.

About Lifeline SPAC I Plc

Lifeline SPAC I Plc is a Finnish Special Purpose Acquisition Company founded for corporate acquisitions. We raised capital with an offering and listed on the SPAC segment of the regulated market of Nasdaq Helsinki. Our objective is to carry out an acquisition within 36 months from the listing. 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. Our primary strategic goal is to identify and merge with an unlisted technology-focused Nordic company with high growth potential.

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This release is for information purposes only and does not constitute an offer of or an invitation by or on behalf of, Lifeline SPAC I or Canatu, or any other person, to purchase any securities.

This release does not constitute a notice to the EGM or a company description. Any decision with respect to the Combination should be made solely on the basis of information to be contained in the actual notice to the EGM and the Company Description related to the Combination and listing on First North marketplace as well as on an independent analysis of the information contained therein. You should consult the Company Description for more complete information about Lifeline SPAC I, Canatu, their respective securities and the Combination. Any review by Nasdaq Helsinki of the Company Description shall not be considered as an endorsement of the securities that are the subject of the Company Description. No part of this release, nor the fact of its distribution, should form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever. The information contained in this release has not been independently verified, does not purport to be full or complete and may be subject to change. No representation, warranty or undertaking, expressed or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or the opinions contained herein. Neither Lifeline SPAC I or Canatu, nor any of their respective affiliates, advisors or representatives or any other person, shall have any liability whatsoever (in negligence or otherwise) for any loss however arising from any use of this release or its contents or otherwise arising in connection with this release. Each person must rely on their own examination and analysis of Lifeline SPAC I, Canatu, their respective securities and the Combination, including the merits and risks involved. The Combination may have tax consequences for Canatu's shareholders, who should seek their own tax advice.

Lifeline SPAC I has not authorised any offer to the public of securities in the United Kingdom or any Member State of the European Economic Area, with the exception of Finland. With respect to the United Kingdom or each Member State of the European Economic Area other than Finland which applies the Prospectus Regulation (each a "**Relevant Member State**"), no action has been undertaken or will be undertaken to make an offer to the public of securities requiring publication of a prospectus in any Relevant Member State. As a result, the securities may only be offered in Relevant Member States (a) to any legal entity that fulfils the requirements of a qualified investor as defined in the Prospectus Regulation; or (b) in any other circumstances falling within Article 1(4) of the Prospectus Regulation. For the purposes of this paragraph, the expression an "offer of securities to the public" means a communication to persons in any form and by any means, presenting sufficient information on the terms of the offer and the securities to be offered, so as to enable an investor to decide to purchase or subscribe for those securities. The expression "**Prospectus Regulation**" means Regulation (EU) 2017/1129 of the European Parliament and of the Council, as amended (in the case of the United Kingdom, as it forms part of domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018).

This communication is directed only at (i) persons who are outside the United Kingdom or (ii) persons who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**") and (iii) high net worth entities, and other persons to whom it may lawfully be communicated, falling within Article 49(2) of the Order (all such persons together being referred to as "**Relevant Persons**"). Any investment activity to which this communication relates will only be available to, and will only be engaged with, Relevant Persons. Any person who is not a Relevant Person should not act or rely on this document or any of its contents.

The Company Description and its English-language translation have been published on Lifeline SPAC I's website at the addresses <https://www.lifeline-spac1.com/fi/lifeline-spac-in-ja-canatun-yhdistyminen/> and <https://www.lifeline-spac1.com/combination-of-lifeline-spac-i-and-canatu/>.

This release includes "forward-looking statements" that are based on present plans, estimates, projections and expectations and are not guarantees of future performance. They are based on certain expectations and assumptions, which, even though they seem to be reasonable at present, may turn out to be incorrect. Shareholders should not rely on these forward-looking statements. Numerous factors may cause the actual results of operations or financial condition of the Combined Company to differ materially from those expressed or implied in the forward-looking statements. Neither Lifeline SPAC I nor Canatu, nor any of their respective affiliates, advisors or representatives or any other person undertakes any obligation to review or confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise after the date of this release. Further, there can be no certainty that the Combination will be completed in the manner and timeframe described in this release, or at all.

Carnegie and Danske are acting as financial advisors to Lifeline SPAC I on certain matters outside of the United States and no one else in connection with the matters referred to herein, and will not be responsible to anyone other than Lifeline SPAC I for providing the protections afforded to clients of Carnegie and Danske, or for giving advice in connection with the Combination or any matter or arrangement referred to in this release.

Attachments

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