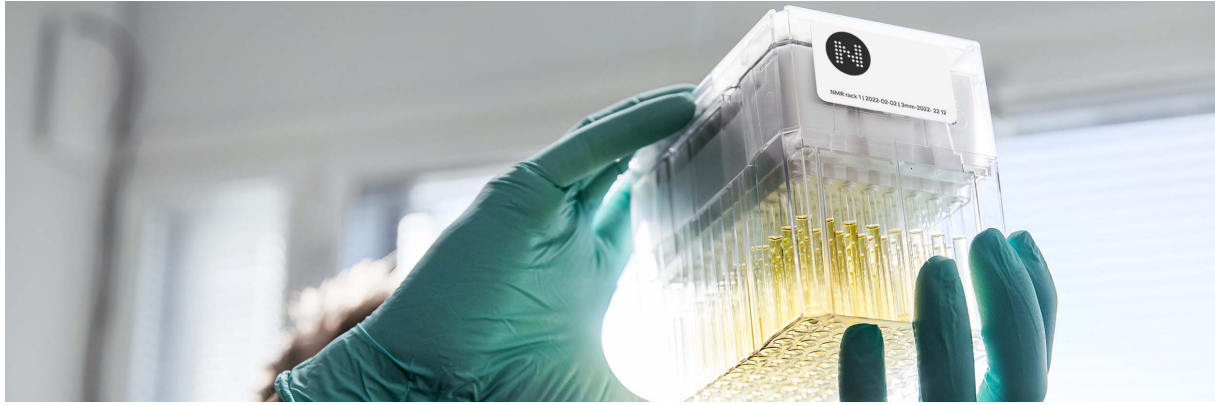


# Nightingale

Half-year report  
1 July 2021–31 December 2021



## **Nightingale Health Group's Half-year report 1 July 2021–31 December 2021 (unaudited)**

Company release, 24 February 2022 at 9:00 a.m. (EET)

### **PROGRESSING FASTER THAN EXPECTED IN LINE WITH STRATEGY**

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

#### **July–December 2021 key financials**

- Revenue was EUR 1.32 (1.01) million
- EBITDA was EUR -3.25 (-2.15) million
- Operating profit (loss) was EUR -4.78 (-2.34) million
- Net income (loss) for the period was EUR -5.06 (-3.01) million
- Unadjusted earnings per share (EPS) was EUR -0.09 (-0.09)
- Cash and cash equivalents at the end of the period were EUR 105.41 (6.09) million



## Significant events during the half-year period

- Nightingale acquired German digital health company Yolife GmbH (“Yolife”). In the acquisition Nightingale’s blood analysis platform was complemented by Yolife’s digital solutions.
- Nightingale received CE marking for its at-home blood collection kit that it uses in its at-home solution.
- Nightingale and Terveystalo launched a new wellbeing membership that combines Nightingale’s blood test results and wellbeing programs developed by Terveystalo.
- Nightingale launched Nightingale Home and Nightingale Pro service models. In Nightingale Home service model, the consumer takes a finger-prick sample themselves with an easy-to-use device. In Nightingale Pro service model, the blood sample is drawn by a healthcare professional at a laboratory. Nightingale Pro is applied in the wellbeing membership launched by Nightingale and Terveystalo.
- Nightingale and major Finnish pharmacy chain Yliopiston Apteekki entered into a nationwide distribution agreement of Nightingale’s at-home testing solution. A service based on the Nightingale Home service model came available to Yliopiston Apteekki’s online store in December 2021.
- Nightingale announced that it will add two new health areas (mind health and immunity) in its mobile application. The health areas will become available during first quarter of 2022.
- Nightingale progressed in the collaboration with Estonian Biobank, with samples analysed from over 50,000 biobank participants – expected to be accelerated during H2/2021-2022.
- Fimea inspected Nightingale’s regulatory compliance with the requirements for manufacturer of medical device.
- Nightingale appointed Jeffrey Barrett as Chief Scientific Officer and Tuukka Paavola as Chief Financial Officer.

### In Japan

- Nightingale and BioBank Japan announced a collaboration to realise personalised and preventive health in Japan.
- Nightingale’s corporate health service was piloted at Mitsui & Co, Ltd. (“Mitsui”) headquarters in Tokyo.
- Nightingale’s preventive health service was launched at Shin-Oyama City Hospital in Japan.
- Nightingale expanded its Japan laboratory by doubling the analysis capacity.

## Key figures

EUR thousand	Group		
	7-12/2021	7-12/2020	7/2020-6/2021
Revenue	1,322	1,013	2,081
EBITDA	-3,254	-2,151	-4,752
Operating profit (loss)	-4,780	-2,339	-5,222
Net income (loss) for the half-year period	-5,063	-3,005	-11,192
Equity ratio, %	94 %	52 %	94 %
Net debt to equity ratio, %	-84 %	4 %	-87 %
Balance sheet total	129,203	32,144	134,191
Number of employees on average	62	88	76
Personnel expenses	1,139	986	2,649
Investments in tangible and intangible assets	3,818	1,392	3,134
Cash and cash equivalents at the end of the half-year period	105,413	6,090	113,807
Earnings per share (EPS), undiluted and diluted*, EUR	-0.09	-0.09	-0.27**

\*) The company's potential dilutive instruments consist of EMP shares and stock options. As the company's business has been unprofitable, EMP shares and 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.

\*\*\*) IPO-related costs have been taken into account in the profit (loss) used in the earnings per share calculation.

## CEO's review

Disease prevention is one of the most important healthcare objectives globally. The costs of treating lifestyle diseases are immense, and the COVID-19 pandemic that has tested our healthcare systems has ultimately shown that the ability of the systems to function is jeopardized if the number of sick patients increases significantly.

In the primary healthcare of the future, it is vital to focus on disease prevention, as it is the only way to bring down the costs of lifestyle diseases and release resources for high-quality treatment of sick patients. Well-functioning disease prevention and treatment of diseases together are the key to a healthier world.

Nightingale's mission is to bring disease prevention and a healthier life within everyone's reach. During the first half of the financial year 2021–2022, we took significant steps forward to implement our mission and commercialize our blood analysis technology.



### **Nightingale Home service model becomes available through major Finnish pharmacy chain**

During the review period, we launched the Nightingale Home and Nightingale Pro service models, with which we can offer preventive health services to a broad customer base in accordance with our mission and strategy.

In the Nightingale Home service model, the consumers draw the blood sample from their fingertip themselves with an easy-to-use device. The goal of the service is to provide everyone access to personalized information about their body's current state and a better understanding of their own wellbeing. The Nightingale Home service model has been developed in our at-home test pilot announced in February 2021, which quickly reached the key product development objectives set for it.

Launching a commercial service based on the at-home test was one of the goals set for the current financial year. The commercial phase of the Nightingale Home service model was initiated faster than expected at the end of the first half of the financial period, when we entered into a commercial partnership with major Finnish pharmacy chain Yliopiston Apteekki. A service based on the Nightingale Home service model became available in the Yliopiston Apteekki online store in December 2021. In addition to the online store, the service will be introduced in the pharmacies of Yliopiston Apteekki across the country during the first half of 2022.

### **Nightingale Pro service model to wide-scale use by Finland's largest health service provider**

In the Nightingale Pro service model, the blood sample is drawn as a venous sample in the laboratory of the health service provider partnering with Nightingale. In addition to health indicators describing different areas of health, the service includes comprehensive information on individual blood values. With this information, healthcare professionals can support individuals in their lifestyle choices and guide them towards better health.

The Nightingale Pro service model is applied in the Terveystalo + Nightingale wellbeing membership launched jointly with Terveystalo, combining the results of Nightingale's blood analysis with

the wellbeing programs created by Terveystalo. The service is a concrete achievement that takes us closer to our goal. It proves that our technology is suited for the wide-scale use of a health service provider significant in size on a European level.

### **First commercial steps taken in Japan**

The development in Japan has also been positive during the review period. The cooperation with Welltus Inc, a wholly-owned subsidiary of Mitsui, has progressed towards commercial partnerships as the Shin-Oyama City hospital began selling the preventive health service offered by Nightingale and Welltus in December 2021. Launching the service as part of the Shin-Oyama City hospital's offering is a significant achievement for Nightingale. Nightingale and Welltus aim to expand the availability of the preventive health service to other hospitals and clinics in Japan during the first half of 2022.

Japan is a significant market for wellbeing services that companies can offer their employees. The pilot we carried out in December 2021 with international conglomerate Mitsui is the first step in expanding our offering in Japan to companies that seek preventive solutions to support the wellbeing of employees.

During the review period, we also announced our partnership with BioBank Japan (BBJ), one of the biggest hospital biobanks in the world. Our cooperation with BBJ has already produced strong proof for using Nightingale's technology in Japan, and the work done so far proves that the algorithms developed by Nightingale for identifying disease risks work well in the Japanese population.

### **Yolife acquisition accelerates development of mobile app**

During the review period, we have also invested significantly in a new version of the Nightingale mobile app, which will include new health areas with information on immunity and mind health. The Yolife acquisition carried out in July, the strategic partnership with Reaktor announced earlier, and the highly skilled Nightingale team have enabled the development of the new version of the internationally competitive mobile app in the planned schedule. We expect to publish the new version of the mobile app during the first quarter of 2022.

Teemu Suna  
CEO and Founder, Nightingale Health Plc



## Market outlook

The disease risks recognised by Nightingale are mainly related to lifestyle diseases such as heart diseases and type 2 diabetes. Lifestyle diseases are the most common cause of death in the world, and their treatment constitutes over 80 per cent of total healthcare costs in many countries. Prevention of lifestyle diseases could be carried out much more extensively than currently, but the healthcare system is forced to focus primarily on the treatment of diseases due to the increasing number of sick people.

It is possible to prevent lifestyle diseases by motivating and guiding people towards better lifestyles. The information offered by Nightingale enables detecting personal health risks at an early stage, making it possible to prevent diseases by changing one's lifestyle. A better lifestyle creates an opportunity for a healthier life at the level of the individual, which, as a result, helps to mitigate the massive healthcare costs stemming from lifestyle diseases and to decrease the stress on healthcare systems.

Preventive care helps to detect and prevent diseases and medical issues before they develop into serious problems. Preventive healthcare is the number one priority in an increasing number of countries globally. The growing prevalence of chronic diseases and the growing demand for preventive measures are expected to lead to growth in the market for healthcare technologies and services preventing diseases.

In recent years, consumers have adopted solutions that connect basic healthcare functions to their everyday lives. In addition, guidelines set during the COVID-19 pandemic, which recommended avoiding close contacts, have accelerated the adoption of digital and virtual health applications. Using different technologies to monitor changes in health is a growing trend among consumers.

Nightingale believes that it will benefit from the prevailing global megatrend of consumers wanting to manage and improve their personal health. The COVID-19 pandemic has made at-home testing familiar to consumers and Nightingale expects this familiarity to lead to an increase in the market of at-home testing for other diseases and conditions. Nightingale expects that its services will respond to this demand and provide completely new kinds of tools to care for health for consumers interested in managing and improving their personal health. Additionally, Nightingale can connect consumers to the services of healthcare operators to help consumers improve their health and wellbeing.

## Business targets for the financial year 2021–2022

Nightingale's business targets for the financial year 2021–2022 have remained unchanged. The targets are:

- FDA (U.S. Food and Drug Administration) approval
  - FDA approval enables the use of Nightingale's analysis technology in healthcare applications in the United States.
- Launching a new version of the company's mobile application
  - The new version of the mobile application will contain a more holistic view of health and an at-home test integration.
- Launching a commercial service based on the at-home test (achieved in December 2021)
  - By combining Nightingale's analysis technology and at-home test capability, it is possible to create quickly scalable health and wellbeing services that do not depend on the customer visiting a laboratory.
- Signing an international commercial partnership agreement
  - Nightingale expects its next commercial agreement to be a significant international agreement that increases the number of users of the company's health and wellbeing services.
- Reaching an order book of EUR 5 million by the end of the financial year
  - The order book is expected to contain commitments from business partners as well as recurring revenue from customers using a continuous subscription service.

In addition to the targets set for the financial year 2021–2022, Nightingale has medium and long-term targets that are described in the offering circular related to the IPO and on Nightingale's website. The mentioned targets remain unchanged.



## Financial review 1 July 2021–31 December 2021

### Revenue

The group's revenue during the half-year period totalled EUR 1.32 (1 July 2020–31 December 2020: 1.01) million.

Revenue consisted mainly of research services offered to universities and health programs in accordance with academic collaboration agreements as well as pilot sales targeted at consumers.

### Result

Group-level operating profit (loss) was EUR -4.78 (-2.34) million. EBITDA was EUR -3.25 (-2.15) million. Profit (loss) before appropriations and taxes was EUR -5.06 (-3.01) million. Net income (loss) for the half-year period totalled EUR -5.06 (-3.01) million.

The increase in the group's operating loss is mainly explained by depreciation, as well as an increase in material and service expenses and other operating expenses.

The group's material and service expenses totalled EUR 0.40 (0.05) million during the period ended 31 December 2021.

The group's personnel expenses during the review period totalled EUR 1.14 (0.99) million.

Depreciation and amortisation of tangible and intangible assets during the review period totalled EUR 1.53 (0.19) million.

In accordance with plans, the negative result reflects the stage in the company's development where investments have been made to enable future growth. The operating loss reflects the company's costs and activities related to the development and commercialisation of the company's technology and general and administrative costs related to the company's operations.

### Balance sheet and cash flows

At the end of the half-year period, the group balance sheet totalled EUR 129.20 (31 December 2020: 32.14) million, of which equity constituted 120.32 (16.53) million. Equity ratio at the end of the half-year period was 94 (52) per cent.

At the end of the half-year period, the group's net debt totalled EUR -101.41 (0.64) million. Long-term interest-bearing debt totalled EUR 2.29 (4.00) million. Net debt to equity ratio at the end of the financial period was -84 (4) per cent.

Net cash flow from operating activities during the half-year period totalled EUR -4.52 (-1.16) million.

Cash flow from investments totalled EUR -3.38 (-1.39) million consisting of investments in tangible and intangible assets and the acquisition of all shares of Yolife.

Cash flow from financing activities totalled EUR -0.50 (7.73) million.

Cash and cash equivalents at the end of the half-year period amounted to EUR 105.41 (6.09) million, with cash flows from operations, investments and financing totalling EUR -8.39 (5.18) million.

### Investments, research and product development

Investments in tangible and intangible assets during the half-year period totalled EUR 3.82 (1.39) million. The relative share of investments of total operating costs was 45 (30) per cent. Investments were mainly related to development of digital services, production capabilities for laboratory software and product concepts as well as the procurement of blood samples and health

data. Development of digital services includes investments in the company's mobile application, which the company uses to provide its customers with blood analysis results and connect the customers to partner services. Investments in production capabilities of laboratory software act as a foundation for all of the company's products and enable international expansion of the business. Investments in the procurement of blood samples and health data, on the other hand, have an integral role as the company develops the core parts of its products, i.e., disease risk prediction algorithms, and applies for patents related to them.

The investments in product development during the half-year period were higher than expected due to the company's assessment of additional investments in the development of the new version of its mobile application being strategically important.

During the half-year period, the company also invested in laboratories in Finland and Japan.

## **Personnel**

The company had an average of 62 (88) employees during the half-year period. Of the employees, 15 worked in sales and business development, 40 in research and development and operations and 7 in administration. At the end of the half-year period, Nightingale employed 63 persons including the company's CEO. Of the 63 employees 56 worked in Finland, 4 in Japan and 3 in Germany.

## **Shares and shareholders**

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

### **Shares issued and share capital**

Nightingale 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'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 dividend. 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 2021, Nightingale's share capital amounted to EUR 80 thousand and Nightingale had issued 60,881,737 fully paid shares of which 22,179,668 were Series A shares, 37,219,489 Series B shares and 1,482,580 EMP shares.

Nightingale held 577,920 EMP shares at the end of the half-year period 31 December 2021, which constituted approximately 1 (1) per cent of shares outstanding. 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 2021, was EUR 3.68. The highest price quoted in the half-year period was EUR 5.95 and the lowest EUR 3.12. The average closing price of the share during the half-year period was EUR 4.27 and the average daily trading volume was 67,946 shares.

Nightingale's market value on 31 December 2021 was EUR 224.04 million.



## Shareholders

Nightingale had 11,087 shareholders on 31 December 2021 (30 June 2021: 7,073). The company's 100 largest shareholders are presented on the company's website.

## Governance and management

Nightingale 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 Helsinki First North Growth Market Finland, the company's Articles of Association and other provisions applicable to the company. Additionally, Nightingale complies with the Corporate Governance Code of the Securities Market Association.

Nightingale's Corporate Governance Statement, Remuneration Policy and Remuneration Report for financial year 2020–2021 are presented on the company's website.

## Annual General Meeting

Nightingale Health Plc's Annual General Meeting, held on 28 October 2021, adopted the financial statements and discharged the members of the Board of Directors and the CEO from liability for the financial period of 1 July 2020–30 June 2021. The Annual General Meeting approved in an advisory decision the remuneration report and remuneration policy of governing bodies, which are presented on the company's website.

The General Meeting resolved in accordance with the proposal of the Board of Directors that, based on the balance sheet adopted for the financial period ended on 30 June 2021, no dividend will be distributed.

The number of members of the Board of Directors was confirmed to be seven members. Tom Jansson, Antti Kangas, Olli Karhi, Lotta Kopra, Leena Niemistö, Timo Soininen and Teemu Suna were re-elected as members of the Board of Directors.

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

Authorised Public Accounting firm PricewaterhouseCoopers Oy was elected as the Auditor with Valtteri Helenius as the Responsible Auditor. Valtteri Helenius is included in the register of auditors referred to in Chapter 6, Section 9 of the Auditing Act (1141/2015, with amendments). The remuneration of the Auditor will be paid in accordance with a reasonable invoice approved by the company.

The organisational meeting of the Board of Directors elected from among its members Timo Soininen as its Chair.

## Management Team

Members of Nightingale'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), Tuukka Paavola (Chief Financial Officer), Salla Ruosaari (Chief Research and Development Officer) and Jeffrey Barrett (Chief Scientific Officer).

Barrett joined Nightingale's Management Team on 27 September 2021 and Paavola on 7 December 2021.

## Option programs

Nightingale has established incentive programs for its employees and other key persons (EMP option programs) as well as incentive programs for the members of the Board and other key

persons (2020 Chairman's Options and 2020 Board Member Options as well as 2021 Board, the CEO and Key Management Options).

Under the early-stage incentive programs (EMP option programs) employees and other key persons have received the right to subscribe for options in connection with the company's First North listing.

Incentive programs for the Board and Management are presented on the company's website.

## **Environment, health and safety**

The analytical performance of Nightingale'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's blood test, which is based on NMR spectroscopy, has been validated in accordance with clinical standards. Currently, 37 of the 250 biomarkers produced by the company's blood analysis technology are CE marked.

In addition, Nightingale's laboratory processes and sample collection adhere to the SFS-EN ISO/IEC 17025:2017 standard, and the laboratory has been accredited by the FINAS accreditation service.<sup>1</sup> All blood samples of individual customers are analysed using a CE marked IVD device. 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. ("Dekra"). Nightingale also participates in the UK NEQAS and WEQAS programs that are used to monitor analysis quality between Nightingale's laboratory and other laboratories. In Japan, Nightingale also participates in the CAP and JAMT Clinical Laboratory Accuracy Control Survey programs and the Clinical Laboratory Accuracy Control program of the Tokyo metropolitan government.

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

## **Risks and uncertainties**

Nightingale is exposed to risks related to possible changes in the company's business, industry, financial position and regulation. Nightingale's risk management is based on the risk management policy approved by the company's Board of Directors. Risk management is part of Nightingale'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's risk management and the risks related to its business are described in detail in the company's Financial Statements Release for 2020–2021, offering circular and 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

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<sup>1</sup> 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](http://www.finas.fi).

security have remained unchanged during the half-year period and were described in more detail at the end of the previous financial year. If materialised, 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 18 January 2022 Nightingale announced the introduction of the combination of its proprietary blood test and genomics by acquiring Finnish genetic testing company Negen and launching an international centre of excellence for genomic data analysis. The acquisition was completed on 3 February 2022.

Combining Nightingale's proprietary blood test and genomic data provides ground-breaking possibilities to improve early disease risk detection and accelerate preventative medicine. For the first time, individual risk for a wide range of diseases can be predicted by both the dynamic molecular state of the body, as well as information gleaned from the genome sequence a person inherits from their parents. With the acquisition of Negen, Nightingale can integrate blood-based data and genomic data in an unprecedented way into a simple and actionable preventative health analysis that allows people to make better decisions about their own health.

The unique combination of Nightingale's proprietary blood test and genomic data increases the competitive advantage of Nightingale's products and is expected to have a positive impact on Nightingale's revenue in the long run.

On 20 January 2022 Nightingale announced that its information security management system ISO/IEC 27001:2013 certification was continued with outstanding results in a surveillance audit.

### **Live webcast for investors and media**

Nightingale will arrange a live webcast for investors and media in English on 24 February 2022 at 1 p.m. EET. The webcast can be followed online at <https://nightingalehealth.videosync.fi/2021-2022-h1-results>.

A 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](http://www.nightingalehealth.com/investors).

Helsinki, 24 February 2022  
Nightingale Health Plc  
Board of Directors

### **Additional information**

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## Financial figures of half-year report 1 July 2021 – 31 December 2021

### Basis of preparation of half-year report

The half-year report has been prepared in accordance with good accounting practice and Finnish legislation. The figures in the report are unaudited and have been prepared in accordance with Finnish Accounting Standards (FAS). Figures presented are rounded to the nearest thousand. Thus, in certain cases, the sum of the numbers in a column or row does not always exactly match the total presented in the column or row.

### Consolidated income statement

EUR thousand	7-12/2021	7-12/2020	7/2020- 6/2021
Revenue	1,322	1,013	2,081
Other operating income	20	162	303
Materials and services	-404	-47	-319
Personnel expenses	-1,139	-986	-2,649
Depreciation, amortisation and impairment losses	-1,526	-188	-470
Other operating expenses	-3,050	-2,293	-4,224
Share of profit of associates	-2	0	56
<b>Operating profit (loss)</b>	<b>-4,780</b>	<b>-2,339</b>	<b>-5,222</b>
Financial income and expenses	-281	-666	-5,968
<b>Profit (loss) before appropriation and taxes</b>	<b>-5,062</b>	<b>-3,005</b>	<b>-11,190</b>
Income taxes	-1	0	-2
<b>Profit (loss) for the period</b>	<b>-5,063</b>	<b>-3,005</b>	<b>-11,192</b>

## Consolidated balance sheet

EUR thousand	31 Dec 2021	31 Dec 2020	30 June 2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Intangible assets	16,403	12,760	14,106
Tangible assets	1,460	1,933	721
Investments	3,702	0	3,329
<b>Total non-current assets</b>	<b>21,565</b>	<b>14,693</b>	<b>18,156</b>
<b>Current assets</b>			
Inventories	536	502	658
Receivables	1,688	10,859	1,569
Cash and cash equivalents	105,413	6,090	113,807
<b>Total current assets</b>	<b>107,638</b>	<b>17,451</b>	<b>116,034</b>
<b>TOTAL ASSETS</b>	<b>129,203</b>	<b>32,144</b>	<b>134,191</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	80	8	80
Reserve for invested unrestricted equity	147,338	21,556	146,378
Retained earnings (loss)	-22,035	-10,849	-10,851
Profit (loss) for the period	-5,063	-3,005	-11,192
Translation difference	3	-1	13
Capital loan	0	8,818	0
<b>Total equity</b>	<b>120,324</b>	<b>16,527</b>	<b>124,429</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Loans from financial institutions	2,288	3,999	3,200
Other liabilities	258	0	0
<b>Total non-current liabilities</b>	<b>2,546</b>	<b>3,999</b>	<b>3,200</b>
<b>Current liabilities</b>			
Convertible loan	0	1,000	0
Loans from financial institutions	1,711	1,727	1,860
Advances received	1,701	329	1,941
Trade payables	1,292	1,253	905
Other liabilities	319	5,131	272
Accruals and deferred income	1,310	2,177	1,583
<b>Total current liabilities</b>	<b>6,333</b>	<b>11,618</b>	<b>6,562</b>
<b>Total liabilities</b>	<b>8,879</b>	<b>15,617</b>	<b>9,762</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>129,203</b>	<b>32,144</b>	<b>134,191</b>

## Consolidated cash flow statement

EUR thousand	7-12/2021	7-12/2020	7/2020-6/2021
<b>Cash flow from operating activities</b>			
Profit (loss) before appropriations and taxes	-5,062	-3,005	-11,190
Adjustments *)	1,855	920	6,586
<b>Changes in working capital</b>			
Increase (-) or decrease (+) in trade and other receivables	-261	235	5,465
Increase (-) or decrease (+) of inventories	122	-316	-473
Increase (+) or decrease (-) in trade and other payables	-734	1,112	-2,948
Interest and other financial expenses paid	-453	-107	-324
Interest and other financial income received	11	5	0
Income taxes paid	0	0	-1
<b>Net cash flow from operating activities</b>	<b>-4,521</b>	<b>-1,157</b>	<b>-2,884</b>
<b>Cash flow from investments</b>			
Investments in intangible and tangible assets	-3,231	-1,392	-2,698
Income from tangible and intangible non-current assets	0	0	1,239
Acquired subsidiaries	-145	0	0
Investments in other shares	0	0	-3,274
<b>Net cash flow from investments</b>	<b>-3,375</b>	<b>-1,392</b>	<b>-4,733</b>
<b>Cash flow from financing activities</b>			
Proceeds from capital loans	0	2,000	6,818
Proceeds from convertible loans	0	1,000	1,000
Other financial income received	0	0	2,258
Other financial expenses paid	0	0	-7,579
Directed share issue	419	4,845	118,820
Repurchase of treasury shares	0	0	-20
Loans to personnel	145	0	0
Repayments of non-current loans	-1,060	-113	-779
<b>Net cash flow from financing activities</b>	<b>-496</b>	<b>7,733</b>	<b>120,517</b>
<b>Net change in cash and cash equivalents</b>	<b>-8,393</b>	<b>5,184</b>	<b>112,901</b>
Cash and cash equivalents at beginning of period	113,807	905	905
Net foreign exchange difference on cash held	1	0	0
Cash and cash equivalents at end of period	105,413	6,090	113,807
<b>Change</b>	<b>-8,393</b>	<b>5,184</b>	<b>112,901</b>





**\*) Adjustments**

<b>EUR thousand</b>	<b>7-12/2021</b>	<b>7-12/2020</b>	<b>7/2020- 6/2021</b>
Other operating expenses	0	64	156
Depreciation, amortisation and impairment losses	1,526	188	470
Share of profit of associates	2	0	-56
Finance income	-128	-5	-2,258
Finance costs	453	669	8,168
Other adjustments	2	4	106
<b>Total</b>	<b>1,855</b>	<b>920</b>	<b>6,586</b>

## Consolidated statement of changes in equity

### 1 July 2021–31 December 2021

EUR thousand	Share capital	Reserve for invested unrestricted equity	Translation differences	Retained earnings	Capital loan	Total equity
<b>Equity at the beginning of period (1 July 2021)</b>	<b>80</b>	<b>146,378</b>	<b>13</b>	<b>-22,042</b>	<b>0</b>	<b>124,429</b>
Loss for the period				-5,063		-5,063
Translation differences			-10	8		-2
Capital loan						
Directed share issue		960				960
Other changes						
<b>Equity at the end of period (31 Dec 2021)</b>	<b>80</b>	<b>147,338</b>	<b>3</b>	<b>-27,097</b>	<b>0</b>	<b>120,324</b>

### 1 July 2020–31 December 2020

EUR thousand	Share capital	Reserve for invested unrestricted equity	Translation differences	Retained earnings	Capital loan	Total equity
<b>Equity at the beginning of period (1 July 2020)</b>	<b>8</b>	<b>12,762</b>	<b>1</b>	<b>-10,854</b>	<b>6,818</b>	<b>8,735</b>
Loss for the period				-3,005		-3,005
Translation differences			-1			-1
Capital loan					2,000	2,000
Directed share issue		8,794				8,794
Other changes				5		5
<b>Equity at the end of period (31 Dec 2020)</b>	<b>8</b>	<b>21,556</b>	<b>1</b>	<b>-13,854</b>	<b>8,818</b>	<b>16,527</b>

### 1 July 2020–30 June 2021

EUR thousand	Share capital	Reserve for invested unrestricted equity	Translation differences	Retained earnings	Capital loan	Total equity
<b>Equity at the beginning of period (1 July 2020)</b>	<b>8</b>	<b>12,762</b>	<b>1</b>	<b>-10,854</b>	<b>6,818</b>	<b>8 735</b>
Loss for the period				-11,192		-11,192
Translation differences			12	4		17
Capital loan					-6,818	-6 818
Directed share issue	72	133,684				133,756
Repurchase of own shares		-68				-68
Other changes				-1		-1
<b>Equity at the end of period (30 Jun 2020)</b>	<b>80</b>	<b>146,378</b>	<b>13</b>	<b>-22,042</b>	<b>0</b>	<b>124,429</b>

## Changes in intangible and tangible assets

EUR thousand	INTANGIBLE ASSETS				TANGIBLE ASSETS	
	Capitalized development expenses	Advance payments	Goodwill	Other capitalized long-term expenses	Machinery and equipment	Total
<b>Acquisition cost 1 Jul 2021</b>	13,565	700		250	789	15,305
Translation differences				9		9
Additions	2,915	100	735		803	4,553
<b>Acquisition cost 31 Dec 2021</b>	<b>16,480</b>	<b>800</b>	<b>735</b>	<b>259</b>	<b>1,592</b>	<b>19,866</b>
Accumulated depreciation and amortisation 1 Jul 2021	395			14	69	477
Depreciation and amortisation during the period	1,357	70	25	11	64	1,526
<b>Accumulated depreciation 31 Dec 2021</b>	<b>1,753</b>	<b>70</b>	<b>25</b>	<b>24</b>	<b>132</b>	<b>2,003</b>
<b>Book value 31 Dec 2021</b>	<b>14,727</b>	<b>730</b>	<b>711</b>	<b>235</b>	<b>1,460</b>	<b>17,863</b>

The capitalised development expenses for the half-year period ended 31 December 2021 were EUR 2,915 thousand including investments made in the development of digital services, production capacity of laboratory software and product concepts and investments made in health data and samples. The capitalised expenses included personnel expenses, research sample analysis costs as well as third party services and purchases. Personnel expenses accounted for approximately 36 per cent (EUR 1,063 thousand) of capitalised development expenses during the financial year.

The additions in machinery and equipment consisted mainly of two new NMR spectrometers which had not been installed nor taken into use at the end of the half-year period. In connection with the new NMR spectrometers, the company has a commitment of EUR 510 thousand regarding the part of the procurement that has not yet been realised. The machinery acquisition commitments are presented in off-balance sheet commitments.

### Related party transactions

Nightingale's related parties include the company's subsidiaries and associated company Pet-Meta Labs Oy. Related parties also include members of the Board of Directors, the CEO and the Management Team as well as the members of their families and the companies controlled by them. The related parties also include the company's shareholders Antti Kangas, Pasi Soinen and Cor Group Oy, all of which are considered to have a significant influence over the company.

The parent company of the group is Nightingale Health Plc. Transactions between the group and its subsidiary companies considered as related parties have been eliminated during the group consolidation and are therefore not included in the presented figures.

As required by Nightingale's business operations, the company has acquired from and sold services to the following related parties: Labquality Oy, PetMeta Labs Oy and Villagecape Ventures Oy. The company's purchases from related parties during the half-year period amounted to EUR 102 (52) thousand and sales to related parties amounted to EUR 21 (18) thousand. All transactions have been made on an arm's length basis.

### Off-balance sheet commitments

EUR thousand	31 Dec 2021	31 Dec 2020	30 Jun 2021
<b>Collaterals</b>			
Loans secured by floating charge	2,957	4,423	3,757
Floating charges provided as collateral	6,400	6,400	6,400
<b>Off-balance sheet commitments*</b>			
<b>To be paid during the next financial year</b>			
Lease liabilities	1,675	1,293	1,978
Facility rental liabilities	1,022	1,028	1,016
Machinery acquisition commitments	510	309	0
<b>Total</b>	<b>3,207</b>	<b>2,630</b>	<b>2,994</b>
<b>To be paid after one year</b>			
Lease liabilities	1,262	1,199	1,829
Facility rental agreements	2,839	3,795	3,283
<b>Total</b>	<b>4,101</b>	<b>4,994</b>	<b>5,112</b>

\* The lease liabilities and facility rental liabilities are presented with VAT included.

If the company's operations would become partially or completely VAT exempt, the company has undertaken to reimburse the lessor for the amount of any VAT refundable to the tax authorities in respect of the renovation of the premises in Helsinki.

### Calculation of key figures

Key figure	Formula
EBITDA	Operating profit (loss) before depreciation and amortisation
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