NIGHTINGALE HEALTH

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INDERES CORPORATE CUSTOMER

EXTENSIVE REPORT

The next chapter of the growth story is being written

Following the successful Terveystalo cooperation, Nightingale is now increasing its commercial sample volumes with its healthcare partners in Singapore and the US. The company's pilot phase customerships are also in general expected to progress, and we believe the company is actively negotiating new partnerships as well. However, we are now particularly looking for signs of strong growth in commercial sample volumes, which would substantially reduce estimate risks. We reiterate our EUR 2.9 target price but lower our recommendation to Reduce (previously Accumulate) with the share price increase.

The Nightingale test identifies people's risks of developing chronic diseases

Chronic diseases account for a significant proportion of health care costs, although a large proportion of these could be avoided through lifestyle changes. Nightingale aims to promote a solution to this problem with a test based on blood analysis. The company's technology measures 250 active biomarkers from a single blood sample and provides predictions of the sample provider's risk of contracting several chronic diseases. For the time being, it is difficult to identify a credible competitor for the test. Its price point is very low (list price starting from EUR 34 per sample), and the continuously growing number of blood samples analyzed with it further increases its moat against possible future competitors. The company has significant potential in the market, but breaking into the conservative market will not happen quickly.

Business is growing, but its trajectory remains unclear

Nightingale aims to integrate its disease risk detection service with the value chains of existing healthcare providers. If successful, the company's revenue would grow strongly and profitability would become positive over time (target: positive EBITDA in the medium term). The company has taken clear steps in this direction: its technology is already widely used in occupational health at Terveystalo, and offered as a diagnostics service through Pathology Asia in Singapore and with the support of Boston Heart in the US. The company also has several pilots and research projects preceding possible larger-scale use (Mass General Brigham, Kaiser Permanente, Weill Cornell Medicine, and Phenome Health), and we estimate that several sales discussions are underway. Given previous customer wins, we believe the company will announce at least one significant partnership this year.

Although a broad partner base already mitigates commercialization risks, the visibility of the company's growth remains blurred and highly dependent on successful partnering roll-out. We believe that our estimates rely on a realistic but very high-risk scenario of Nightingale's business growth (revenue CAGR 42% in 2025-2034e). This requires successful ramp-up of existing customers and continuous new commercial contracts. Investors must therefore believe in the company's global commercial breakthrough, take a very long-term view of the stock, and accept the risk of capital loss.

We do not feel the current price offers sufficient compensation for the risk

Nightingale's fundamental-based valuation is very challenging, as possible scenarios vary between destruction and multiplication of invested capital. With current data, our fair value estimate range for the share is wide, EUR 1.0-7.3 (previous EUR 0.8-7.1). In our view, the company's track record still supports a price closer to the bottom end of the range (target price EUR 2.9/share). Although there are positive drivers on the horizon for the year (new customer wins, signs of growth in the Pathology Asia and Boston Heart partnerships), we do not find the stock's risk/reward ratio sufficiently attractive within a year. On the other hand, we think that the company should be approached with at least a multi-year investment horizon.

Recommendation
Reduce
(was Accumulate)

Target price:
EUR 2.90
(was EUR 2.90)

Share price:
EUR 2.71

Business risk

Valuation risk

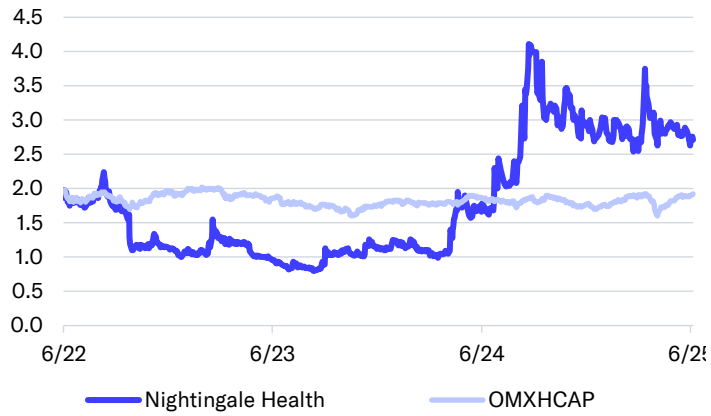
	2024	2025e	2026e	2027e
Revenue	4.4	5.2	8.2	13.2
growth-%	4%	20%	57%	61%
EBIT adj.	-18.6	-17.3	-16.2	-14.4
EBIT-% adj.	-427%	-331%	-198%	-109%
PTP	-17.4	-16.3	-15.5	-14.2
EPS (adj.)	-0.29	-0.27	-0.25	-0.22
P/E (adj.)	neg.	neg.	neg.	neg.
P/B	1.7	2.4	2.9	3.5
EV/EBIT (adj.)	neg.	neg.	neg.	neg.
EV/EBITDA	neg.	neg.	neg.	neg.
EV/S	17.2	21.2	15.0	10.1

Source: Inderes

Targets for the financial year 2025 (7/1/2025 - 6/30/2025) (unchanged)

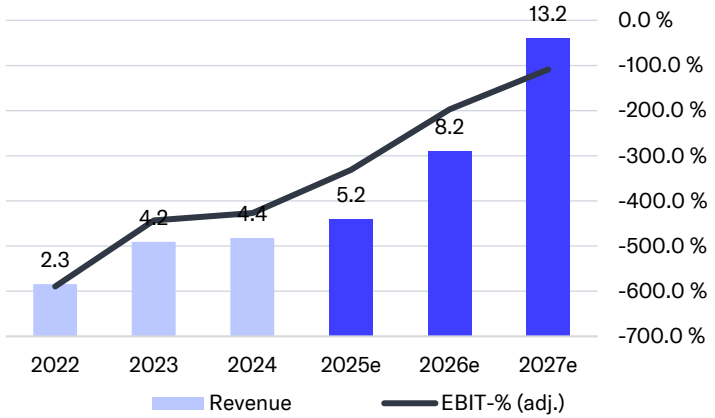
- Win a large deal with an international healthcare operator
- Increase revenue from the previous fiscal year
- Improve adjusted EBITDA* from the previous fiscal year
    - Adjusted EBITDA = EBITDA – share-based payments – non-recurring items – items affecting comparability

Share price



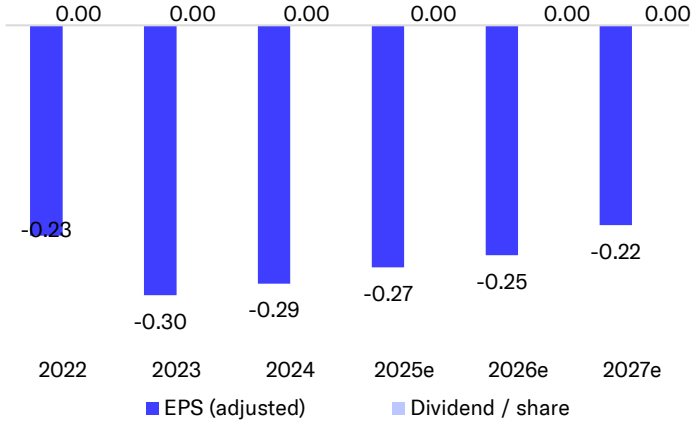
Source: Millistream Market Data AB

Revenue and EBIT-% (adj.)



Source: Inderes

EPS and dividend



Source: Inderes

Value drivers

- Huge growing global market supported by mega trends
- Competitive and cost-efficient technology for predicting disease risks from blood samples
- Scalable business model
- Strong position as analyzer of biobank blood samples
- Expansion of significant international customer relationships and pilots to a large scale

Risk factors

- The business model proves ineffective and service demand is weak
- Slower-than-expected progress in the implementation of new technology in a conservative industry
- Falling behind ambitious objectives and drop in valuation that relies on successful commercialization
- Competing technologies
- Data breach including personal health data
- Need for new financing

Valuation	2025e	2026e	2027e
Share price	2.71	2.71	2.71
Number of shares, millions	60.9	60.9	60.9
Market cap	165	165	165
EV	110	123	134
P/E (adj.)	neg.	neg.	neg.
P/E	neg.	neg.	neg.
P/B	2.4	2.9	3.5
P/S	31.7	20.1	12.5
EV/Sales	21.2	15.0	10.1
EV/EBITDA	neg.	neg.	neg.
EV/EBIT (adj.)	neg.	neg.	neg.
Payout ratio (%)	0.0 %	0.0 %	0.0 %
Dividend yield-%	0.0 %	0.0 %	0.0 %

Source: Inderes

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Nightingale Health in brief

Nightingale is a health technology company that develops and sells a test that identifies the risk of developing chronic diseases.

2013

Current operative activities started

2021

IPO

>600

Scientific publication utilizing the platform

>200

A medical research organization that uses the platform

92

Average number of employees (7-12/2024)

MEUR 142

Funding raised (by March 31, 2025)

Source: Nightingale, Inderes

Already for years, Nightingale's investments have focused on technology commercialization

Key events in recent history

2013-2019

- Blood analysis method and disease risk predictions are being developed. The scientific community is included in assessing the effectiveness of the technology (e.g. the universities of Oxford and Bristol). The platform analyzes, e.g. samples of the UK Biobank and related disease data, the first disease risk prediction models are created. The company achieves regulatory approvals within the EU.
- Business is loss-making and comes mainly from research institutes, funding through equity investments and debt financing.
- The technology matures in blood analysis and prediction of disease risks, and its effectiveness is validated with the scientific community.

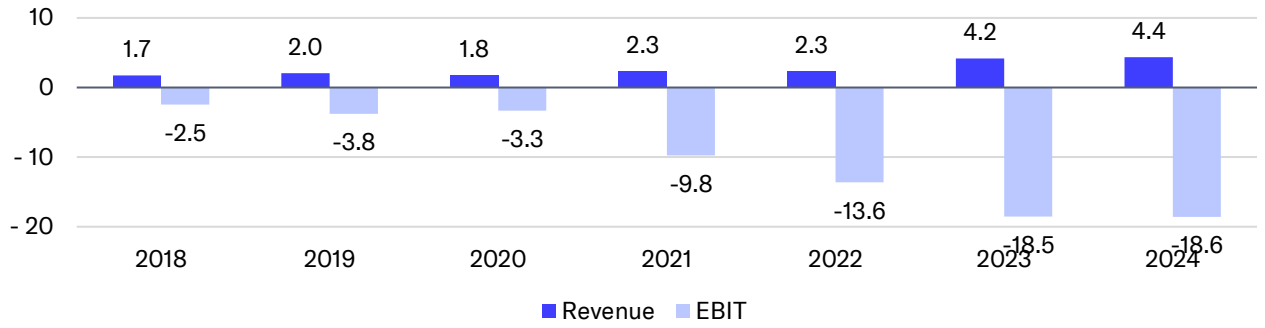
2020-2022

- Focus shifts from research to commercialization and services that support disease prevention. In Finland, analysis results are offered to consumers in the MyNightingale pilot app (2020)
- Considerable capital (102 MEUR net assets) raised in IPO for commercialization (3/2021).
- Commercial partnerships with Terveystalo and Mitsui/Welltus (Japan) (4/2021).
- At-home tests are launched in Finland (Q1/22). Expansion to genetic testing launched with the Negen acquisition (1/2022).
- Livit app, replacing MyNightingale and a consumer service based on at-home testing are released (4/2022)
- Commercial Physitrack partnership (6/2022)
- Own consumer solutions and solutions developed with Terveystalo do not achieve significant demand. (2022)

2023-

- The strategy is shifting from consumer solutions to building partnerships with health care players (2023).
- Terveystalo introduces Nightingale's test for routine occupational health check-ups (2023), and volumes immediately increase to a high level when operations begin (1/2024).
- The PathologyAsia partnership is published (Q4/2023) and Nightingale's test is introduced to healthcare in Singapore (Q1/2025).
- Several partnerships starting with pilots are announced (e.g. Weill Cornell, 23AndMe, Boston Heart) are published (2023-2024).

Revenue and EBIT development, MEUR



Source: Inderes
*Until 2020, figures are FAS accordant and starting from 2021 IFRS accordant. Years are fiscal periods ending on June 30.

Company description and business model 1/6

Nightingale Health is a health technology company built around analyzing blood markers

Nightingale Health started its current operations already in 2013 with the aim to develop a solution to change the current healthcare system towards a more preventive model. Nightingale took its current name from Florence Nightingale, who is considered the developer of modern healthcare. The company's technology is based on extensive measuring of biomarkers (blood markers) and combining them with health data stored in biobanks. The company has developed disease risk models by combining biobank blood samples analyzed with its technology with health data repositories. Nightingale can cost-effectively produce information on human disease risks for use in healthcare value chains.

After a long research and development phase, Nightingale entered a technology commercialization phase in 2020 and was listed in 2021 to finance this. The company has progressed in commercializing its technology and secured several internationally significant partnerships, which it aims to scale into a significant business. The company's health information platform has been in routine healthcare use (Terveystalo occupational health) since the beginning of 2024.

Nightingale's founders are still involved in company management and operations. The founders have played a key role in developing the company's laboratory techniques, blood analysis and risk predictions.

The company's goal is to make preventive healthcare mainstream

Healthcare has for a long time focused more on treating sick people, while there have been limited effective tools for extensive disease prevention. A concrete example is the prevalence of lifestyle diseases (e.g., Type 2 diabetes and cardiovascular diseases). According to the national public health institute in the United States (CDC) around 90% of the annual healthcare costs in the US are generated from treating people with chronic and mental health-related diseases.

Nightingale's vision is to shift the focus of healthcare more strongly from disease treatment to prevention of people getting sick. The driving idea behind the vision is that a person is never completely sick or healthy but something in between. Nightingale aims to integrate information into existing healthcare value chains at a low cost, based on where a person is on this scale and how the situation develops over time. With this, the company aims to enable the upgrading of healthcare value chains to higher quality and more efficient ones, while enabling the prevention of lifestyle diseases.

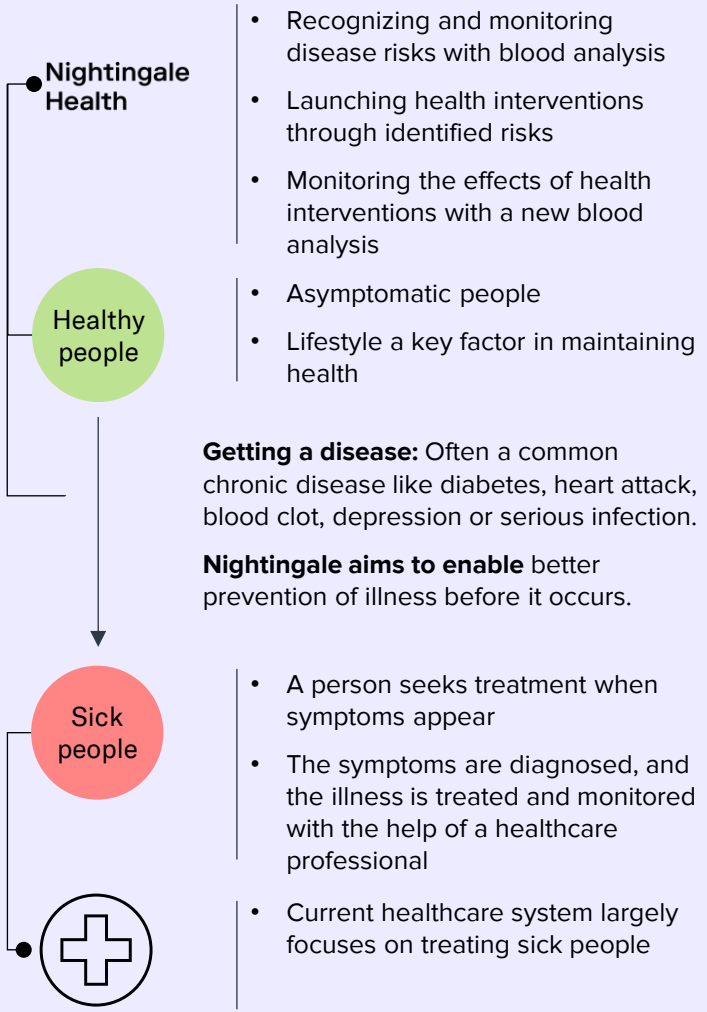
The platform generates disease risk predictions by combining extensive blood marker measurements and biobank health data

As an instrument for preventive healthcare, Nightingale has developed a platform for monitoring disease risk changes. In its platform Nightingale combines 1) a cost-effective method for measuring 250 blood markers ("biomarker") from blood samples, and 2) a prediction of the person's risk to fall ill with more than 700 different diseases (ICD codes) based on the test.

Measurement of blood markers

Nightingale's technology base is a blood analysis process and software it has developed, which measures the levels of markers in the blood. Nightingale's blood analysis is based on the resonance (vibration) of molecules in a strong

Nightingale positions itself in the current system as an enabler of disease reduction



Source: Nightingale Health

Company description and business model 2/6

magnetic field, which is called NMR[1] spectroscopy. The NMR device used in the company's method is commercially available and its components are common. They currently come from a single supplier, but the company is also evaluating parallel sourcing. The device requires a strong magnetic field generated by a superconductor to function, which requires a cold temperature maintained by liquid helium and nitrogen. Nightingale's NMR device is largish and basically placed in a centralized laboratory, which is typical also for conventional laboratory devices based on clinical chemistry.

Nightingale has developed automation related to operating the equipment and software needed to analyze the results, which has made the overall blood testing method unique. The method is protected by business secrets in terms of recognizing, measuring, and preparing the sample, and the processing of data. Nightingale's method currently allows measurement of 250 biomarker counts. Of these, 39 measurements are individually CE-approved (5/2025 situation), enabling their use not only to predict disease risks but also to replace standard laboratory tests. Synlab's consumer price for measuring these 39 clinical biomarkers is around EUR 300-600 (incl. VAT), while Nightingale's list prices for corresponding measurements start at EUR 34 (excl. VAT, situation in 2025). The tests meet different needs, and Nightingale's technology is not suitable for measuring all blood markers. We still feel the price difference accurately reflects the cost-effectiveness of the measurement method in broader measurement of blood markers. We have not identified a similar broad, repeatable, and cost-effective solution on the market equivalent to Nightingale's blood analysis (see technology comparison on the right).

The medical device used by Nightingale has as a whole received a CE marking for IVD devices required for clinical healthcare use in the EU, and the company's laboratories have the necessary regulatory approvals for clinical operations in Finland, the UK, Japan, and Singapore. At the time of writing this report, Nightingale is still seeking regulatory approval in the US, but considering previous successful approvals, we see this mainly as a matter of timing.

The blood sample can be taken as a normal venous blood sample or as an at-home test. Nightingale offers its customers both disease risk predictions and individual blood counts with both methods. Regardless of the method, the company's test can thus also replace certain standard blood tests performed for other purposes. In 2021-2022, Nightingale developed and commercialized an at-home test technology where the customer collects a few drops of blood from the fingertip into the collection device and mails it to the company's laboratory. The company's solution utilizes the blood collection device (Velvet) developed by Weavr Health, the intellectual property rights of which it has acquired. The blood collection device has been granted patents in four patent families. The company has a patent for a blood analysis method from dried blood with NMR analysis.

The core of Nightingale's blood analysis technology is in the analysis of blood markers that indicate the body's metabolism. In addition, the company expanded to genetics through the Negen acquisition in early 2022. The company received an existing genetic testing offering in the transaction, which it plans to integrate into its health information platform. Through the expansion, the company would introduce risk factors for hereditary diseases alongside blood markers that indicate lifestyle choices, although the situation regarding the expansion is somewhat unclear to us (Q2/2025 situation) and it doesn't seem to be at the heart of the company's strategy.

Commercial device used for NMR spectroscopy and Nightingale's at-home blood collection device

Source: Bruker, Nightingale.

Nightingale's technology combines repeatability and cost efficiency

	Nightingale Health NMR	Mass spectrometers	Clinical chemistry devices
Cost per test	Low[3]	High[3]	High[3]
Blood volume needed	Small <1 ml	Small <1 ml	Medium ~4 ml_4
Biomarkers per test	High (~250)	High (~100–>1,000)	Low (~5–$20_{3,4}$)
Very high precision	Yes	No	Yes
High result consistency	Yes	No	Yes
Very extensive overall selection of test values	No[5]	Yes	

Source: Nightingale, Duodecim, Terveystalo, Synlab, US National Center for Biotechnology Information NCBI, Inderes' estimate.

1 NMR = Nuclear Magnetic Resonance.

2 IVD = In vitro diagnostics means research made on samples taken from patients and healthy people.

3 According to Nightingale, NMR is the only cost-efficient and mass-volume test for, e.g., analyzing lipoproteins in blood. Public test price lists (e.g. Synlab, Terveystalo, University of Colorado Boulder) and the company's price list support the claim.

4 Nightingale / Duodecim Terveyskirjasto: amounts vary by device.

5 Nightingale's test cannot replace all laboratory tests.

Company description and business model 3/6

Predicting and communicating disease risks

Over 2.5 million samples have been analyzed on Nightingale's platform, especially from biobanks (the key one being UK Biobank). In addition to blood samples, biobanks have later health data of the sample providers that show which of the sample providers will get sick later. By combining this data with the blood counts measured by Nightingale, a prediction of a person's disease risks can be created.

The company's scientific basis consists of over 600 peer-reviewed studies in which the technology has been used and links have been found between blood marker concentrations and subsequent illnesses. Some of the research was carried out by the company's own research personnel and some by the scientific community, but in both cases the research is peer reviewed by the scientific community before publication.

The company's clinical offering already includes at least 10 disease risk predictions (myocardial infarction, cerebral infarction, cardiovascular diseases, diabetes, liver fibrosis and cirrhosis, chronic kidney disease, alcoholic liver disease, metabolic fatty liver disease, chronic obstructive pulmonary disease, and lung cancer). The technology covers risk predictions for >700 diseases (ICD codes), with which the company is gradually expanding its clinical offering. The expansions are all based on the same markers measured from blood, so the results of previous measurements can also be supplemented retrospectively as the risk metrics expand. The company has shown that with one of its tests, it can achieve several risk predictions at or above the level of current clinical standard methods[2].

Nightingale has applied for a maximum patent protection of some 20 years for the risk analysis of several diseases. A total of 16 patents were granted in 2022-2025, covering 9 patent families. Patents have been granted in Finland and Europe. In practice, patents are being expanded globally, and patent applications are also pending in at least the US, Canada, Japan, and Singapore.

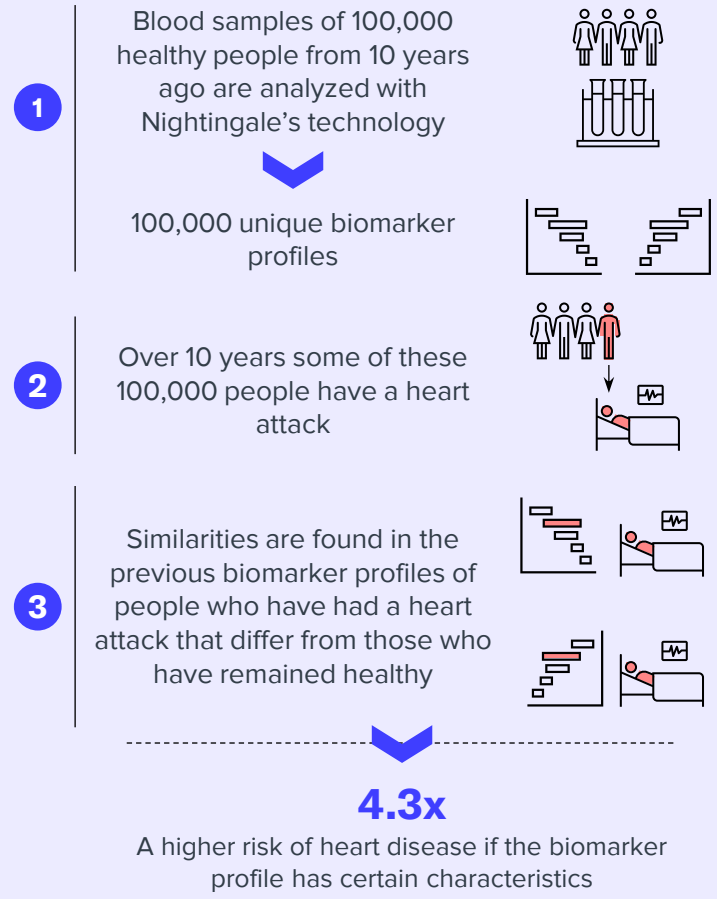
In addition to identifying disease risks, Nightingale has built simple indicators to support their communication to laypersons, such as heart age or color-coded risk levels. In addition, the company is developing an interactive tool based on language models that helps to understand how personal choices can affect disease risks.

Nightingale's potential target customers can be found in various healthcare value chains

The company can generate information on human disease risks and their changes on its platform cost-effectively. In the longer term, Nightingale's vision is to enable the transformation of the entire healthcare system to rely more on disease prevention. We believe the path to such a large change is very long. The company is building its business through several existing healthcare and related value chains, where the benefits of the platform (cost efficiency and quality) can be obtained without major changes to the operating model.

Several target customer groups operate in the value chains targeted by the company, where the logic of Nightingale's benefits varies. The company has demonstrated the value of its platform in some segments through customer wins, but in many target groups, there is still no evidence of business potential.

Predicting risk for a heart attack – research example from UK Biobank:



Source: Nightingale

1 Buergel, T., Steinfeldt, J., Ruyoga, G. et al. Metabolomic profiles predict individual multidisease outcomes. Nat Med (2022). https://doi.org/10.1038/s41591-022-01980-3

2 https://www.inderes.fi/releases/nightingale-health-announces-the-performance-metrics-of-its-latest-generation-disease-risk-assessments-to-be-rolled-out-in-singapore-and-the-united-states

Company description and business model 4/6

Public healthcare and integrated payer/service provider systems could utilize Nightingale to build a preventive and results-oriented healthcare system. In our view, the change would be quite colossal for a slow-moving industry, so we estimate that the segment's customer wins are further out. Nightingale does not yet have any public reference customers in the segment.

Diagnostics players can, in turn, open new business opportunities and expand their value chain position. The Nightingale test adds a new diagnostic product to their offering, and the diagnostics player can eliminate the step of collecting patients' background information from healthcare clients, which is not needed for Nightingale's risk predictions. The company already has Innoquest Diagnostics/Pathology Asia as a customer in the segment. Nightingale has operated a laboratory in Innoquest's facilities in Singapore since Q1/2025, and local healthcare providers can order the company's test through Innoquest.

Private healthcare operators can offer new disease prevention services and improve the efficiency of existing ones. As an example, in Finland, Terveystalo has enhanced and expanded its routine occupational health check-ups with Nightingale's test (~100,000 analyzed blood samples per year). In addition, the company serves private healthcare providers in Japan through its Welltus subsidiary.

Life insurance companies can better classify the risk of their customers and would benefit from reducing health risks among their customers. However, Nightingale does not yet have any public reference customers in the segment, and the timeline for the potential opening of the segment is uncertain.

Providers of distributed healthcare solutions could improve the accessibility of their remote services using Nightingale's home testing device. Nightingale has previously had the European Physitrack (2022) as a customer in the segment, but based on publicly available information, the continuation of the collaboration is unclear. 23AndMe (6/2024) has also been a customer of the segment, but the future is uncertain after the company filed for restructuring in the spring of 2025. We, therefore, believe Nightingale does not have a clear reference customer in the segment for the time being, although the examples mentioned indicate that there is interest in the company's solution in the segment.

Specialized healthcare service providers could utilize Nightingale to support disease management. In addition to disease prevention, Nightingale can produce predictions on the development of existing diseases, which could be used in planning treatment needs (e.g. earlier identification of the risk of chronic kidney disease in patients with type 2 diabetes). However, Nightingale does not yet have any public reference customers in the segment, and we believe that the use case of the company's platform differs from its current customers, so the timeline for the potential opening of the segment is uncertain.

In addition, Nightingale has long served **research actors** for whom there is already value in cost-effective blood marker measurement alone, but the segment's growth potential is limited. The company also experimented with direct-to-consumer services, both independently and with partners, especially in 2020-2023, but demand for the services remained weak.

Nightingale’s sales rely on the company's own personnel, who mainly seek to enter partnership agreements

Nightingale's business model and target customer groups

Nightingale Health

- Nightingale receives and analyzes a blood sample (at-home test or venous blood sample)
- Results on the blood sample are produced: 250 blood marker counts (of which 39 for clinical use), disease risk predictions, other health indicators
- The results are delivered to the subscriber via APIs

Public healthcare, integrated payer/provider systems

No known customer relationships

Diagnostics players

PATHOLOGY ASIA
innoquest
bostonheart diagnostics

Private healthcare providers

Terveystalo

Life insurance companies

No known customer relationships

Providers of distributed healthcare solutions

No known customer relationships

Specialised medical care providers

No known customer relationships

Research actors

University of BRISTOL · biobank* · University of OXFORD · *& several other references*

Source: Nightingale, Inderes.
NB: The customer examples are not comprehensive, and not all of the company's pilot phase customers are listed.
*Welltus

Company description and business model 5/6

with health service providers. According to the company, these contract negotiations typically take about 3-9 months. It typically takes another 12-24 months from establishing a partnership to starting commercial operations, so building the company's business is rather a long-term effort. On the other hand, there may be room for new expansions in a larger customer relationship, maybe even faster, such as in the Pathology Asia partnership (possible geographical expansion from Singapore to other countries) and the Terveystalo partnership (from consumer service to occupational health).

Revenue streams are still quite project-based – in the long term, the role of recurring revenue will increase

Nightingale's income has historically consisted of payments from research institutes and universities that use its technology. We believe these revenues are mainly project-based, as the need to analyze research collections is generally non-recurring. The growth Nightingale seeks is based on analyzing large repeated sample volumes, so if growth is successful, the role of small and non-recurring revenue streams from research operators would probably reduce.

If the strong growth targeted by the company is successful, we expect revenue streams to come mainly from health and welfare operators, like health service companies and public healthcare providers. We believe these revenues would be more constant in nature, as, e.g., screening of population-level health risks would be natural reproducible activities for the company's customers. For example, Nightingale's platform is in continuous routine use in Terveystalo's occupational health services.

Of the target customer groups that are presumably more important in the long term, private healthcare providers already generate some revenue for the company (Terveystalo, partly the Japan business), but we especially find the price level of the Terveystalo reference account low relative to volumes. Players in the diagnostics industry (Innoquest, Boston Heart) are expected to generate revenue from 2025. Nightingale's earnings rely on the usage volumes of its technology, i.e., the fees collected from the blood samples analyzed by the company and the delivery of results. The list price for the company's sample analysis is EUR 34 per sample (EUR 19-24 per sample in 2020-2024).

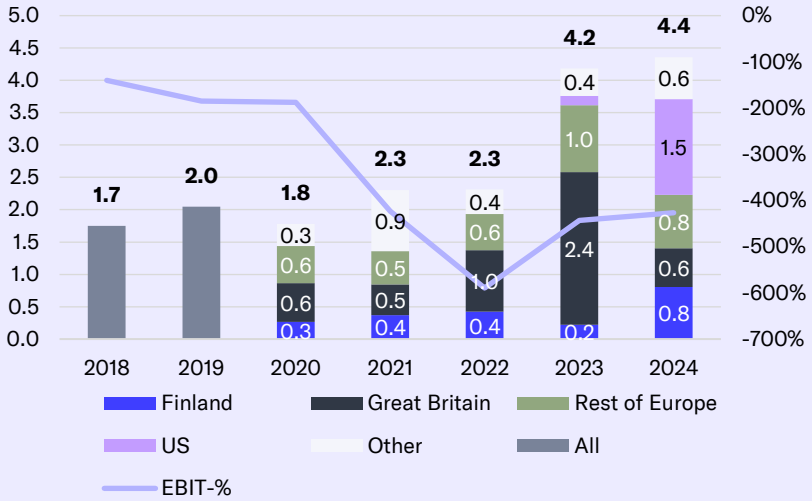
We note that assessing the structure and nature of the company's long-term revenue streams is at best an educated guess at the moment. The planned structure and focus of the company's business may change significantly over time.

The cost structure is quite scalable, but realizing economies of scale requires top-line growth

We believe Nightingale's blood analysis based business is scalable by nature. We estimate that the company's revenue streams based on sample analysis have a gross margin level of roughly 70-90% (laboratory sample/ existing research collection) or 30-60% (at-home tests), depending on the sampling method. If the company grows successfully, we estimate that the volume will focus on higher margin samples, so in principle the company's business is highly scalable. However, due to high fixed costs, the company's revenue needs to multiply to turn the business profitable.

The costs of Nightingale's blood sample analysis consist mainly of work, liquid hydrogen and helium, wearing parts and electricity. According to the company, the price of

Geographical revenue distribution* and EBIT %,
Fiscal periods 2018-2024, MEUR and % of revenue



Source: Inderes, Nightingale (*FAS figures until 2020, IFRS from 2021. US as part of the Other category until the fiscal period 2022.

Company description and business model 6/6

its NMR machine is typically under 1 MEUR and the capacity in an optimal situation (usually research projects) is 90,000 tested blood samples per year. Divided over eight years, the cost of the machine is some 30 to 45% of the variable costs of analyzing the sample according to the company's estimate. This estimate would correspond with a variable cost of some EUR 3-5 per test in high-volume operations. However, in the business growth phase, the company has to send samples over longer distances to fill gaps in the laboratory network, so, e.g., the additional logistics costs (e.g. air freight) borne by the company significantly weaken the margin level.

The Materials and services cost item accounted for 6% of Nightingale's costs in the fiscal period 2024. These mainly consisted of small raw material or service purchases. Most of Nightingale's costs are fixed and highly personnel-dependent. During the fiscal period 2024, personnel costs accounted for some 38% of costs and consisted mainly of salaries and indirect salary costs. Other expenses that are partly personnel-related represented 20% of costs. These mainly include equipment purchases and costs, R&D costs, software and IT costs, administrative expenses, and office expenses.

Depreciation (2024: 35% of costs) are also a significant cost item and consist mainly of depreciation of capitalized product development costs and rental costs (especially facilities and equipment, IFRS 16). The company's investments (activations, fixed assets, and lease liability repayments) are so far clearly lower than depreciation (fiscal year 2024 investments: 5.6 MEUR, depreciation 8.2 MEUR). Thus, EBIT gives a more negative picture of Nightingale's cash flow in the current development phase than reality.

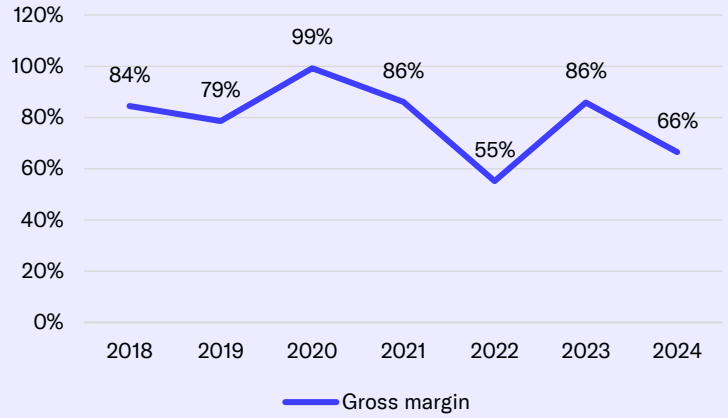
A clear majority of personnel (H2/24 average 92, 2024 fiscal period: 84) consist of product development and operational (laboratories) activities (2024: 49 people). Sales and business development (26 employees) and administration (9 employees) represent a minority of personnel, although the company has increased its investments in sales. R&D related to blood sample analysis and the identification and prediction of disease risks are in the company's own hands, so the personnel distribution provides a good picture of the distribution of the company's overall investments. In previous years, the company has also outsourced some of its product development (development of the Livit application).

As the company's size class grows, we believe there will be scalability practically in the entire personnel. The exception in our opinion is laboratory operations that grow with sample volumes, although we believe that laboratory personnel are currently designed for a slightly higher revenue level. We believe the company also continues to carry out some low-margin or free-of-charge blood analysis for research operators. The sales mix moving to clearly higher margin services would also support the company's profitability.

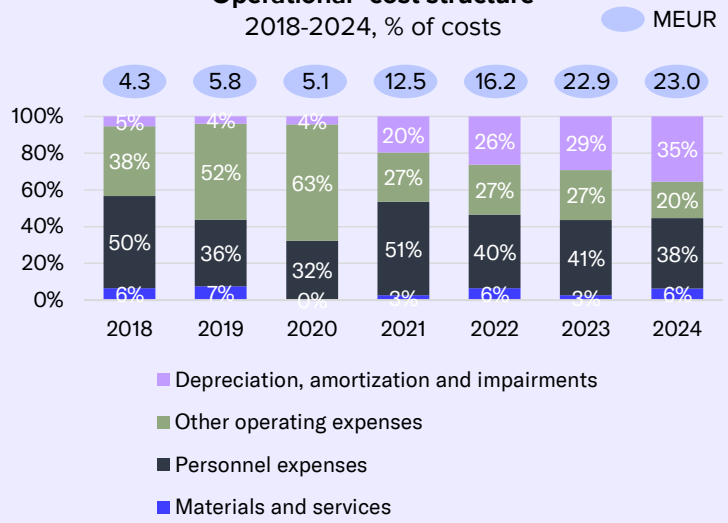
Cash is allocated to growth

Nightingale's capital allocation is currently mainly focused on commercialization of product development and technology. The company finances its negative cash flow with its strong net cash, mainly raised in the 2021 IPO, so we believe growth financing is secured for several years (discussed in more detail in the estimates section). If the company decided to invest more aggressively in growth or win an exceptionally large customer, the cost level could rise significantly, and capital would be spent much faster.

Gross margin
2018-2024, % of revenue

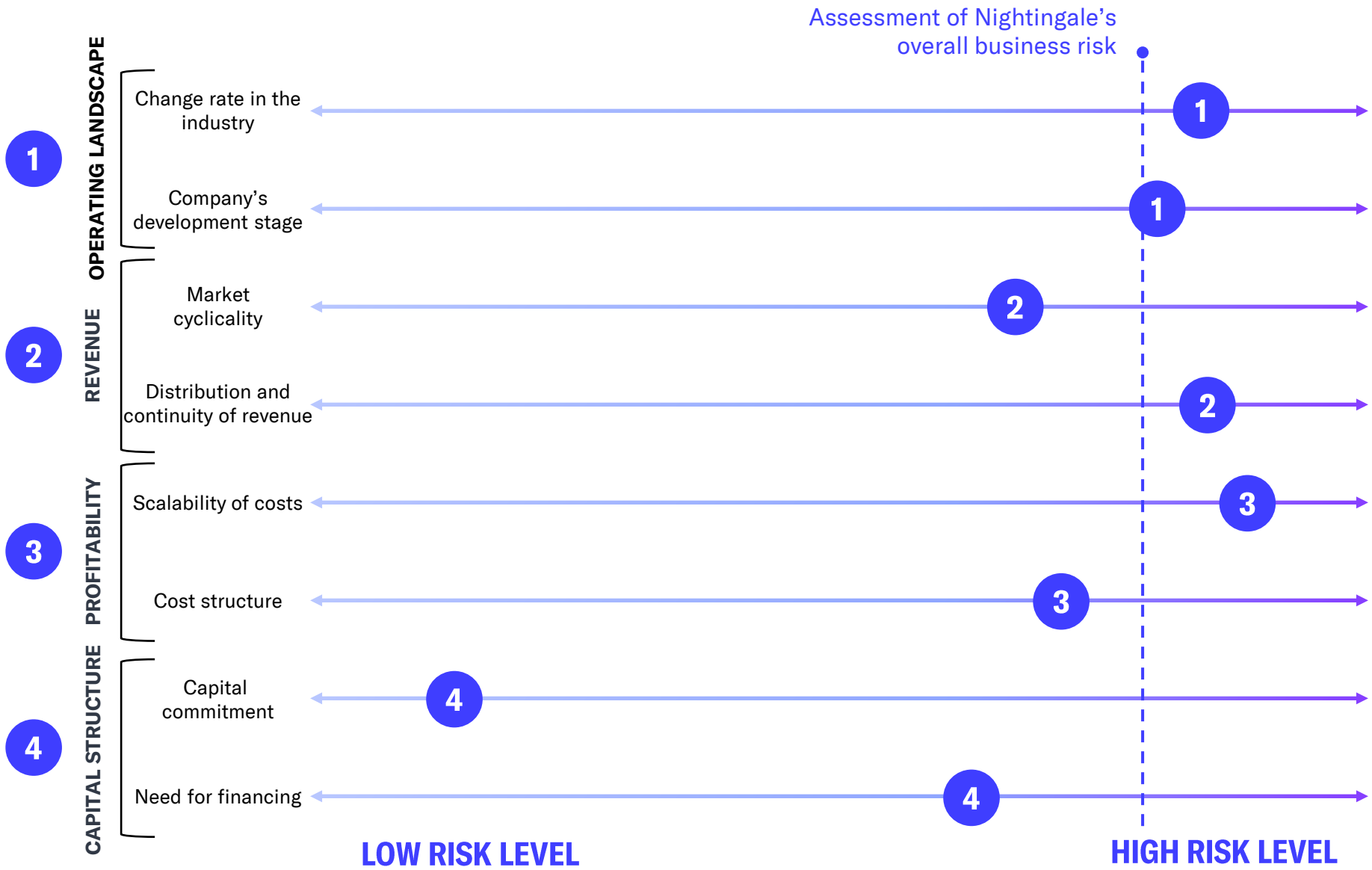


Operational* cost structure
2018-2024, % of costs



Source: Inderes, Nightingale
*Expenses recorded in the income statement before EBIT.
Figures are FAS accordant until 2020 and starting from 2021 IFRS accordant. Nightingale's fiscal periods end on June 30.

Risk profile of the business model



In our view, the preventive healthcare sector is only at the initial stages of development and, thus, in continuous and rapid change.

Nightingale's technology is a quite proven and mature, but its commercialization is only in its initial stages.

The market has strong demand drivers, and the need for healthcare is generally constant. However, due to Nightingale's low revenue, the company is not yet benefiting much from this dynamic.

Revenue is still building and the customer base is not established. In the long term, revenue is likely to be divided over several customers/geographic areas and rely on recurring revenue.

High fixed costs weigh on earnings in the short term, and the business will not easily turn profitable without clear revenue growth.

The cost structure is mostly fixed, but we estimate that gross margins are high, allowing for wide profit margins in the mature phase.

Business is primarily digital and only ties limited capital. Laboratory equipment can also be leased.

The loss-making phase during the growth stage is repaired with cash collected in the IPO, but slower-than-expected growth may create a need for further financing over the years.

Investment profile

1. Mature technology for large-scale blood markers measurement and health risk identification
2. Target market of preventive healthcare that grows supported by mega trends
3. Offering that seems competitive and a scalable business model
4. The challenges and slowness of breaking into a conservative market increase the risk level
5. Implementation of the growth strategy eats away on cash assets and may require additional funding if growth is weak

Potential

- Huge growing global market supported by mega trends
- Competitive and cost-efficient technology for predicting disease risks from blood samples
- Scalable business model
- Strong position as analyzer of Biobanks' blood samples
- Expanding significant international clients and pilots to a large scale

Risks

- The business model proves ineffective and service demand is weak
- Slower than expected progress in the implementation of new technology in a conservative industry
- Falling behind ambitious objectives, drop in valuation that relies on successful commercialization, and need for new capital
- Competing technologies
- Data breach including personal health data

Markets and competitive landscape 1/5

Preventive healthcare is not a new concept, but the market is far from ready

Disease prevention is already being done in several ways, but there is still considerable potential for wider utilization. A concrete example is the prevalence of lifestyle diseases (e.g., Type 2 diabetes and cardiovascular diseases). Disease prevention could have the potential to decrease the costs of healthcare considerably, which creates a market for cost-effective ways to reduce disease risks (see graph on next page).

Market analysts estimate that the global preventive healthcare technology and service market will grow at an annual rate (CAGR) of 9.7% in 2024-2031 to 415 BNUSD. We estimate that the technology market relevant to Nightingale is growing faster than the market. The market has many clear growth trends. The aging of the population and prevalence of lifestyle diseases will increase the strain on healthcare systems, which increases the need for disease prevention. The digital transformation of healthcare enables new and efficient methods for implementing prevention. In addition, consumers are investing more in their own health and measuring it, which creates demand for products and services that allow measuring one's health.

The tools available for disease prevention vary from one country to another but there are plenty of tools that can be classified as such. For example, vaccinations, health questionnaires, cancer screening, ante-natal clinics, monitoring of hereditary diseases (e.g., glaucoma) or regular health checks are preventive healthcare. Preventive tools, like the examples above, are, however, often point-like and only cover a limited number of disease risks. According to Nightingale, there has not previously been an individual and cost-efficient way to cover hundreds or even thousands of diseases at one time. We have not found it in the market either.

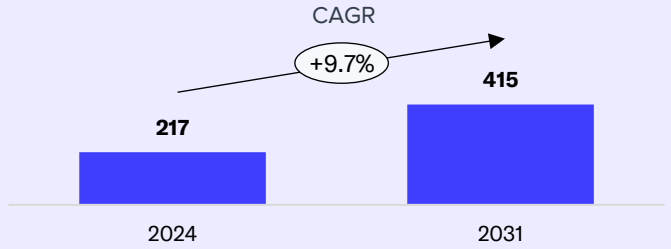
We believe Nightingale is creating a new approach in the market for preventive healthcare. However, the company's disease risk predictions are only part of the picture, as disease prevention requires successful health interventions. Changes in lifestyles can be difficult to achieve. To make an impact, the company needs to combine disease risk predictions with health interventions, where we believe the industry's current players and their services play a key role.

Healthcare can be seen as a conservative sector in general, as regulation in the sector is understandably very expansive due to patient protection. Therefore we do not expect it to be easy to open a new segment in the market.

There are differences in healthcare systems and models, which are reflected in the formation of the market

Diseases cause considerable costs for society but naturally also humane and often financial costs for the sick individual. Globally, healthcare also uses, e.g., public and private service providers, public and private funding, and direct and insurance-based grounds for payment. We believe prevention of diseases would be sensible in all systems both for society and the individual. The route to monetizing the benefit and implementing the change is not, in our opinion, as clear in all models.

Global preventive healthcare technology and services market, USD BNUSD



Source: iHealthcareAnalyst Inc

Trends behind target market growth

Trend	Effect on the market
Digitalization of healthcare	↗
Aging population and strain on healthcare	↗
Investing in your health and measuring it	↗

Source: Inderes, Nightingale

Markets and competitive landscape 2/5

Preventive healthcare does not reduce the number of sick people or the amount of care they need immediately but the effects are generated as the number of diseases decreases over time. In the short term, the overall costs may even rise as prevention of disease risks primarily generate extra costs. The costs may also be divided among different players depending on the model.

In insurance-based primary healthcare systems, the insurance company usually covers a considerable amount of disease treatment, so we believe there is a clear commercial interest to reduce these costs in the long term. Correspondingly, the insurance payer, i.e., a private person or the employer in case of occupational healthcare, can benefit from lower insurance premiums.

On the other hand, we estimate that publicly funded primary healthcare systems usually have a more limited budget to arrange their activities. For example, in Finland, the resources are quite scarce based, e.g., on the length of the treatment queues. Even though in the longer term preventive healthcare could reduce the treatment costs of sick people considerably, budget limitations can slow down implementation in the short term. Costs rising in the short term could, however, in our opinion, be justified in a dynamic public healthcare system.

In our view, private healthcare service companies, on the other hand, operate with a clear business logic, where cost-efficiency and business growth opportunities are inherently valued. Preventive healthcare services sold separately have faced challenges in this market segment, like the "Terveystalo + Nightingale" service package trial, sold separately in Finland. On the other hand, there may already be a clear commercial logic in the health check-ups performed today, if Nightingale's technology can simplify and streamline the care chain. An example of this is Terveystalo's occupational health check-ups, where Nightingale is used routinely. Corresponding models that fit directly into the current value and care chains could also work for public healthcare providers. On the other hand, this segment could also be served through local diagnostics services, which can resell Nightingale's services to healthcare companies.

Health-conscious and financially sound consumers can also see preventive healthcare as a sensible use of money. The consumer will, however, only experience part of this benefit as improved health and quality of life and benefits are also generated for society. Consumers are also often covered by some health insurance or public service and are not necessarily ready to spend considerable amounts of their own money on preventive care. We believe, however, that consumers, particularly the most health conscious ones and those in higher income brackets, may be willing to pay for preventing disease risks. Nightingale's previous direct or partner-led initiatives (e.g. Terveystalo's MyNightingale service) in the consumer business in 2020-2023 were not successful, so this segment of the market seems like a less likely growth area.

Nightingale has established several partnerships in the market, where the company's solution is either in routine use in health check-ups of private healthcare service companies (Terveystalo's occupational health) or as part of the range of diagnostic services (Innoquest Diagnostics/Pathology Asia). Thus, the formation of

Preventive healthcare could offer a relief to the cost pressure of healthcare

Chronic diseases are the most common cause of death and cause of health hazards globally

Heart diseases | Stroke | Cancer | Diabetes | Chronic respiratory diseases

Source: WHO, Nightingale

90%

Of the USD 3.8 trillion annual healthcare costs are generated from **treating people with chronic and mental health-related illnesses**

5x

More expensive to treat sick people. Five times higher healthcare costs per person in the US compared to the rest of the population **if the person has chronic illnesses**

Source: The Centers for Disease Control and Prevention, CDC

80%

of common chronic illnesses[1] **can be prevented with preventive actions that improve health**

Source: American Action Forum
1 Strokes, heart diseases and diabetes

Markets and competitive landscape 3/5

of Nightingale's target segment has already begun. However, the coming decade will tell more about the speed of market formation, and the emphasis on segments may change radically. In the longer term, a broader market shift is also possible, but we expect the technology and service market for preventive healthcare relevant to Nightingale to grow first through applications that bring faster benefits.

The competitive landscape combines biotechnology, software and medical research

Nightingale's product combines different disciplines. The company's competitiveness and moat are formed both directly of these competences and of combining them into a whole. The competitive field can therefore be assessed as a whole consisting of blood analysis (biotechnology/diagnostics), interpretation of results and popularization (digital) and disease risk predictions (health). We believe it is easier for the buyer to buy the entire chain at once and this gives a competitive advantage to a supplier who can offer this.

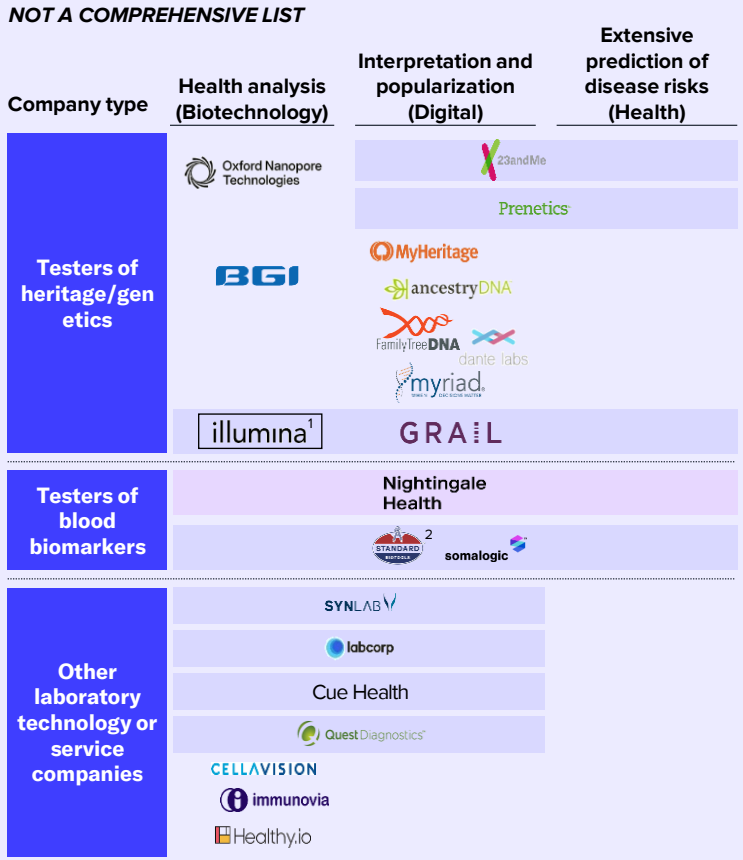
Own or applied analysis technology seems for the moment to be the precondition for managing the entire prevention chain. According to our estimate, this is caused by the high-cost level of the technology and limited coverage (see technology comparison in the Company description section). In blood testing laboratories, the price for a wide base covering up to hundreds of biomarkers is expensive if traditional methods relying on clinical chemistry are used for analysis. For example, Synlab's consumer price for measuring Nightingale's 39 CE marked clinical biomarkers is around EUR 300-600 (incl. VAT), while Nightingale's list prices for corresponding measurements from a venous blood sample start at only EUR 34 (excl. VAT).

We also believe that without extensive cost-effective measurement of blood markers, it is difficult to get to test biobanks' samples with which you can build disease risk predictions. Even if the samples were tested with large investments and connections to disease risks were found, the high-cost level would also make the consumer test to be sold later expensive. A person's health can, however, be assessed by tests using existing laboratory technology as the connection between several blood counts and disease risks is known (e.g., cholesterol levels and cardiovascular disease). In our view, however, conventional laboratory technologies are poorly suited to a broader and more cost-effective risk prediction.

Companies carrying out genetic testing can, in turn, assess hereditary disease risks (e.g., 23AndMe, Prenetics), but these tests are static and do not consider how people's lifestyles affect these risks. Thus, they only compete with Nightingale to a limited extent in terms of genetic information. As far as we know, these companies do not have their own measurement technology, which would give them a clear advantage in terms of measurement ability or cost level.

There are several competitors in the market that perform individual stages of the value chain (biotechnology/diagnostics, digital interpretation of results and prediction of health risks). However, there are only a few comprehensive players utilizing blood biomarkers on the market. According to Nightingale, in addition to itself,

Only a few players in the competitive landscape comprehensively covers the chain of disease risk determination



1 Illumina acquired Grail in September 2020
2 Standard Biotools merged with SomaLogic in January 2024
Source: Nightingale

Markets and competitive landscape 4/5

Grail and SomaLogic (now part of Standard Biotools) cover the entire chain, and we have not found any other similar players either. These players are combined by own biotechnology in sample testing and are, in our view, the most logical direct competitors to Nightingale.

Nightingale and SomaLogic both measure blood biomarkers. Nightingale's testing applies NMR spectroscopy while SomaLogic applies mass spectrometry. The mass spectrometer can measure a larger amount of protein in particular than NMR spectroscopy. SomaLogic's technology measures some 7,000 proteins. NMR measures a smaller number of biomarkers, but is not limited only to proteins. On the other hand, according to Nightingale's estimates, SomaLogic's testing is clearly more expensive than its own. A broad comparison of blood analysis technologies can be found in the Company description section.

However, according to information published by SomaLogic, it focuses more strongly on research-related applications (e.g. drug development, disease biology, biomarker exploration). SomaLogic's technology has also analyzed UK Biobank's samples for these purposes. We believe that SomaLogic is currently not trying to build comprehensive disease risk predictions like Nightingale. SomaLogic has also analyzed clearly fewer samples than Nightingale. However, we see the company as the most clear potential competitor for Nightingale, so we believe that its strategy development should be monitored closely.

Grail, the other most natural direct competitor, carries out extensive genetic (DNA) analysis where it applies its own technology to recognize early signs of cancerous tumors. We believe cancer-oriented Grail largely solves different problems than Nightingale (disease risks caused by lifestyle choices) and SomaLogic (biomarker measuring), and thus we do not see it as an especially relevant competitor for Nightingale at the moment.

The number of samples analyzed by Nightingale creates a moat and increases network effects

A larger volume of data available for research improves the predictive power of data and the preconditions of the research in general. The more data is available the more reliable the results are. On the other hand, high data volumes can also predict less frequently occurring diseases. According to Nightingale, it has analyzed more samples than its competitors, covering, e.g., the UK Biobank, Finland's national Biobank, the Estonian Biobank and sample collections from South-East Asia. Nightingale's technology has also been used and validated for over 600 studies in Europe, Asia, and the US.

According to Nightingale, Biobanks have an incentive to analyze their samples as a part of more extensive comparable research data as it increases the available data volume gained from studying samples. On the other hand, as part of a large sample base the extent of the research grows when more Biobank samples are included. According to Nightingale, biobank samples are usually not analyzed with similar methods several times, as most benefits are achieved with the first analysis. The volume of samples decreases with every testing and Biobanks want to utilize their samples for as many tests as possible (e.g., genetics). In our view, this logic makes sense. However, a potential competing technology that, in addition to metabolic markers, would measure something new from blood that is essential from the biobank's point of view, could change the situation.

Nightingale is different compared to its main competitors and from many viewpoints a more competitive option

	Nightingale Health	GRAIL	somalogic
What is analyzed	Blood biomarkers	Genetic ancestry in blood	Blood biomarkers
Risk recognition	**>700[4]** common diseases (ICD codes)	**>50** cancers	**N/A**
Test cost[2]	**Low**	**High**	**High**
Samples analyzed	**>2.5 million**	**0.13[3] million**	**0.45 million**
Capital raised	**142 MEUR[5]**	**>2000 MUSD**	**>950 MUSD**
Scientific publications	**>600**	**>90**	**>1,200**

2 No exact data available. Nightingale estimates that competitors' costs are some tens or hundreds of times higher than its costs. The competitors have collected some 5 to 15x more funding than Nightingale relative to the number of samples they analyze which could indicate that this statement is true but no reliable conclusions can be drawn from this.

3 Analyzed volume in ongoing clinical tests

4 Nightingale has not yet filed patent applications for the entire amount and this sum has not yet been peer reviewed as a whole. A single disease typically covers many ICD codes.

5 40 MEUR from July 1, 2017 to December 31, 2020 and 102 MEUR net assets from the IPO 03/2021

Source: Inderes' estimate, company websites and publications, media sources, Nightingale

Markets and competitive landscape 5/5

We believe that the analyzed sample volume in any case brings significant network effects for Nightingale and deepens the company's technology moat. We believe that Nightingale has gained a good foothold as an analyzer of biomarkers in blood from Biobanks thanks to its competitive advantages and the research base based on the data it has produced is already extensive. We also find Nightingale's technology to be a natural solution for blood analysis for persons looking for disease risk predictions, since both human measurement and risk analysis are based on the same comparable measurement method.

There are countless diagnostic companies on the market that utilize NMR spectroscopy. However, we have not found a player in this group that, like Nightingale, has further developed the NMR method for a large sample volume and a broad set of biomarkers, or has started building the research database required to predict disease risks from, e,g., biobanks. With the dynamics described above, we believe that the market entry threshold (long road of collecting research data) is high, so a competitor entering the market through this route seems unlikely. However, the industry is developing rapidly, and we would not be surprised to see new competitors emerge through this or other means, especially in the longer term.

As a whole, we believe that Nightingale has clear competitive conditions to succeed in the market for disease risk prediction and their prevention based on blood marker measuring.

In our view, it will take more than a decade to see whether the company's approach to large-scale disease prevention will succeed in changing the industry's value chain with a viable commercial model. However, thanks to its competitive position, we believe the company can pursue a quasi-monopoly position in this very large global market, which, in the best market formation scenario, would make the company a global giant in the health technology industry.

Nightingale's key competitive factors

- Scalable, cost-effective and comprehensive technology for analyzing biomarkers in blood samples
- Access to Biobanks' sample bases and an extensive database of analyzed samples
- Ability to predict extensive disease risks
- Regulatory approvals enable the use of Nightingale's blood test also in primary healthcare
- Reference customer for routine healthcare use (Terveystalo occupational healthcare)

Nightingale's competitive disadvantages

- Evidence of the business model's functionality and benefits to stakeholders is still limited to specific applications
- Credibility and references, especially in the public healthcare market, are yet to be earned, which makes it difficult to break into the market
- Competitors are clearly better financed, Nightingale has smaller resources for company development
- Conservative target market, where the company's track record is still short (especially primary healthcare)

Source: Inderes' estimates

Strategy and financial targets 1/2

Nightingale aims to integrate into existing healthcare value and care chains

Nightingale's strategy is based on building a business around its health data platform and, in the long term, shifting healthcare towards prevention. However, commercially, the company is still in an early stage, and its strategic priorities and focus are being shaped based on feedback from the market. In our view, Nightingale's strategy is to continuously test different service models with current and potential new customers, prune out those that do not work (like the consumer service tested in 2020-23), and increase investments in acquiring new customers based on working models.

To achieve a significant size, Nightingale must. in practice. analyze at least a few million blood samples per year. On the other hand, the healthcare market is conservative and major changes take time. To accelerate growth, Nightingale aims to first introduce its solutions to existing healthcare treatment and value chains, such as improving the efficiency of health check-ups that are already being performed. At the same time, the company can gain access to large patient sample streams.

The strategy execution track record is good, but large contracts and clear revenue growth are still expected

Nightingale has achieved almost all of its short-term goals in line with the advancement of its strategy. The company has won all the targeted contracts, except for a targeted public sector customer. On the other hand, FDA approval in the US market has been significantly delayed, but since the regulatory path was clarified, we estimate that the company will receive the required local laboratory permits in 2025-26.

Nightingale's commercial strategy has gained more momentum since the customer wins in 2023. As a result, Nightingale's technology was introduced in Finland at the beginning of 2024 in Terveystalo's occupational health services, where the company's platform was integrated into routine occupational health check-ups (~100,000 sample analyses per year). In addition, the company's platform has been added to the test catalogs of the large diagnostics company Innoquest Diagnostics (Q1/2025, Singapore) and Boston Heart (schedule open, US), where sample volumes are being increased as part of the partners' offerings. In addition, the company has won several pilot contracts, especially in 2024. In light of these contracts, it seems the company has found a path for growth in its market.

In our view, the next step of Nightingale's strategy is to mature the pilots into a continuous partnership phase, continue to seek new customer wins, and scale the initiated partnerships to a significant size. The company's commercial agreements have not yet generated significant revenue (the high-volume Terveystalo agreement was signed at a low pilot price), and volumes in the Innoquest Diagnostics and Boston Heart partnerships are built up gradually. Therefore, the company's medium- and long-term targets for significant business growth and turning profitable are still subject to considerable risk. At the same time, the partnerships already won provide indications of the possibility of larger customer wins.

Key objectives

✓ Achieved
⏳ Delayed
✗ Not reached

Objectives of the IPO (2/2021)
Objectives for the fiscal period 2022-2023
Objectives for the fiscal period 2023-2024
Objectives for the fiscal period 2024-2025

Short-term*	
ISO27001 information security certificate	✓
Contract to analyze at least 75,000 samples	✓
Partner contract with an established healthcare service provider	✓
Launch of new app version	✓
FDA approval**	⏳
A major commercial contract with a public health operator	✗
Contracts with private sector companies to analyze >50,000 blood samples	✓
Contracts with scientific institutes to analyze >175,000 blood samples	✓
A significant international commercial reference agreement with a healthcare provider	✓
A significant international commercial reference agreement with a white label partner	✓
>3.2 MEUR of new contracts from research customers	✓
A large deal with an international healthcare operator	
Increasing revenue from the previous fiscal period	
Improving adjusted EBITDA from the previous fiscal period	
Medium term	
Achieve a positive EBITDA	
Contract on 2 million samples*** with healthcare service companies (Europe)	
Contract on 10 million samples*** with healthcare service companies (YS/Asia)	
Long-term	
Revenue over EUR 500 million	
Analysis of over 100 million samples***	

Source: Nightingale, Inderes
*Targets have always been set for roughly one fiscal period at a time
**FDA approval was clearly delayed from original target (June 30, 2022)
***The target was initially users, but it was changed to align with the B2B strategy

Strategy and financial targets 2/2

Target market and Nightingale's position

Size of target market[1], 2024 — **217 BNUSD**

Market growth, 2024-2031 — **~10% CAGR**

Key market trends for Nightingale

- Digitalization of healthcare
- Aging population and strain on healthcare
- Investing in your health and measuring it

Mature technology for predicting lifestyle diseases, in early stages of commercialization

Nightingale Health

Strategic focus areas

1. Focus on reducing lifestyle diseases through blood analysis and disease risk predictions
2. Continuous testing and development of service models with existing and targeted new customers
3. Integration into existing healthcare value and treatment chains, which at best already have large patient volumes passing through them
4. Investments in scaling won customer relationships to a significant size

Financing negative cash flow with cash assets, moving toward income financing in the medium term

Profitability turnaround

In the medium term, measured by EBITDA

+100 million

Analyzed samples over the long term

MEUR +500

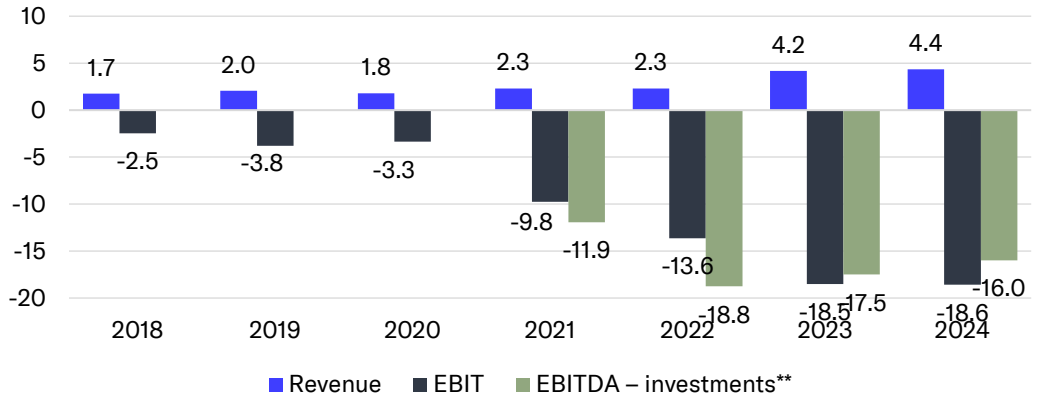
Revenue in the long term

1 Global technology and service market for preventive healthcare
Source: Inderes, iHealthcareAnalyst Inc, Nightingale

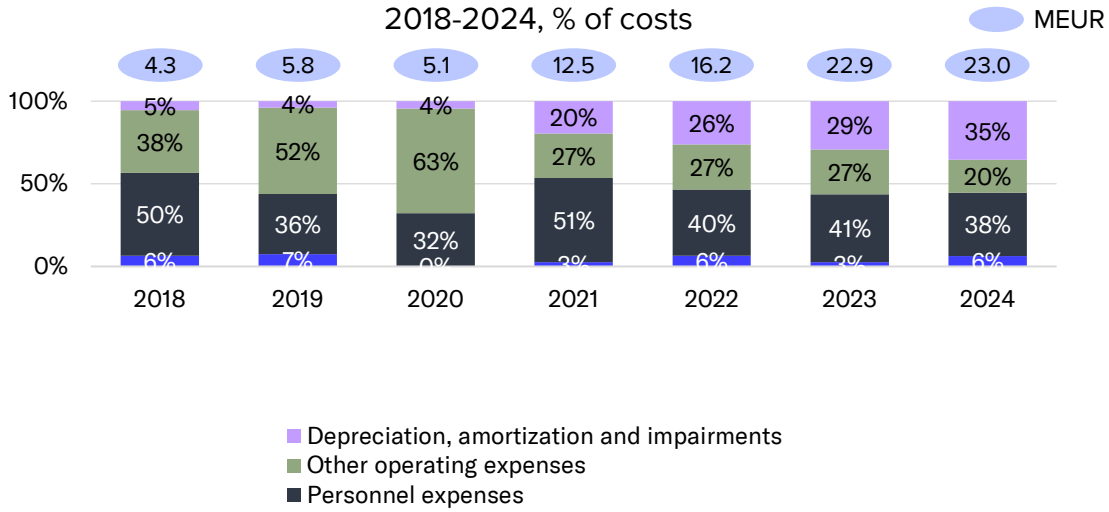
Past development and balance sheet 1/2

The business has been heavily loss-making due to early development and investments

Revenue, EBIT and EBITDA – investments,
2018-2024



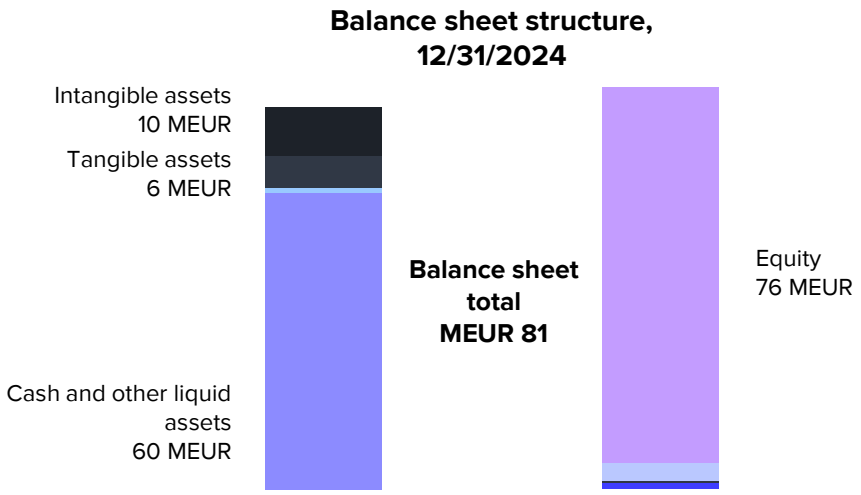
Operational* cost structure
2018-2024, % of costs

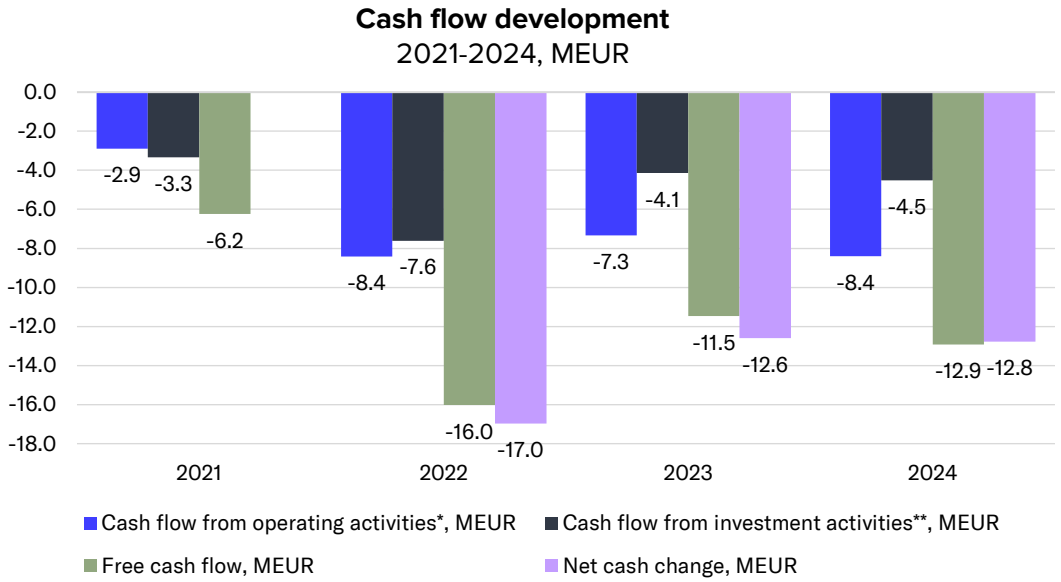


*Costs recognized in the income statement before EBIT **Investments in intangible and tangible assets
Source: Nightingale, Inderes. The figures are in FAS until 2021 and in IFRS from 2021 onwards.

- Nightingale's annual revenue growth* (CAGR) was about 16% in the fiscal periods 2018-2024
- Until fiscal period 2023, revenue consisted almost purely of analysis services for research organizations under academic cooperation agreements. At that time, the company also performed a significant number of free sample analyses to build its risk models. Sales to healthcare service companies have also been included from the fiscal period 2024 onwards, but the growth for the period mainly stemmed from growth in research revenue, as we believe the company significantly reduced the number of free sample analyses during this time. However, income from healthcare service companies is still small, and the company seeks to multiply it in the future.
- Profitability has been on a negative trend in fiscal periods 2018-2022 (EBITDA – investments), but has started to strengthen in fiscal periods 2023-2024, mainly supported by revenue growth. Profitability has been weakened by increased investments in technology commercialization since fiscal period 2021, when the company also went public to finance the implementation of its strategy. However, supported by revenue growth and cost discipline, the company's profitability and cash consumption have turned to an improving trend, which we expect to continue as revenue growth progresses.
- Nightingale's expense structure is virtually fully fixed. The company's operating expenses have increased many times over since its listing (2020: 5.1 MEUR, 2024: 23.0 MEUR). Costs focus strongly on fixed items and personnel costs account for a high share of costs (38% in fiscal period 2024). The company's cost structure is burdened by high depreciation of previous R&D investments, although with the investments made instead (incl. IFRS-16 lease liability repayments), the company's operating expense structure decreased in the fiscal period 2024.
- Until fiscal period 2020, costs focused especially on research personnel salaries, laboratory equipment and rents. Costs have included a significant amount of the company's technological development and analysis of biobank samples to collect research data. Since the fiscal period 2021, Nightingale has clearly increased its investment in technology commercialization, which has especially raised personnel costs. In addition, the company's depreciation mass has increased with the start of commercial use of the technology. Nightingale's capitalization is lower than depreciation so far (2024 capitalization 5.6 MEUR; depreciation 8.2 MEUR), so the company's cost structure seems a bit heavier than reality.
- The company's growth requires constant investments in fixed costs, so turning profitability to neutral would require the company's revenue to multiply.

Past development and balance sheet 2/ 2





Source: Inderes, Nightingale. *Less lease liability repayments. **Excluding the impact of financial items and acquisitions. Nightingale's figures are IFRS accounting compliant starting from the end of 2020.

Net debt free balance sheet is weighted towards cash and cash equivalents

- Nightingale's balance sheet (12/31/2024) is very strong and provides good buffers for financing the cash-flow negative investment phase.
- Cash and cash equivalents (60 MEUR) represent a clear majority of the company's balance sheet. The company's strong net cash position (58 MEUR) creates good conditions for investing in commercialization and there are no new financing needs on the horizon at least for the next few years. The company's other key assets are intangible assets (10 MEUR) focusing on capitalized R&D expenditure and tangible assets focusing on laboratory equipment (6 MEUR).
- Nightingale's balance sheet (115 MEUR) is nearly exclusively financed by equity (76 MEUR), which the company collected mainly in the IPO in early 2021. As a result of IFRS reporting, the company's non-interest-bearing liabilities (5 MEUR) also include lease liabilities (1 MEUR). The company has no substantial interest-bearing debt.

Cash flows are still negative due to the investment phase

- Nightingale's cash flow is still highly negative. The company's business is in the investment phase, which weighs on both earnings (2024 net result -18.2 MEUR) and free cash flow (-12.9 MEUR), making them negative. Nightingale's cash flow is clearly less negative than its earnings, as the company's investments (capitalizations, fixed assets, and repayments of lease liabilities) are so far clearly lower than the depreciation recorded on them (2024 investments 5.6 MEUR; depreciation of 8.2 MEUR). In addition, part of the company's expenses are share-based payments (2024: 2.9 MEUR), which have no cash flow impact and arise from the theoretical future exercise of options linked to the company's market value.
- In the fiscal period 2022, the company's cash flow was exceptionally weak due to larger investments (9.6 MEUR), as the company was still purchasing significant amounts of software development subcontracting for consumer application development (Livit), which later moved to the sidelines as the company shifted its strategic focus to healthcare service companies.
- Nightingale's business that is still small does not as such tie up considerable amounts of capital and the company's net working capital is negative (2024: -2.9 MEUR, adjusted for short-term lease liabilities under IFRS). In the longer term, however, we expect net working capital to be moderately committed, although this is entirely dependent on the structure of the company's long-term business model. In practice, the capital needs of the business have so far arisen directly from covering the losses generated by the front-loaded increase in the fixed cost structure in the income statement.

Estimates and valuation 1/6

Our forecast is based on the company's commercial strategy, the progress of which is difficult to predict

Nightingale operates in the preventive health care market, where the growth outlook is generally strong. We estimate that the company's technology is the only available cost-efficient way to predict health risks on a large scale. Using the same measurement, the company also produces blood counts for clinical use at a manifold lower cost than its competitors (see p. 7). In principle, we can see a market niche for the company and good preconditions for growth.

However, Nightingale is trying to break into conservative health care customers with new technology, and benefiting from market growth is not self-evident. It is also very challenging to assess the timing of a possible extensive commercial breakthrough. Nevertheless, the company has announced several customer pilots and its tests are in high-volume routine clinical use (Terveystalo occupational health services). Despite this, our forecasts require several highly uncertain assumptions, the accuracy of which will only be revealed over time. The assumptions concern revenue, required growth investments and cost structure development.

Our estimates are based on a realistic but high risk scenario of the company’s growth in the current situation. Investors should be aware of the high risks of our estimates, because it is still fully possible that the company will not succeed in a substantial commercial breakthrough. We discuss different growth scenarios in more detail in the valuation section. Nightingale’s fiscal periods end on June 30 (e.g. the 2024 fiscal period ended on June 30, 2024), so our estimates concern fiscal periods and not calendar years.

Key estimate parameters

Nightingale reports its revenue primarily geographically for the time being, and in the short term, we believe this breakdown is the most logical approach to forecasting revenue. The business is based on research revenue, which is a relatively stable revenue item with rather limited growth potential and magnitude. In our view, a company with significant growth potential can, in turn, form partnerships in various healthcare value chains. In our assumptions about these, we rely on announced partnership agreements and the news flow about their progress. The company's customer ramp-ups have generally taken about 12-24 months from launch, so the published partnerships offer reasonable support for forecasts within a few years. Ultimately, Nightingale's revenue streams still rely on the number of analyzed samples and the unit price, so we also model these parameters and, especially in the long term, rely on them in our estimates.

Nightingale does not report data on sample volumes precisely or regularly (they usually disclose the cumulative rounded sample volume), so the figures we use also include historical assumptions. In terms of prices, the company’s list prices for high-volume research customers are known (2021-2024: Starting from EUR 18-24 per sample, 2025: Starting from EUR 34 per sample). Especially in the past, the company has analyzed a significant volume of samples free of charge, which has enabled it to collect a lot of data to support the development of its technology. In addition, the company's reference agreements have lower price points and at-home tests, on the other hand, have higher ones, so the average sample price has historically been, and may continue to be, within a fairly wide range.

Key estimate drivers

Estimate	Key parameters

Revenue	• **Approach 1 (long term)**
	  • Volume of analyzed samples
	  • Share of commercial samples and unit price
	• **Approach 2 (short term)**
	  • Revenue development by geography, based on won partnership agreements, the company's own commercial projects, and pilot customers

Costs	• Personnel costs (number and unit price, options' non-cash flow IFRS 2 entries) • Variable costs A. Cost per analyzed sample B. Volume of analyzed samples

Source: Inderes

Estimates and valuation 2/6

In the short term, Nightingale's business costs are largely fixed costs, as the company continues to invest significantly in research, product development, and sales and marketing. We also include the company's management and administration in fixed costs.

The sample volumes analyzed by Nightingale are still quite moderate, so variable costs play a smaller role than fixed costs for the time being. In light of the company's guidance, the cost of sample analysis would be EUR 3-5 per analyzed sample in optimal use. In 2018, Nightingale reported that analyzing the UK Biobank's sample of 0.5 million tests corresponds with an investment of over EUR 10 million, which would mean a cost of over EUR 20 per sample. We estimate that the company's processes have developed since then and will evolve further with the clear increase in testing volume, which will decrease variable costs of analysis over time. For at-home tests, costs and sales prices are clearly higher, but we expect their share of sales will remain in the minority in the long term.

However, these variable costs of sample analysis are mixed with fixed costs in the company's income statement. Thus, we forecast the company's cost structure as a whole and utilize assumptions about the development of variable and fixed costs to support the forecasts.

In the fiscal period 2025, momentum is gathered in partnerships that have moved into the commercial phase

We expect Nightingale's revenue to grow by 20% to 5.2 MEUR in the fiscal period 2025 (July 1, 2024-June 30, 2025) and by 10% to 2.9 MEUR in H1/2025. Revenue grew by 35% in H2/2024, which was partly driven by revenue from Terveystalo's occupational health services that was missing from the comparison period. For H1/2025, these are already included in the comparison figures, but at the same time, the company has launched commercial phases in the Innoquest Diagnostics (Singapore) and Boston Heart (US) customer accounts. We estimate that these will bring some income flow to the company, but if the cooperation progresses well, we estimate that the growth in volumes and revenue will be more clearly visible only in future fiscal periods.

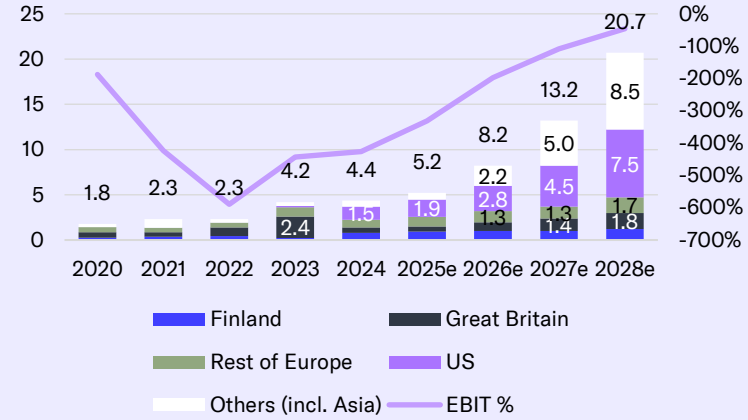
We expect Nightingale's EBIT to strengthen slightly and rise to -17.3 MEUR in the fiscal period 2025 (2024: -18.6 MEUR) and -8.1 MEUR for H1/2025 (H1/2024: -9.3 MEUR). The improvement we forecast is mainly driven by lower depreciation levels (the company's investments are clearly below depreciation) and revenue growth.

Nightingale aims to increase its revenue and adjusted EBITDA during the fiscal period. Our estimates are therefore also in line with these objectives. The company also aims to announce one new major agreement with an international healthcare player. Nightingale has so far succeeded in almost all of its customer acquisition targets, so we see good prospects for this. In practice, however, the potential agreement would not have time to affect the revenue for the period.

In fiscal periods 2026-2028, partnerships will be driven to higher volumes

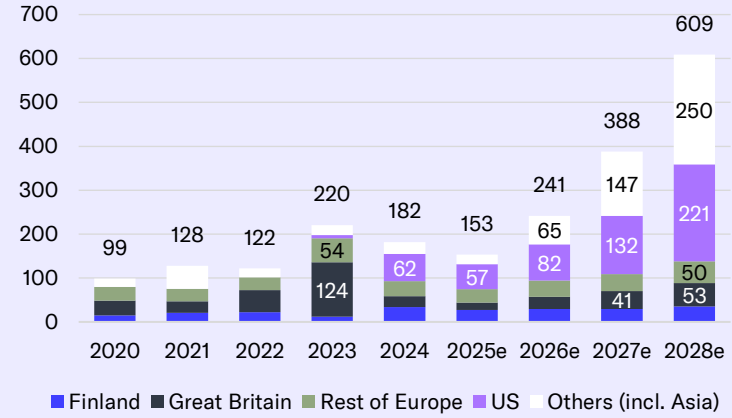
We estimate that Nightingale's research segment revenue will continue to grow moderately in euros, driven by price increases, as we expect sample volumes to remain relatively stable. In our assumptions, the healthcare partnerships that are key to the company's revenue growth, currently Innoquest Diagnostics/Pathology Asia (Singapore / Southeast Asia) and Boston Heart (US), will gradually move into the volume phase during fiscal periods 2026-2028. In partnerships, Nightingale's test is sold

Geographical revenue distribution* and profitability development, Fiscal periods 2020-2028e, MEUR and % of revenue



Source: Inderes * US as be part of the Other category until the fiscal period 2022. Figures are FAS accordant until 2020 and starting from 2021 IFRS accordant.

Geographical distribution of calculated* analyzed commercial sample volumes, Fiscal periods 2020-2028e, thousand samples



Source: Inderes *Mechanically calculated from revenue using year-end list prices: EUR 18 per sample (2020-2021), EUR 19 (2022-2023), EUR 24 (2024) and EUR 34 (2025->). **NB**: Terveystalo's occupational health care sample volume of approximately 100,000/year in Finland, which started on January 1, 2024, is realized at a lower price point than the list price due to its reference value, so sample volumes have presumably actually increased also in fiscal periods 2024 and 2025.

Estimates and valuation 3/6

as individual orders, so successful volume growth requires successful sales in the partners' customer network.

Our forecast is based on partnerships that have already been won, especially in fiscal periods 2026-2027. In order for our forecasts to materialize from the fiscal period 2028 onwards, more partnerships need to be established alongside these, or existing pilot customers, especially those established in the US, need to be moved to the commercial phase. Alternatively, the volume growth of existing commercial partnerships must be exceptionally successful. However, Nightingale has managed to generate clear interest in its technology and also introduced it to healthcare, so we expect the company to announce new customers or pilot customers moving to the commercial phase every year.

In the fiscal periods 2026-2028, we expect the company's EBIT to strengthen from -16.2 MEUR to -9.5 MEUR due to increased revenue and reduced depreciation. Maintaining revenue growth will require recruitment from the company, so we expect EBIT to strengthen quite moderately during this period.

Growth in fiscal periods 2029-2039 requires continuous commercial success

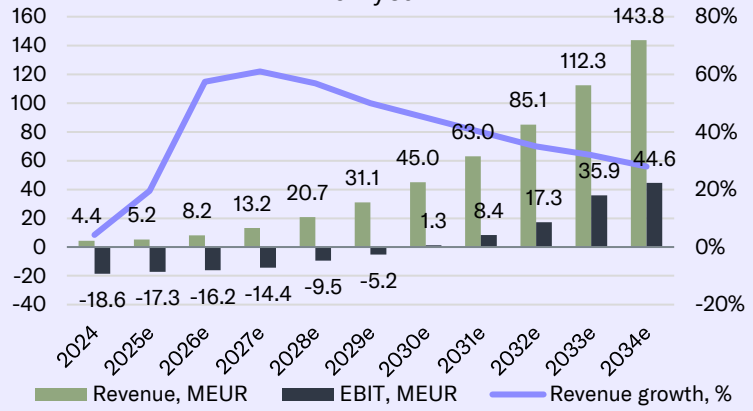
Our estimates for fiscal periods 2029-2039 expect Nightingale to continue winning at least medium-sized continuous commercial contracts annually, covering tens of thousands to a few hundred thousand samples per year. The contracts can also be extensions of existing customer relationships, and a single, remarkably large customer can bring the growth in sample volumes we are forecasting for years to come. Our estimate corresponds to 27% annual revenue growth (CAGR) in fiscal periods 2029-2039, which corresponds to a multiplication of the company's business globally to a significant scale (2039e revenue 260 MEUR), so materialization of the estimate requires strong performance by the company in implementing its commercial strategy.

At a list price of EUR 34, our estimate corresponds to an annual accelerating increase of some 300,000-1,000,000 commercial samples in fiscal periods 2029-2034 and an annual decelerating increase of about 100-1,000 samples in fiscal periods 2035-2039. The company's annually analyzed sample volume would thus increase to approximately 7 million samples by the end of the 2030s.

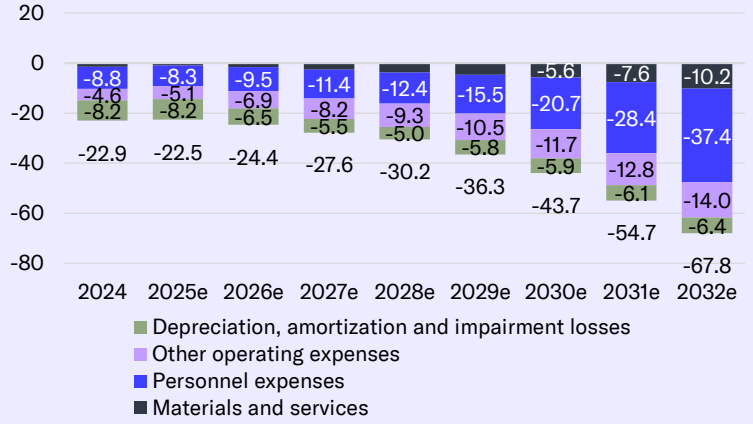
Nightingale's strategic goals include contracts with healthcare operators: in the medium term, for 2 million samples in Europe, and in the long term, for 10 million samples in the US or Asia. In addition, the company targets revenue of over 500 MEUR in the long term (Inderes: 260 MEUR). Our estimates are thus clearly below the targeted revenue, but on the other hand, the targeted contract wins are quite well in line with our long-term etimates.

Our long-term forecasts assume that the commercial progress the company has shown by June 2025 will continue and Nightingale will succeed in getting its test into fairly widespread use in healthcare. The forecast is based on concrete evidence provided by the company of the test's value in healthcare (especially Terveystalo's occupational healthcare), as well as globally advanced commercial partnerships (Boston Heart and Innoquest Diagnostics) and several pilot projects. The key uncertainty, in turn, is the pace of expansion in the use of the test, the success in establishing its use, and the scale of the business resulting from this. These will remain key risks to our forecasts for a long time.

Revenue and EBIT estimates,
Fiscal periods 2024-2034e, MEUR and growth-% year-on-year



Projected evolution of the operational cost structure,
Fiscal periods 2024-2032e, MEUR



*Expenses recorded in the income statement before EBIT
Source: Inderes

Income statement

Income statement	2022	2023	2024	H1'25	H2'25e	2025e	2026e	2027e	2028e
Revenue	**2.3**	**4.2**	**4.4**	**2.3**	**2.9**	**5.2**	**8.2**	**13.2**	**20.7**
EBITDA	**-9.4**	**-12.9**	**-10.4**	**-4.7**	**-4.4**	**-9.1**	**-9.7**	**-8.9**	**-4.5**
Depreciation	-4.2	-5.6	-8.2	-4.4	-3.8	-8.2	-6.5	-5.5	-5.0
EBIT (excl. NRI)	**-13.6**	**-18.5**	**-18.6**	**-9.1**	**-8.1**	**-17.3**	**-16.2**	**-14.4**	**-9.5**
EBIT	**-13.6**	**-18.5**	**-18.6**	**-9.1**	**-8.1**	**-17.3**	**-16.2**	**-14.4**	**-9.5**
Net financial items	-2.6	0.3	1.2	0.6	0.4	0.9	0.7	0.2	0.0
PTP	**-16.2**	**-18.2**	**-17.4**	**-8.6**	**-7.8**	**-16.3**	**-15.5**	**-14.2**	**-9.5**
Taxes	0.1	0.0	-0.1	0.0	0.0	0.0	0.0	0.7	0.5
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net earnings	**-16.1**	**-18.2**	**-17.4**	**-8.6**	**-7.8**	**-16.3**	**-15.5**	**-13.5**	**-9.1**
EPS (adj.)	**-0.23**	**-0.30**	**-0.29**	**-0.14**	**-0.13**	**-0.27**	**-0.25**	**-0.22**	**-0.15**
EPS (rep.)	**-0.27**	**-0.30**	**-0.29**	**-0.14**	**-0.13**	**-0.27**	**-0.25**	**-0.22**	**-0.15**

Key figures	2022	2023	2024	H1'25	H2'25e	2025e	2026e	2027e	2028e
Revenue growth-%		80.8 %	4.2 %	34.6 %	9.7 %	19.5 %	57.5 %	61.0 %	56.8 %
Adjusted EBIT growth-%		35.9 %	0.4 %	-1.9 %	-12.5 %	-7.2 %	-6.1 %	-11.3 %	-33.6 %
EBITDA-%	-405.9 %	-308.4 %	-239.4 %	-204.6 %	-151.0 %	-174.8 %	-118.3 %	-67.2 %	-22.0 %
Adjusted EBIT-%	-589.5 %	-442.9 %	-426.6 %	-395.6 %	-280.3 %	-331.4 %	-197.6 %	-108.8 %	-46.1 %
Net earnings-%	-695.7 %	-435.4 %	-400.0 %	-371.2 %	-267.4 %	-313.4 %	-189.0 %	-102.2 %	-43.8 %

Source: Inderes

Estimate revisions	2025e	2025e	Change	2026e	2026e	Change	2027e	2027e	Change
MEUR / EUR	**Old**	**New**	**%**	**Old**	**New**	**%**	**Old**	**New**	**%**
Revenue	5.2	5.2	0%	8.2	8.2	0%	13.1	13.2	0%
EBITDA	-9.1	-9.1	0%	-9.7	-9.7	0%	-8.9	-8.9	1%
EBIT (exc. NRIs)	-17.3	-17.3	0%	-16.2	-16.2	0%	-14.4	-14.4	0%
EBIT	-17.3	-17.3	0%	-16.2	-16.2	0%	-14.4	-14.4	0%
PTP	-16.3	-16.3	0%	-15.5	-15.5	0%	-14.2	-14.2	0%
EPS (excl. NRIs)	-0.27	-0.27	0%	-0.25	-0.25	0%	-0.22	-0.22	0%
DPS	0.00	0.00		0.00	0.00		0.00	0.00	

Source: Inderes

Balance sheet

Assets	2023	2024	2025e	2026e	2027e
Non-current assets	**24.8**	**22.4**	**18.5**	**16.9**	**16.7**
Goodwill	1.0	1.0	1.0	1.0	1.0
Intangible assets	16.0	12.3	8.4	6.3	5.7
Tangible assets	7.2	8.6	8.7	9.2	9.5
Associated companies	0.1	0.0	0.0	0.0	0.0
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	0.4	0.4	0.4	0.4	0.4
Deferred tax assets	0.0	0.0	0.0	0.0	0.0
Current assets	**82.0**	**68.4**	**59.1**	**49.3**	**41.8**
Inventories	0.6	0.7	1.2	1.5	2.2
Other current assets	0.0	0.0	0.0	0.0	0.0
Receivables	0.8	1.7	3.2	5.7	8.0
Cash and equivalents	80.6	66.0	54.7	42.1	31.6
Balance sheet total	**107**	**90.8**	**77.7**	**66.2**	**58.5**

Source: Inderes

Liabilities & equity	2023	2024	2025e	2026e	2027e
Equity	**97.4**	**82.9**	**69.6**	**57.1**	**46.6**
Share capital	0.1	0.1	0.1	0.1	0.1
Retained earnings	-45.1	-59.6	-72.9	-85.4	-95.9
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	142	142	142	142	142
Minorities	0.0	0.0	0.0	0.0	0.0
Non-current liabilities	**2.7**	**1.0**	**0.7**	**0.7**	**0.7**
Deferred tax liabilities	0.0	0.0	0.0	0.0	0.0
Provisions	0.0	0.0	0.0	0.0	0.0
Interest bearing debt	1.3	0.3	0.0	0.0	0.0
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	1.4	0.7	0.7	0.7	0.7
Current liabilities	**6.8**	**7.0**	**7.4**	**8.4**	**11.2**
Interest bearing debt	1.4	0.6	0.0	0.0	0.0
Payables	4.4	5.3	6.3	7.3	10.1
Other current liabilities	1.0	1.1	1.1	1.1	1.1
Balance sheet total	**107**	**90.8**	**77.7**	**66.2**	**58.5**

Estimates and valuation 4/6

Nightingale's profitability scales in our forecasts due to high margin revenue growth. We expect profitability to turn positive in fiscal period 2030 and to increase to some 45 MEUR (EBIT margin 31%) in fiscal period 2034, and in the long term to around 80 MEUR in fiscal period 2039 (EBIT margin 30%). Profitability strengthening and turning positive is fully conditional on a significant increase in the company's commercial sample volumes. Our estimate assumes that the company's gross margin will be above 70% in the long run.

With current forecasts, cash is sufficient, and options cause dilution as the company succeeds

If the growth we estimate materializes, the company's net cash would hit its lowest level of some 20-22 MEUR in fiscal periods 2029-2030 and would be sufficient to finance growth (see graph on the right). If growth fails or is clearly delayed, the risks of cash adequacy naturally also increase significantly. In our view, however, the company's financial risk is still low in the coming years from the investors' perspective.

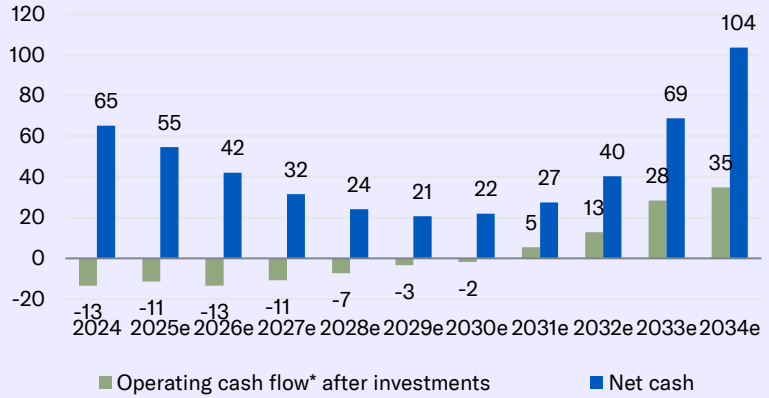
On June 30, 2024, Nightingale's management, Board of Directors, and personnel held options entitling to subscribe for some 15.2 million shares. After this, the company has also announced new options for approximately 1.3 million shares, so the total number of options corresponds to an estimated 16.5 million shares in June 2025. On June 30, 2024, Nightingale had around 60.9 million shares, so if all options were subscribed, the company's share capital would increase by about 27%. Thus, the exercise of options would result in a significant dilution of investors' holding per share. On the other hand, the options are significantly tied to a considerable increase in the company's market cap. Vesting steps for most options are reaching a market cap of EUR 500-1,500 million when the company's current market cap is 165 MEUR (EUR 2.71 per share). In addition, the subscription price of the options is EUR 2.5 per share and fairly close to the share price of June 2025. Thus, the increase in the number of shares resulting from options is, in principle, generated in a very favorable situation for investors and does not, in our opinion, dilute the stock's long-term potential. On the other hand, the company management has strong incentives to increase the company's value which is also in the interest of shareholders. In the optimistic scenario, option subscriptions would weaken investors' expected return.

Nightingale's value leans on the value of technology and future business potential

Nightingale's fundamental-based valuation is very challenging, as possible scenarios vary between destruction and multiplication of invested capital. Nightingale is still in a relatively early stage of commercializing its technology. According to our view, the company's value is based on the future commercialization potential of the technology and the strategic value. This value can, in our estimate, become realized either through commercialization or by ending up as an acquisition target.

Nightingale's valuation involves exceptional uncertainty due to the early stage of commercialization, so we approach the valuation from several viewpoints. In our view, there is practically no reliable method for valuing the company, and the margins of error in the valuation are therefore wide. As a starting point, the investor must believe in the realization of the company's commercial potential over a longer period and also accept the risk of losing the invested capital.

Development of cash flow and financial position,
2024-2034e, MEUR



Source: Inderes
*The impact of non-cash flow-related IFRS 2 expenses from options has been adjusted

Valuation methods

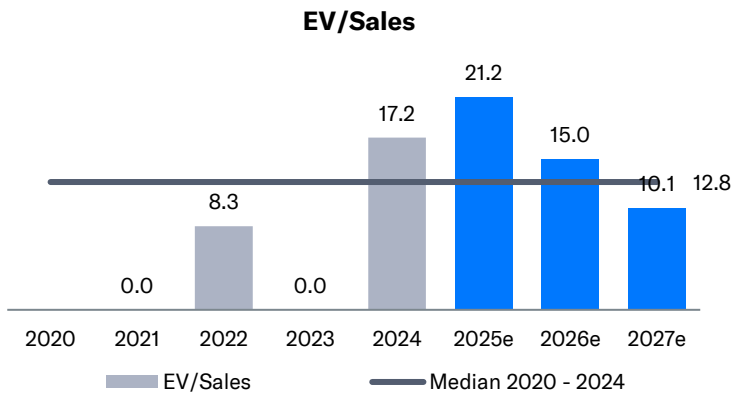
- Valuation multiples
- Sensitivity calculation
- DCF scenarios

Source: Inderes

Valuation table

Valuation	2020	2021	2022	2023	2024	2025e	2026e	2027e	2028e
Share price		5.77	1.81	0.87	2.30	**2.71**	**2.71**	**2.71**	**2.71**
Number of shares, millions		41.7	60.2	60.9	60.9	**60.9**	**60.9**	**60.9**	**60.9**
Market cap		349	110	53	140	**165**	**165**	**165**	**165**
EV		241	19	-25.0	75	**110**	**123**	**134**	**141**
P/E (adj.)		neg.	neg.	neg.	neg.	**neg.**	**neg.**	**neg.**	**neg.**
P/E		neg.	neg.	neg.	neg.	**neg.**	**neg.**	**neg.**	**neg.**
P/B		2.8	1.0	0.5	1.7	**2.4**	**2.9**	**3.5**	**4.1**
P/S		>100	47.6	12.7	32.2	**31.7**	**20.1**	**12.5**	**8.0**
EV/Sales		>100	8.3	neg.	17.2	**21.2**	**15.0**	**10.1**	**6.8**
EV/EBITDA		neg.	neg.	1.9	neg.	**neg.**	**neg.**	**neg.**	**neg.**
EV/EBIT (adj.)		neg.	neg.	1.3	neg.	**neg.**	**neg.**	**neg.**	**neg.**
Payout ratio (%)		0.0 %	0.0 %	0.0 %	0.0 %	**0.0 %**	**0.0 %**	**0.0 %**	**0.0 %**
Dividend yield-%		0.0 %	0.0 %	0.0 %	0.0 %	**0.0 %**	**0.0 %**	**0.0 %**	**0.0 %**

Source: Inderes



Estimates and valuation 5/6

We must look a few years ahead to find a support point for the multiples-based valuation

Nightingale's profitability is clearly negative due to front-loaded growth investments, which means that for now the only usable valuation multiple for the company is revenue multiples (EV/S). Since the company's revenue is still quite modest, we approach multiple-based valuation by looking further to fiscal period 2028 estimates and assumed EV/S ratios. Our estimates involve a significant estimate risk due to the early stage of the business. We approach multiple-based valuation through a pessimistic and optimistic scenario, with which we aim to describe the valuation in various growth and market environments.

In the longer term, if growth is successful, the company should, based on a scalable cost structure and high margin level, be able to generate an EBIT of about 25-35%. Assuming that the company's business is then based on a defensive customer base in primary health care, we believe EV/EBIT ratios of around 12-15x could be justified for the company. With a 20% tax rate, neutral financial expense items and net debt free, the multiples correspond to a P/E of some 15-19x or 5-7% annual earnings yield. Considering the long-term growth drivers and the defensiveness of the health care sector, we believe the figures are justified in absolute terms when the expected 2-3% annual business growth is added to the return. The multiples are also quite in line with the multiples of the more mature giants in the sector (e.g. Roche, Quest Diagnostics). The EV/S ratios for Nightingale's mature development phase could therefore be justified in a range of 3.0-6.5x.

With our current estimates, we estimate Nightingale's per share value as EUR 3.8-5.5 at the end of 2028e and as EUR 2.5-3.6 discounted to the present. Thus, the current share price (EUR 2.71) roughly reflects our expected growth outlook with its associated risks. In our estimates we use an actualized EV/S ratio of 10-15x and a forward-looking EV/S of some 7-10x at the end of the fiscal period 2027. We believe that these multiples are justified, as the company would then be at the brink of a profitability turnaround and provided clear proof of a commercial breakthrough. The fiscal period 2028 is somewhat far away in time, but Nightingale has already won the key partnerships required to realize our core estimates, so we think the reference point is relevant. Naturally, the pace and scale of partnership expansion are uncertain and difficult to predict.

The DCF value is very sensitive to assumptions

In Nightingale's valuation, the DCF illustrates long-term potential and our model exceptionally continues for 15 years. We approach the DCF model through three scenarios, as they illustrate the uncertainties in the company's growth story well. The model's cash flows are weighted more than a decade into the future (cash flows after fiscal period 2035 account for 110% of the DCF value), so even from the perspective of cash flows, the company's value will only be realized in the long term if the company's growth story succeeds. In all scenarios, we use 2.5% terminal growth

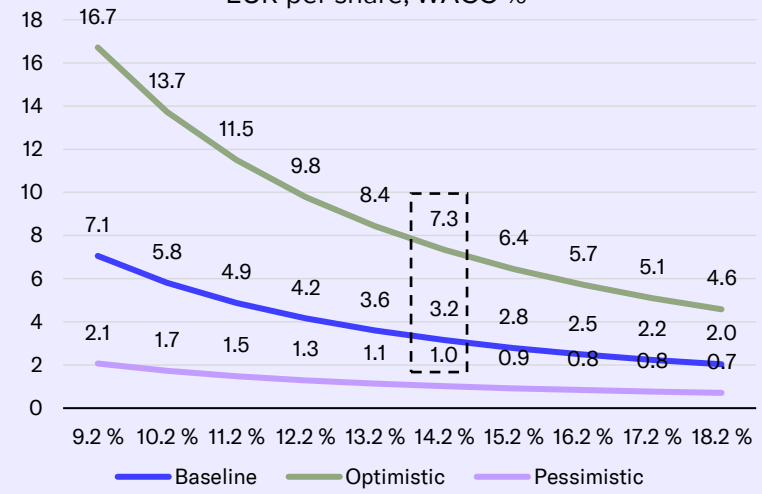
The baseline scenario is in line with our current forecasts. The corresponding equity value of Nightingale under our DCF model is 192 MEUR or EUR 3.2 per share.

Estimated future valuation range,
Fiscal period 2028e

2028e fiscal period	Low multiple	High multiple
Revenue, MEUR	20.7	20.7
EV/S, LTM, ratio	**10**	**15**
EV/S, NTM, ratio	6.7	10.0
EV, MEUR	207	311
Net cash, MEUR	24	24
Market cap, MEUR	231	335
EUR per share	**3.8**	**5.5**
Discounted to the present	**2.5**	**3.6**

Source: Inderes
NTM = next 12 months
LTM = last 12 months

Sensitivity of the DCF value to the required return,
EUR per share, WACC-%



Estimates and valuation 6/6

In an optimistic scenario, long-term revenue is about 100% higher and EBIT some 140% higher in 2039 than in the baseline scenario. In the scenario, revenue reaches EUR 530 million and EBIT-% 35% in fiscal period 2039. The value per share is then EUR 7.3 at present. The scenario requires the company to achieve an analysis volume of at least 10 million commercial samples annually in the long term and its 500 MEUR long-term revenue target. We believe that this is possible if the company manages to find numerous large sample volume accounts similar to Terveystalo's occupational health services, where the company's test would become routine.

In a pessimistic scenario, Nightingale's revenue in 2039 is around 60% lower and EBIT some 75% lower than in the neutral scenario. In the scenario, revenue reaches 100 MEUR in the fiscal period 2039 and an EBIT margin of 20%. The value per share is then EUR 1.0. In a pessimistic scenario, Nightingale would burn its net cash with growth investments and would probably have to raise new funding, which would weaken the corresponding value of the scenario to below our estimate. However, the company would be able to grow its business to a globally significant scale through slower-growing customer relationships. Naturally, a more negative scenario is also possible, but considering the company's customer references, we believe it is reasonable to expect some degree of commercial success globally even in this scenario.

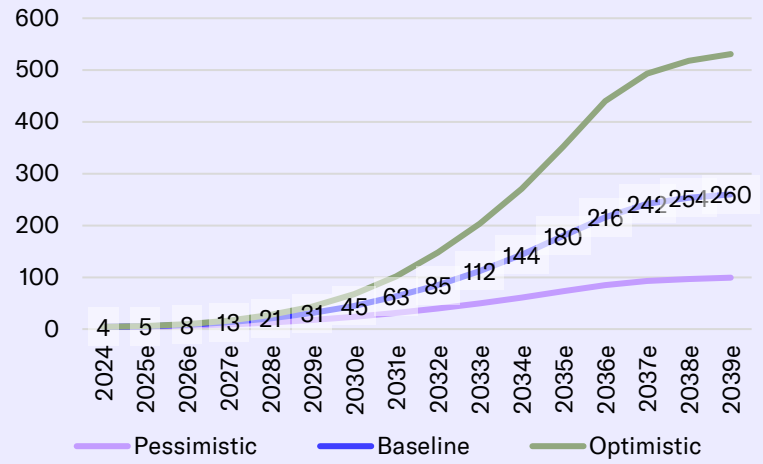
In our view, the value of the company could also be supported by an M&A option in the pessimistic scenario. Nightingale's own technology and the health database collected, e.g., from biobanks, could find a buyer even without the significant business built around it. However, the M&A option is speculative and we do not therefore rely on it in our valuation.

The company's cash flows involve a high degree of uncertainty, and the expected return must therefore be significantly higher than usual. On the other hand, the company has launched commercial operations in Finland, the US and Singapore, and has won numerous customer pilots, which slightly reduces the risk level. In our DCF model, we use a 14.2% required return (WACC) and 14.9% COE, in line with the required returns of other early development stage companies (e.g. Aiforia WACC-% 13.5%, Betolar 18.3%, Bioretec 12.0%, and Spinnova 20.3%) we monitor. If visibility into the company's successful growth and its trajectory improves through new commercial evidence, there is naturally downside potential in the return requirement.

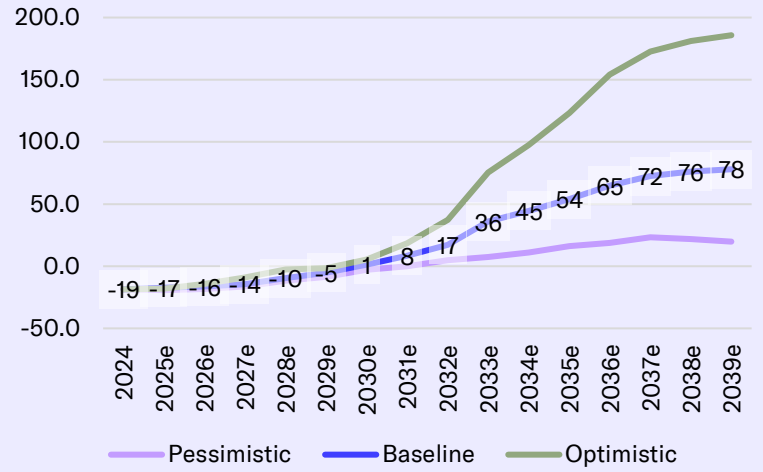
The risk/reward ratio narrowed to an excessively weak level

We estimate the fair value of Nightingale's share to be EUR 1.0-7.3 per share, based on DCF scenarios. We believe that it is still justified to price the stock in the lower half of the range, as there are no clear signs yet of a clear acceleration in revenue growth in the healthcare segment. At the same time, a strong pilot pipeline, potential new partnerships, and, in particular, the progress of the ramp-up of the commercial phase of the Pathology Asia and Boston Heart partnerships increase our confidence in the company's commercial potential and offer positive drivers for the stock. Therefore, we reiterate our EUR 2.9 target price. However, at the current price (EUR 2.71), we do not believe that the stock offers a sufficient expected return to compensate for the risks within a year, so we turn to a Reduce recommendation (previously Accumulate). However, we believe that the company should be examined with an investment horizon of at least several years.

Revenue development in different scenarios,
2024-2039e, MEUR



EBIT development in different scenarios,
Fiscal periods 2024-2039e, MEUR



Source: Inderes

Peer group valuation

Peer group valuation	Market cap	EV	EV/S		Revenue growth-%		EBIT-%		EV/EBIT		P/E		P/B
Company	**MEUR**	**MEUR**	**2025e**	**2026e**	**2025e**	**2026e**	**2025e**	**2026e**	**2025e**	**2026e**	**2025e**	**2026e**	**2025e**
Aiforia Technologies	104	101	21.4	15.0	66%	60%	-253%	-158%					46.5
CellaVision	434	420	5.9	5.2	6%	12%	28%	29%	20.8	17.9	27.6	23.5	5.2
Grail	1262	671	5.2	4.3	19%	20%	-365%	-304%					0.8
Illumina	11791	12451	3.4	3.3	-2%	3%	22%	23%	15.7	14.4	20.1	18.2	4.5
Immunovia	14	10	55.9	9.3		500%							4.9
Nanopore	1410	1063	4.0	3.1	21%	28%	-64%	-42%					2.6
Pfizer	119451	158996	2.9	2.9	-1%	0%	35%	35%	8.4	8.3	8.0	7.8	1.5
Prenetics	145	109	1.6	0.9	131%	83%	-39%	-2%					
Quest Diagnostics	17212	22297	2.4	2.3	10%	4%	16%	16%	14.8	13.9	18.1	16.7	2.6
Roche Holding	233603	258401	3.8	3.7	4%	4%	34%	34%	11.2	10.7	13.4	12.6	5.6
Standard BioTools	360	134	0.9	0.8	-1%	12%	-67%	-36%					1.1
Nightingale Health (Inderes)	**165**	**110**	**21.2**	**15.0**	**20%**	**57%**	**-331%**	**-198%**	**-6.4**	**-7.6**	**-10.1**	**-10.7**	**2.4**
Average			**9.8**	**4.6**	**25%**	**66%**	**-65%**	**-41%**	**14.2**	**13.0**	**17.4**	**15.7**	**7.5**
Median	**1262**	**671**	**3.8**	**3.3**	**8%**	**12%**	**-12%**	**7%**	**14.8**	**13.9**	**18.1**	**16.7**	**3.6**
Diff-% to median	***-87%***	***-84%***		***360%***	***144%***	***379%***							***-33%***

Source: Refinitiv / Inderes. NB: The market cap Inderes uses does not consider own shares held by the company.

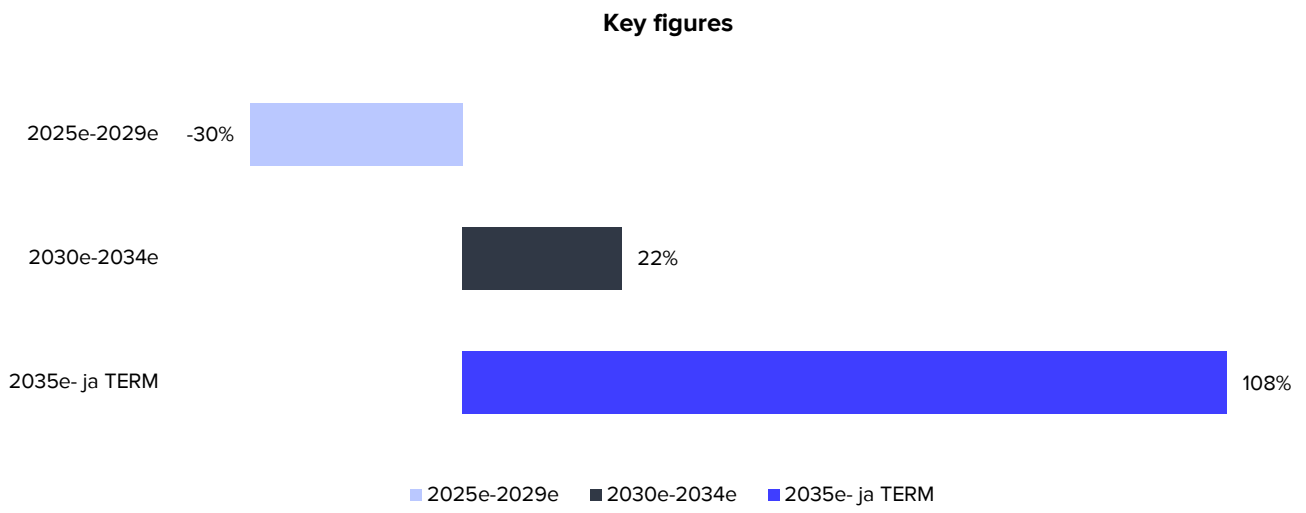
DCF-calculation

DCF model	2024	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	2036e	2037e	2038e	2039e	TERM
Revenue growth-%	4.2 %	19.5 %	57.5 %	61.0 %	56.8 %	50.0 %	45.0 %	40.0 %	35.0 %	32.0 %	28.0 %	25.0 %	20.0 %	12.0 %	5.0 %	2.5 %	2.5 %
EBIT-%	-426.6 %	-331.4 %	-197.6 %	-108.8 %	-46.1 %	-16.9 %	2.9 %	13.3 %	20.3 %	32.0 %	31.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %	30.0 %
EBIT (operating profit)	**-18.6**	**-17.3**	**-16.2**	**-14.4**	**-9.5**	**-5.2**	**1.3**	**8.4**	**17.3**	**35.9**	**44.6**	**53.9**	**64.7**	**72.5**	**76.1**	**78.0**	
+ Depreciation	8.2	8.2	6.5	5.5	5.0	5.8	5.9	6.1	6.4	6.3	6.7	7.1	7.4	7.8	8.5	8.4	
- Paid taxes	-0.1	0.0	0.0	0.7	0.5	0.3	-0.1	-0.4	-1.3	-3.6	-5.6	-8.1	-12.9	-14.5	-15.2	-15.6	
- Tax, financial expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
+ Tax, financial income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Change in working capital	0.0	-1.0	-1.8	-0.3	-0.6	-1.2	-2.5	-1.8	-2.2	-2.7	-3.1	-3.6	-3.6	-2.6	-1.2	-0.6	
Operating cash flow	**-10.5**	**-10.1**	**-11.5**	**-8.4**	**-4.7**	**-0.4**	**4.6**	**12.3**	**20.1**	**36.0**	**42.5**	**49.3**	**55.6**	**63.1**	**68.1**	**70.2**	
+ Change in other long-term liabilities	-0.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-5.8	-4.3	-4.9	-5.3	-5.7	-6.0	-6.4	-6.8	-7.3	-7.5	-7.7	-7.9	-8.2	-8.3	-8.3	-8.7	
Free operating cash flow	**-17.0**	**-14.4**	**-16.4**	**-13.7**	**-10.4**	**-6.4**	**-1.8**	**5.4**	**12.9**	**28.5**	**34.8**	**41.4**	**47.4**	**54.8**	**59.8**	**61.4**	
+/- Other	0.0	3.0	3.0	3.0	3.0	3.0	3.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	-17.0	-11.4	-13.4	-10.7	-7.4	-3.4	1.2	5.4	12.9	28.5	34.8	41.4	47.4	54.8	59.8	61.4	539
Discounted FCFF		**-11.3**	**-11.6**	**-8.1**	**-4.9**	**-2.0**	**0.6**	**2.4**	**5.1**	**9.8**	**10.5**	**10.9**	**10.9**	**11.1**	**10.6**	**9.5**	**83.4**
Sum of FCFF present value		127	138	150	158	163	165	164	162	157	147	138	126	115	104	93.0	83.4

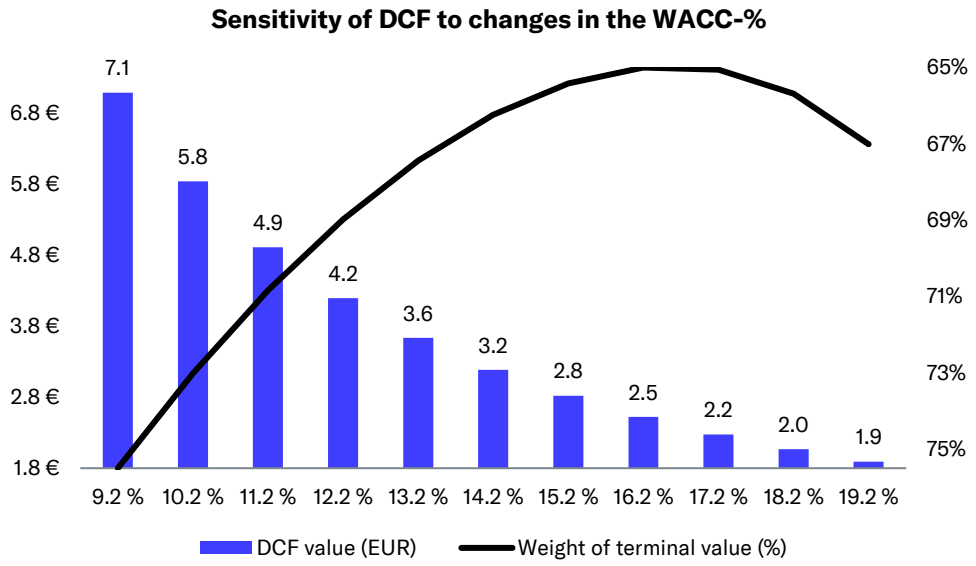
Enterprise value DCF	**127**
- Interest bearing debt	-0.8
+ Cash and cash equivalents	66.0
-Minorities	0.0
-Dividend/capital return	0.0
Equity value DCF	**192**
Equity value DCF per share	**3.2**

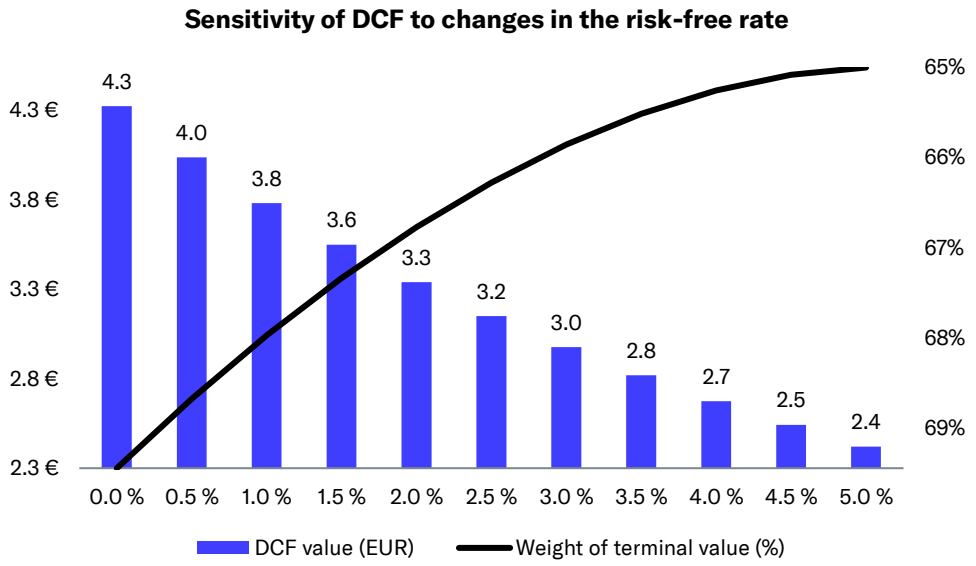
WACC	
Tax-% (WACC)	20.0 %
Target debt ratio (D/(D+E)	10.0 %
Cost of debt	10.0 %
Equity Beta	2.5
Market risk premium	4.75%
Liquidity premium	0.50%
Risk free interest rate	2.5 %
Cost of equity	**14.9 %**
Weighted average cost of capital (WACC)	**14.2 %**

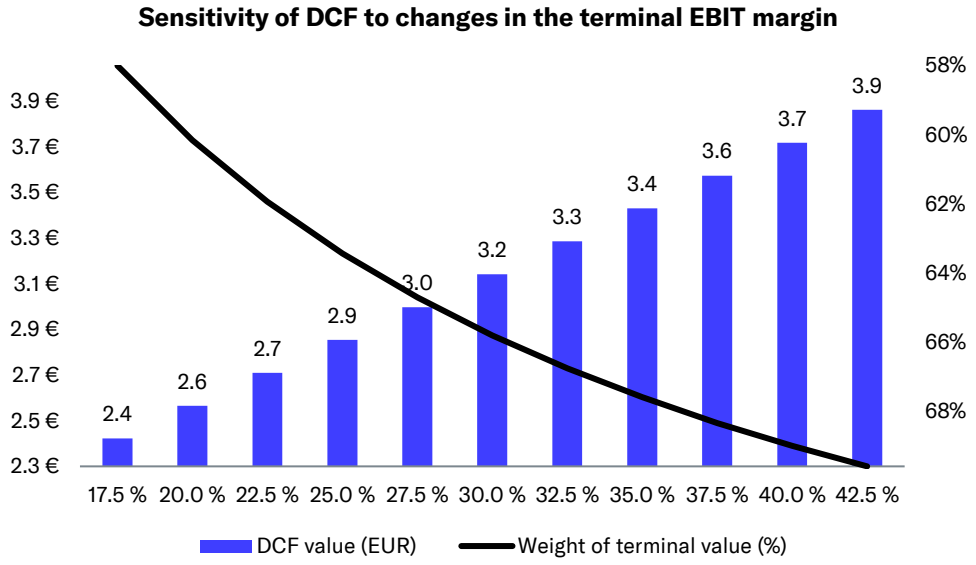
Source: Inderes

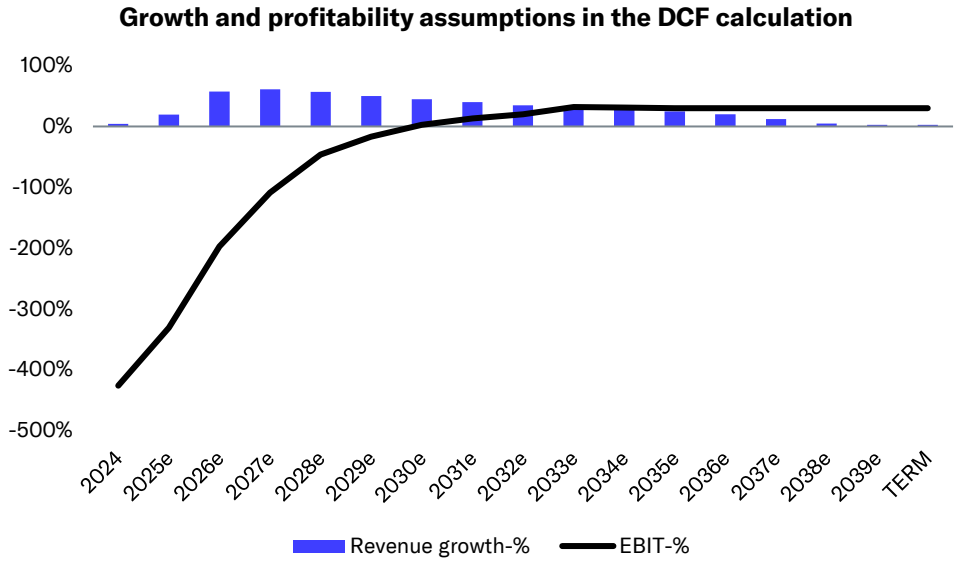


DCF sensitivity calculations and key assumptions in graphs









Source: Inderes. Note that the weight of the terminal value (%) is presented on an inverted scale for clarity.

Summary

Income statement	2022	2023	2024	2025e	2026e
Revenue	2.3	4.2	4.4	**5.2**	**8.2**
EBITDA	-9.4	-12.9	-10.4	**-9.1**	**-9.7**
EBIT	-13.6	-18.5	-18.6	**-17.3**	**-16.2**
PTP	-16.2	-18.2	-17.4	**-16.3**	**-15.5**
Net Income	-16.1	-18.2	-17.4	**-16.3**	**-15.5**
Extraordinary items	0.0	0.0	0.0	**0.0**	**0.0**

Balance sheet	2022	2023	2024	2025e	2026e
Balance sheet total	124.0	106.8	90.8	**77.7**	**66.2**
Equity capital	111.4	97.4	82.9	**69.6**	**57.1**
Goodwill	1.0	1.0	1.0	**1.0**	**1.0**
Net debt	-90.6	-78.0	-65.2	**-54.7**	**-42.1**

Cash flow	2022	2023	2024	2025e	2026e
EBITDA	-9.4	-12.9	-10.4	**-9.1**	**-9.7**
Change in working capital	-1.3	0.1	0.0	**-1.0**	**-1.8**
Operating cash flow	-10.6	-12.8	-10.5	**-10.1**	**-11.5**
CAPEX	-7.2	-3.7	-5.8	**-4.3**	**-4.9**
Free cash flow	-18.4	-17.1	-17.0	**-11.4**	**-13.4**

Valuation multiples	2022	2023	2024	2025e	2026e
EV/S	8.3	neg.	17.2	**21.2**	**15.0**
EV/EBITDA	neg.	1.9	neg.	**neg.**	**neg.**
EV/EBIT (adj.)	neg.	1.3	neg.	**neg.**	**neg.**
P/E (adj.)	neg.	neg.	neg.	**neg.**	**neg.**
P/B	1.0	0.5	1.7	**2.4**	**2.9**
Dividend-%	0.0 %	0.0 %	0.0 %	**0.0 %**	**0.0 %**

Source: Inderes

Per share data	2022	2023	2024	2025e	2026e
EPS (reported)	-0.27	-0.30	-0.29	**-0.27**	**-0.25**
EPS (adj.)	-0.23	-0.30	-0.29	**-0.27**	**-0.25**
OCF / share	-0.18	-0.21	-0.17	**-0.17**	**-0.19**
FCF / share	-0.31	-0.28	-0.28	**-0.19**	**-0.22**
Book value / share	1.85	1.60	1.36	**1.14**	**0.94**
Dividend / share	0.00	0.00	0.00	**0.00**	**0.00**

Growth and profitability	2022	2023	2024	2025e	2026e
Revenue growth-%	0%	81%	4%	**20%**	**57%**
EBITDA growth-%	29%	37%	-19%	**-13%**	**7%**
EBIT (adj.) growth-%	58%	36%	0%	**-7%**	**-6%**
EPS (adj.) growth-%	13%	28%	-4%	**-6%**	**-5%**
EBITDA-%	-405.9 %	-308.4 %	-239.4 %	**-174.8 %**	**-118.3 %**
EBIT (adj.)-%	-589.5 %	-442.9 %	-426.6 %	**-331.4 %**	**-197.6 %**
EBIT-%	-589.5 %	-442.9 %	-426.6 %	**-331.4 %**	**-197.6 %**
ROE-%	-13.7 %	-17.4 %	-19.3 %	**-21.4 %**	**-24.5 %**
ROI-%	-11.1 %	-17.1 %	-20.2 %	**-22.5 %**	**-25.6 %**
Equity ratio	89.8 %	91.2 %	91.2 %	**89.5 %**	**86.2 %**
Gearing	-81.3 %	-80.1 %	-78.7 %	**-78.7 %**	**-73.8 %**

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Buy	The 12-month risk-adjusted expected shareholder return of the share is very attractive
Accumulate	The 12-month risk-adjusted expected shareholder return of the share is attractive
Reduce	The 12-month risk-adjusted expected shareholder return of the share is weak
Sell	The 12-month risk-adjusted expected shareholder return of the share is very weak

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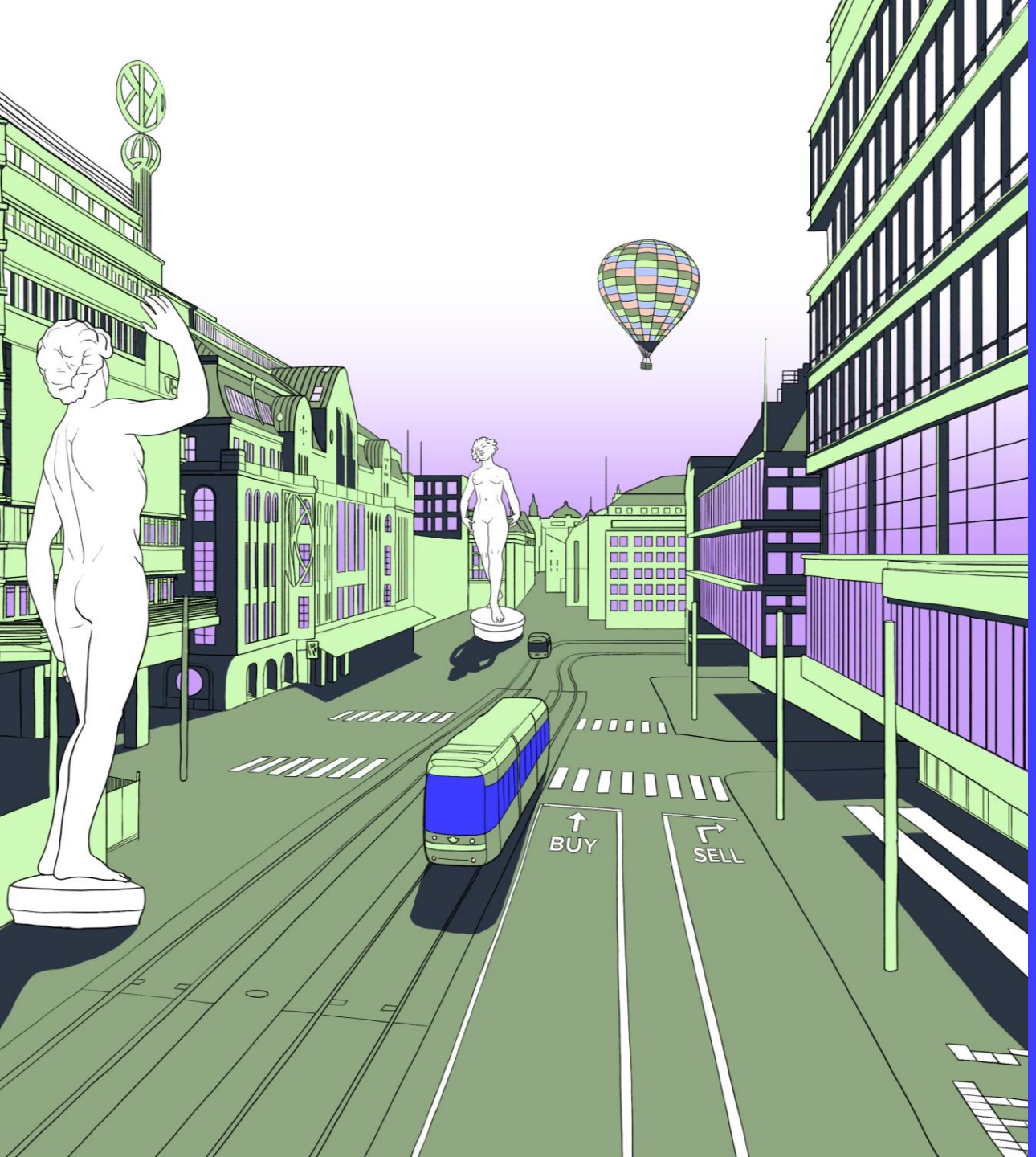
Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
4/20/2021	Buy	7.00 €	5.00 €
9/16/2021	Buy	6.00 €	4.04 €
2/25/2022	Buy	4.00 €	2.26 €
9/30/2022	Reduce	1.40 €	1.29 €
3/17/2023	Reduce	1.30 €	1.19 €
3/24/2023	Reduce	1.30 €	1.27 €
6/5/2023	Reduce	1.10 €	0.99 €
9/29/2023	Reduce	1.10 €	1.01 €
3/8/2024	Accumulate	1.25 €	1.02 €
5/11/2024	Reduce	1.60 €	1.79 €
9/23/2024	Reduce	2.90 €	3.33 €
3/7/2025	Accumulate	2.90 €	2.55 €
6/11/2025	Reduce	2.90 €	2.71 €



CONNECTING INVESTORS AND COMPANIES.

Inderes connects investors and listed companies.

We serve over 400 Nordic listed companies that want to better serve investors. The Inderes community is home to over 70,000 active investors.

We provide listed companies with solutions that enable seamless and effective investor relations. The Inderes service is built on four cornerstones for high-quality investor relations: Equity Research, Events, IR Software, and Annual General Meetings (AGM).

Inderes operates in Finland, Sweden, Norway, and Denmark and is listed on the Nasdaq First North Growth Market.

Inderes was created by investors, for investors.

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