

FINANCIAL STATEMENTS

Medicortex Finland Oyj

Business ID: 2625992-6

01.01.2024 – 31.12.2024

These financial statements must be archived until 31.12.2034

Financial statements for the financial period 01.01.2024 – 31.12.2024

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The financial statements must be archived for a minimum of 10 years after the financial period has ended.

Receipts belonging to the financial period must be archived for at least 6 years after the end of the year during which the financial period has ended.

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authorized accounting company
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Business ID: 2625992-6

Domicile: Turku

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Annual report

Key events in 2024 and events after the financial period

During the year, the company continued developing the urine test for detection of traumatic brain injury (TBI) with the financial support from the US Department of Defense (DoD). The award was supposed to be completed in the fall 2024 but the DoD granted an extension whereby the grant is ending in H1/2025. The prototype test kits, the end-products of the project, are being assembled and delivered to the DoD in the Q1/2025 as requested.

In March 2024, the company received a notice from the DoD on a conditional approval of a new pending project plan, followed by entering new grant negotiations. The awarded research project commenced in June 2024 with the objective to develop a prototype test for detecting TBI biomarkers in saliva. The total award is about 1.4 million dollars allocated over 1.5 years. The third consecutive grant from the DoD was a great merit for the company, raising the company to the level that only a few have reached, and in company's opinion, indicating DoD's appreciation of the ambitious research and development work the company is conducting.

On the second half of 2024, the company started preparations to get listed on First North Growth Market at Nasdaq Helsinki stock exchange. The company was subject to comprehensive due diligence reviews assessing company's financial and legal status and readiness for listing. The company is continuing its efforts to allocate the funds required for initial operations as a listed company.

The company has submitted project proposals and applications to various funding institutions, and the company is actively seeking both non-diluting funding as well as equity funding to enable the future activities and to widen the scope of company's research and development activities. The outcome of the major funding applications will be known in H1/2025.

The amount of shares in the company by class and the main regulations about each class of shares according to Company's Articles of Association

Company's share capital divided by different share class as per follows

31.12.2024

Shares

22 059 296 shares

All of the outstanding shares bestow their holders with equal rights to dividends and other distribution of the company's assets.

Organization and funding arrangements

The Annual General Meeting decided on 26 April 2024 to authorize the Board of Directors to decide on directed share issue. On the basis of this authorization the Board of Directors may decide to issue up to 1 000 000 new shares. Determining the subscription price and other terms and conditions shall be decided by the Board of Directors

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The purpose of directed share issues was to execute a financing arrangement needed from the business point of view of the company, to widen the shareholder base and to strengthen the balance sheet. Due to this, there was a weighty financial reason to deviate from the shareholders' pre-emptive subscription rights.

On the basis of the authorization the Board of Directors has made the following decisions of share issues in the financial period:

10.05.2024 directed share issue	34 000 kpl	total 34 000,00
11.09.2024 directed share issue	24 120 kpl	total 24 120,00
10.12.2024 directed share issue	16 750 kpl	total 16 750,00

The Annual General Meeting decided on 28.4.2023 to authorize the Board of Directors to decide on issue of option rights. On the basis of said authorization the Board of Directors may decide on one or more issues of option rights that entitle to receive in total of maximum of 1 000 000 new shares. The issue of option rights and the terms and conditions remain at the sole direction of the Board of Directors

On the basis of the authorization the Board of Directors has made the following decisions of option rights:

Issued and subscribed option rights:

17.01.2024 135 000 option rights

The Annual General Meeting decided on 26.4.2024 to authorize the Board of Directors to decide on issue of option rights. On the basis of said authorization the Board of Directors may decide on one or more issues of option rights that entitle to receive in total of maximum of 1 000 000 new shares. The issue of option rights and the terms and conditions remain at the sole direction of the Board of Directors

On the basis of the authorization the Board of Directors has made the following decisions of option rights:

Issued and subscribed option rights:

26.04.2024 534 000 option rights

11.09.2024 394 600 option rights

Statement of changes in equity

	31.12.2024	31.12.2023
Subscribed share capital 01.01	80 000,00	2 500,00
Subscribed share capital 31.12	80 000,00	80 000,00
Restricted equity in total	80 000,00	80 000,00
Reserve for invested unrestricted equity 01.01	2 441 296,04	2 255 832,60
Transfer, subscribed capital	80 120,00	185 463,44
Reserve for invested unrestricted equity 31.12	2 521 416,04	2 441 296,04

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Increase in subscribed capital 01.01	22 510,00	12 580,00
Transfer, reserve for invested unrestricted equity	-80 120,00	-185 463,44
Increase during financial period	74 360,00	195 393,44
Increase in subscribed capital 31.12	16 750,00	22 510,00
Retained earnings (loss) 01.01	-2 423 568,48	-2 254 317,42
Retained earnings (loss) 31.12	-2 423 568,48	-2 254 317,42
Profit (loss) for the period	-5 689,34	-169 251,06
Unrestricted equity in total	108 908,22	40 237,56
EQUITY IN TOTAL	188 908,22	120 237,56

Calculation of distributable unrestricted equity in accordance with Chapter 13, Section 5 of the Limited Liability Companies Act

Other reserves	2 538 166,04
Retained earnings	-2 423 568,48
Profit/loss for the period	-5 689,34
Unrestricted equity in total	108 908,22
Distributable equity in total	108 908,22

Proposal of the Board of Directors for the use of distributable equity

Board of directors proposes that the loss of the financial year 5 689,34 euros would be transferred to retained earnings/loss.

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Balance sheet

	31.12.2024	31.12.2023
ASSETS		
Non-current assets		
Intangible assets	206 075,99	225 563,33
Intangible assets in total	206 075,99	225 563,33
Non-current assets in total	206 075,99	225 563,33
Current assets		
Receivables		
Current receivables		
Other receivables	13 096,90	9 524,42
Prepayments and accrued income	0,00	309,75
Current receivables in total	13 096,90	9 834,17
Receivables in total	13 096,90	9 834,17
Cash at bank and in hand	222 497,06	85 823,80
Current assets in total	235 593,96	95 657,97
ASSETS IN TOTAL	441 669,95	321 221,30

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	31.12.2024	31.12.2023
EQUITY AND LIABILITIES		
Capital and reserves		
Share capital or other comparable assets	80 000,00	80 000,00
Other reserves	2 538 166,04	2 463 806,04
Reserve for invested non-restricted capital	2 538 166,04	2 463 806,04
Retained earnings gain or loss	-2 423 568,48	-2 254 317,42
Loss for the financial year	-5 689,34	-169 251,06
Equity in total	188 908,22	120 237,56
Liabilities		
Non-current liabilities		
Loans from credit institutions	83 306,43	112 700,00
Non-current liabilities in total	83 306,43	112 700,00
Current liabilities		
Loans from credit institutions	29 393,57	0,00
Accounts Payables	54 290,39	7 090,39
Other creditors	52 829,35	40 267,83
Accruals and deferred income	32 941,99	40 925,52
Current liabilities in total	169 455,30	88 283,74
Liabilities in total	252 761,73	200 983,74
EQUITY AND LIABILITIES IN TOTAL	441 669,95	321 221,30

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Income statement

	01.01.2024 – 31.12.2024	01.01.2023 – 31.12.2023
Other operating income	961 670,88	966 150,86
Raw materials and services		
Raw materials and consumables		
Purchases during the financial year	-28 049,47	-47 412,74
External services	-158 915,00	-214 946,08
Raw materials and services in total	-186 964,47	-262 358,82
Personnel expenses		
Wages and salaries	-395 209,95	-445 212,46
Social security expenses	-51 642,00	-70 184,04
Pension expenses	-44 793,65	-59 742,35
Other social security expenses	-6 848,35	-10 441,69
Personnel expenses in total	-446 851,95	-515 396,50
Depreciation, amortisation and reduction in value		
Depreciation according to plan	-37 972,33	-37 058,62
Depreciation, amortisation and reduction in value in total	-37 972,33	-37 058,62
Other operating expenses	-257 794,38	-285 531,04
Operating profit/loss	-32 087,75	-134 194,12
Financial income and expenses		
Other interest and financial income		
From others	302,87	44,46
Interest and other financial expenses		
To others	-38 079,96	-35 101,40
Financial income and expenses in total	-37 777,09	-35 056,94
Loss before appropriations and taxes	-5 689,34	-169 251,06
Loss for the financial year	-5 689,34	-169 251,06

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Notes to the financial statements

The company is a small company as defined in the Accounting Act and the financial statements have been prepared in compliance with the rules pertaining to small enterprises laid down in Chapters 1–3 of the Government Decree on the information presented in the financial statements of small and micro enterprises.

Financial statements accounting principles

Measurement principles applied to receivables, investments and liabilities

Receivables, investments and other similar financial assets as well as liabilities are valued according to Chapter 5, Section 2 of the Accounting Act.

Recognition and amortisation of intangible rights

The acquisition costs for patents that are recorded in Intangible assets accounts as part of the non-current assets are amortized by the straight-line method over 10 years.

Other than this, the financial statements have been prepared in accordance with the default valuation and recognition principles and methods laid down in Chapter 3, Section 1(2–3) of the Government Decree on the information presented in the financial statements of a small and micro enterprises.

Collaterals, commitments and off-balance sheet arrangements

Rental commitments 10 880,99 euros.

Personnel

Average number of personnel

	31.12.2024	31.12.2023
Employees	5	7

Signatures of the financial statements

Place, date

Anna Tenstam

Chairman of the Board

Adrian Harel

Member of the Board of Directors

Nils Grönberg

Member of the Board of Directors

Ville Ranta-Panula

Member of the Board of Directors

Auditor's Note

The auditor's report has been issued today.

Place,

Grant Thornton Oy

Riku Vuorinen, CPA

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List of accounting records and materials

General journal	Electronically archived
General ledger	Electronically archived
Financial statements	Bound
Balance breakdown	Bound

Receipt types and storage methods

Sales invoices	Electronically archived
Purchase invoices	Electronically archived upon the recording of receipts
E-invoices (purchase invoices)	Electronically archived
Travel and expense invoices, memos	Electronically archived
Salaries	Electronically archived
Bank statements, payment receipts	Electronically archived
VAT summaries	Electronically archived
Seasonal tax reports	Electronically archived