



SAF Tehnika JSC

Consolidated Interim Report for Q4 and 12 months of financial year 2024/2025

July 1, 2024 – June 30, 2025

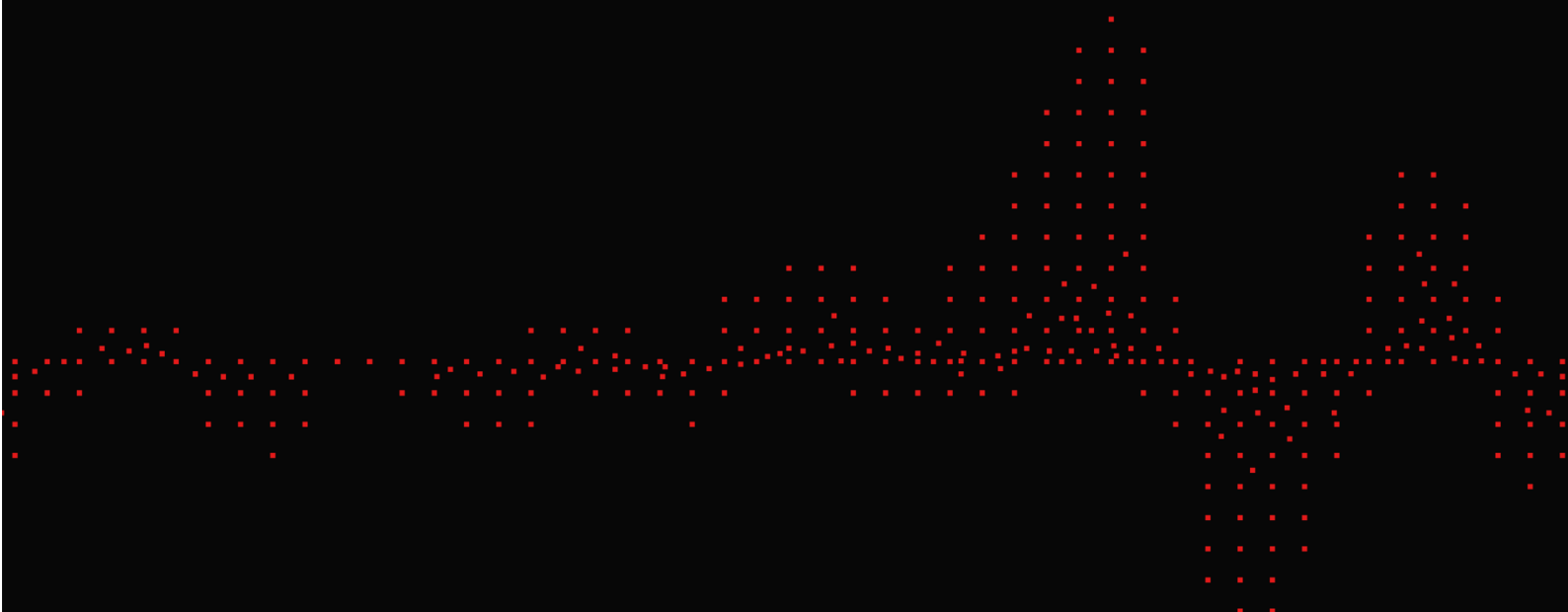


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Key data

SAF Tehnika (hereinafter – the Group) is a manufacturer of wireless data transmission equipment. The company's activities can be divided into three categories:

- Digital microwave radio equipment for voice and data transmission.
- Microwave spectrum analyzers and signal generators.
- Wireless sensor network solutions for environmental monitoring.

The company's 20 years of experience and knowledge have enabled it to develop a number of innovations, including the launch of the world's smallest microwave spectrum analyzers to the market – the Spectrum Compact series, as well as the introduction of wireless sensor network solutions – the Aranet brand.

SAF Tehnika products are found in more than 130 countries worldwide. The company has a total of 260 employees, most of them are considered to be leading experts in their field not only locally, but also globally.

The company's products are used by both the public and private sectors in areas such as mobile communications, internet service providing, industrial production, finance, horticulture, media and many others.

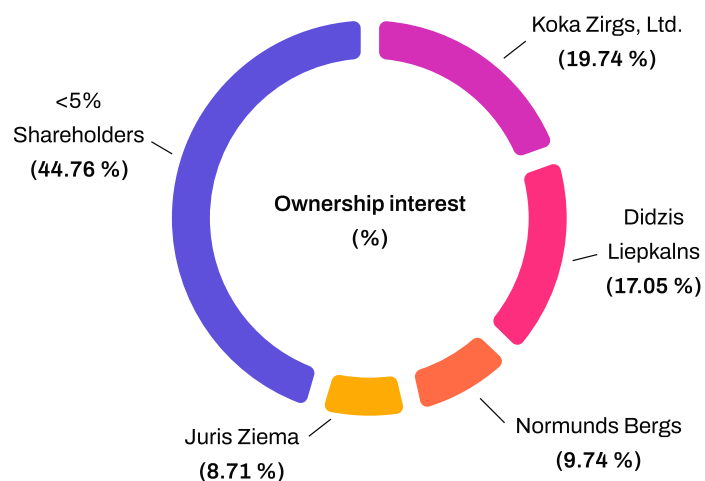
The company's activities are based on the concern for the highest quality, customer-focused business philosophy and openness.

Currently, the Group consists of the joint stock company registered in Latvia – AS SAF Tehnika (hereinafter – the Parent company), and subsidiaries “SAF North America” LLC and SAF TEHNIKA ASIA PTE.LTD wholly owned by the Parent company. AS SAF Tehnika is a public joint stock company established under applicable law of the Republic of Latvia. Shares of AS SAF Tehnika are listed on Nasdaq Riga Stock Exchange.

Legal address:	Ganību dambis 24a Rīga, LV-1005 Latvija
Commercial Registry Nr.:	40003474109
VAT Registry Nr.:	LV40003474109
Beginning of financial year:	01.07.2024
End of financial year:	30.06.2025
Phone:	+371 67046840
E-mail:	info@saftehnika.com

Share and Shareholdings

SAF Tehnika shareholders (over 5%) as of 30.06.2025.



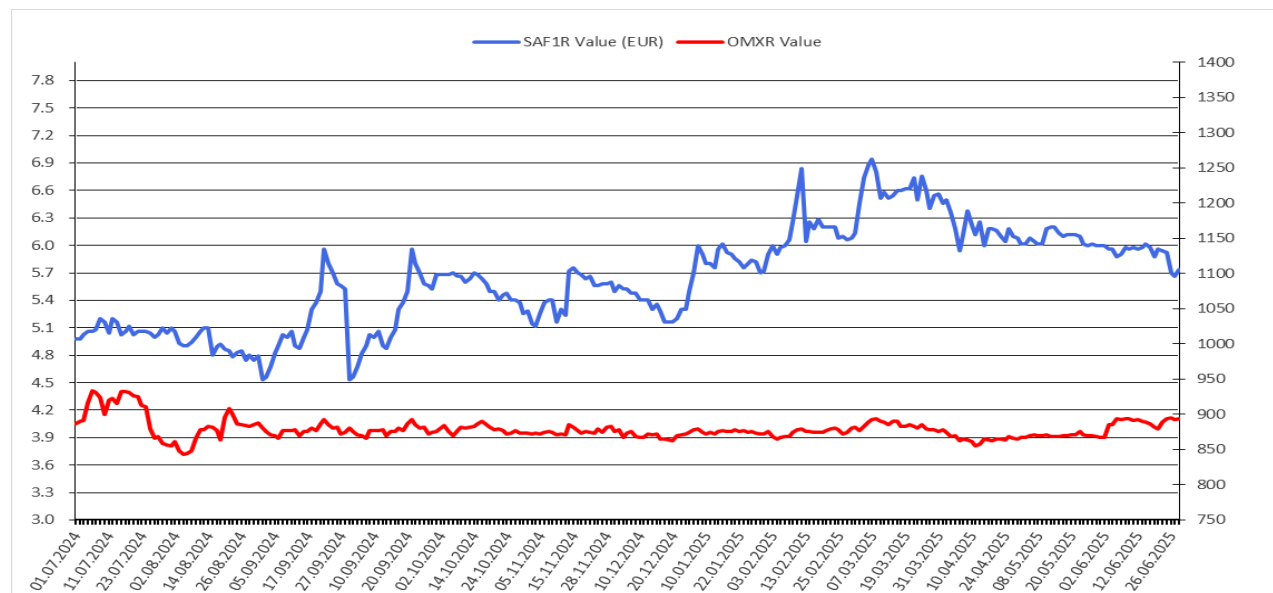
SAF Tehnika share price and OMX Riga index development for the reporting period

SAF Tehnika (SAF1R)

Period: July 1, 2024 – June 30, 2025

Currency: EUR

Marketplace: Nasdaq Riga



Information on Management and Supervisory Board members

SAF Tehnika Management Board

Name	Position	Ownership interest (%)
Normunds Bergs	Chairman	owns 9.74% of shares
Didzis Liepkalns	Member	owns 17.05% of shares
Zane Jozepa	Member	owns no shares
Janis Bergs	Member	owns 387 shares

SAF Tehnika Supervisory Board:

Name	Position	Ownership interest (%)
Juris Ziema	Chairman	owns 8.71% of shares
Andrejs Grišāns	Vice-Chairman	owns 1.95% of shares
Ivars Šenbergs	Member	owns 2 shares
Aira Loite	Member	owns 8000 shares
Sanda Reiharde	Member	owns no shares

Information on professional and educational background of the management board members

Normunds Bergs, is Chairman of the Board and Chief Executive Officer of SAF Tehnika AS. Mr. Bergs is one of the founders of SIA Fortech (co-founding company of SAF Tehnika AS) where during the periods from 1990 to 1992 and 1999 to 2000 he acted as Managing Director and General Director, respectively. Following SIA Fortech's merger with AS Microlink in 2000, Mr. Bergs became Chief Executive Officer of SAF Tehnika AS and a member of the Management Board of AS Microlink. From 1992 to 1999, Mr. Bergs worked for World Trade Centre Riga, where he held the position of General Director and became a Member of the Board of Directors in 1998. Mr. Bergs graduated from the Riga Technical University with a degree in radio engineering in 1986.

Didzis Liepkalns, is Member of the Board and Technical Director of SAF Tehnika. Mr. Liepkalns founded a private enterprise SAF in 1995 and co-founded the company SAF Tehnika AS in 1999. From 1985 to 1990 he worked as an engineer at the Institute of Electronic Engineering and Computer Sciences. Mr. Liepkalns has graduated Riga Technical University with a degree in radio engineering in 1985.

Zane Jozepa, is Member of the Board and Chief Financial Officer. Prior to her employment with SAF Tehnika, Ms. Jozepa has been working in the leading IT and telecommunication services provider in Latvia – SIA Lattelecom, which is a subsidiary company of SIA Citrus Solutions that provides design, construction and maintenance of the engineering and technical systems and infrastructure. Ms. Jozepa has been working as a Business Controller for the first two years. She became Head of Finance in 2008, and a Board Member in 2012. Ms. Jozepa gained her professional experience in finance while working for SIA Coca Cola HBC Latvia during 2001-2006. She has graduated the BA School of Business and Finance (Banku Augstskola) and has a BA degree in finance management.

Jānis Bergs, is Member of the Board, Vice President of Sales and Marketing, and the President of "SAF North America". From 2000 till 2006 Mr. Bergs was a Member of the Board and later CEO of AS Microlink. When Microlink was sold to the TeliaSonera group in 2006, Jānis became a shareholder and CEO of SIA FMS, where he worked until January 2015. Mr. Bergs was a Member of AS SAF Tehnika Council from November 2006 till August 2010, and for more than 10 years he has been managing the Latvian IT and Telecommunications Association (LIKTA) and the ICT cluster, as well as giving lectures in business studies in Riga Business School. Mr. Bergs has graduated Riga Technical University as radio engineer and has an MBA degree from Riga Business School.

Information on professional and educational background of the supervisory council members

Juris Ziema, co-founder of the Company, is Chairman of the Supervisory Council and Production Department Director. From 1998 to 1999 he worked as an engineer at Mr. Liepkalns private enterprise SAF. From 1987 to 1999 Mr. Ziema worked as an engineer at the Institute of Electronic Engineering and Computer Sciences. Mr. Ziema has graduated Riga Technical University with a degree in radio engineering in 1987.

Andrejs Grišāns, co-founder of the Company, is Vice-Chairman of the Supervisory Council and Production Department Manager. Prior to joining the Company, he owned and managed a private company specializing in electronic equipment engineering, production and distribution. From 1992 to 1999 Mr. Grisans was involved in entrepreneurial activities in the field of radio engineering. He worked as an engineer-constructor at the Institute of Polymer Mechanics from 1984 to 1992 and in the constructing bureau Orbita from 1980 to 1984. Mr. Grisans has graduated Riga Technical University with a degree in radio engineering in 1980.

Ivars Šenbergs, Member of the Supervisory Council, also Chairman of the Board of SIA Juridiskais Audits, SIA Namipasumu parvalde, SIA Synergy Consulting, SIA IŠMU, SIA Dzirnavu centrs and Member of the Supervisory Council of AS MFS bookkeeping. From 1999 until 2000 he worked as Finance and Administrative Director at SIA Fortech. Mr. Šenbergs has graduated Faculty of Law, University of Latvia in 1986.

Aira Loite, Member of the Supervisory Council, has resumed working in SAF Tehnika in a position of a Director of Digital Transformation in September 2021. She has extensive experience in management, finance, administration and IT, gained in companies operating in local and international markets. She worked as an Administrative Director (2019-2020) in a food production company "Forevers" Ltd.), metal processing company group "Torgy Mek" as Finance Director (2016-2019) and as a Director of Torgy Baltic SIA (2018-2019). Aira Loite has been a member of the Board of SAF Tehnika, Finance and Administrative Director (2007-2011), Managing Director (2011-2015). From 2006 to 2007, she worked as the director of the Business Information and Control Department of SIA Lattelecom. From 2000 to 2006, she was a member of the Board and Chief Financial Officer of SIA Microlink Latvia. A. Loite has graduated the University of Latvia in 1988 and holds Masters degree in Mathematics and MBA from Salford University, GB, obtained in 2009.

Sanda Reiharde, Member of the Supervisory Council, currently leading Microsoft Azure business in Small and Medium segment in CEE (Central and Eastern Europe) 30+ countries. Almost 15 years spent in the information technology industry in various business development and sales leader roles in the Baltic and European markets. Previous experience in banking (Parex Bank, 2006-2008) and sales account management in a Danish and Swedish owned logistics company Baltic Transshipment Center (2000-2006). She graduated from Salford University in 2009 with MBA, as well as Riga Stradins University in 2021, and holds a Master degree in Clinical Psychology.

Statement of Board's Responsibilities

The Board of SAF Tehnika JSC (hereinafter – the Parent) is responsible for preparing the consolidated financial statements of the Parent and its subsidiaries (hereinafter - the Group).


The consolidated financial statements are prepared in accordance with the source documents and present fairly the consolidated financial position of the Group as of 30 June, 2025 and the consolidated results of its financial performance and cash flows for the quarter then ended.

The above mentioned financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the European Union, and are prepared on a going concern basis. Appropriate accounting policies have been applied on a consistent basis. The consolidated interim financial statements have been prepared based on the same accounting principles applied in the Consolidated Financial Statements for the year ended on June 30, 2024.

Prudent and reasonable judgments and estimates have been made by the management in the preparation of the financial statements.

The Board of SAF Tehnika JSC is responsible for the maintenance of proper accounting records, the safeguarding of the Group's assets and the prevention and detection of fraud and other irregularities in the Group. The Board is responsible for compliance with the requirements of normative acts of the countries the Group operates in (Latvia, United States of America and Singapore).

The interim financial statements have been prepared in Euro.



Zane Jozepa
CFO, Member of the Management Board

Management Report

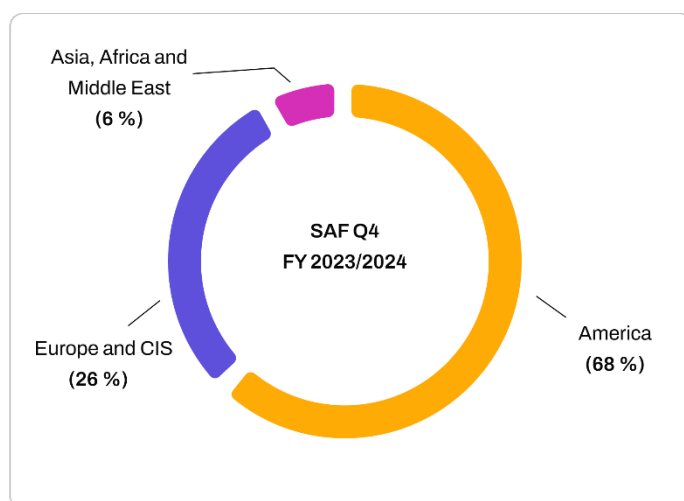
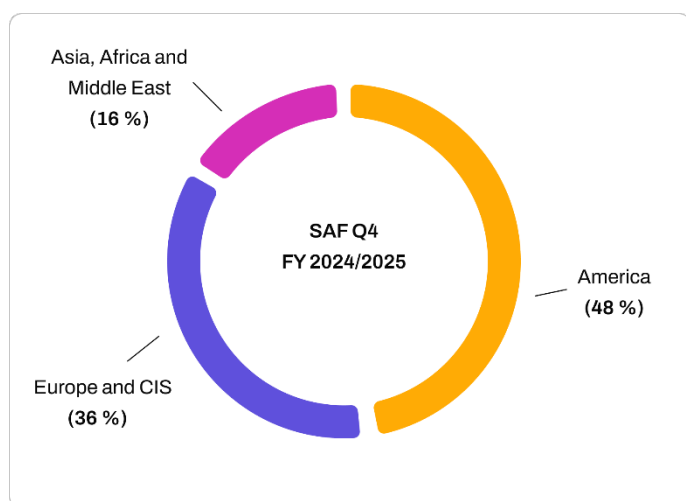
The Group's unaudited consolidated net turnover for the fourth quarter (Q4) of the 2024/2025 financial year (FY) was EUR 5.18 million, representing a 13% decrease compared to the same period in FY 2023/2024.

The turnover of the North America and Latin America region amounted to 47% or EUR 2.5 million. Compared to the same quarter of the previous financial year, the turnover has decreased by 40%.

The European region accounted for 36% of turnover, amounting to EUR 1.9 million, an increase of 24% compared with the fourth quarter of the previous financial year. Turnover in the Asia, Africa and Middle East region doubled compared with the corresponding quarter of the previous financial year, representing 16% of the total quarterly turnover (or EUR 846 thousand).

As noted in previous reports, fluctuations in quarterly turnover are influenced by the completion of individual projects. Projects can vary in scope and complexity, and their execution is influenced by both the duration of the production process and the lead times for material procurement. As a result, the dispatch of goods and the recognition of revenue often take place only in subsequent quarters

Comparative charts of Q4 sales volumes by region:

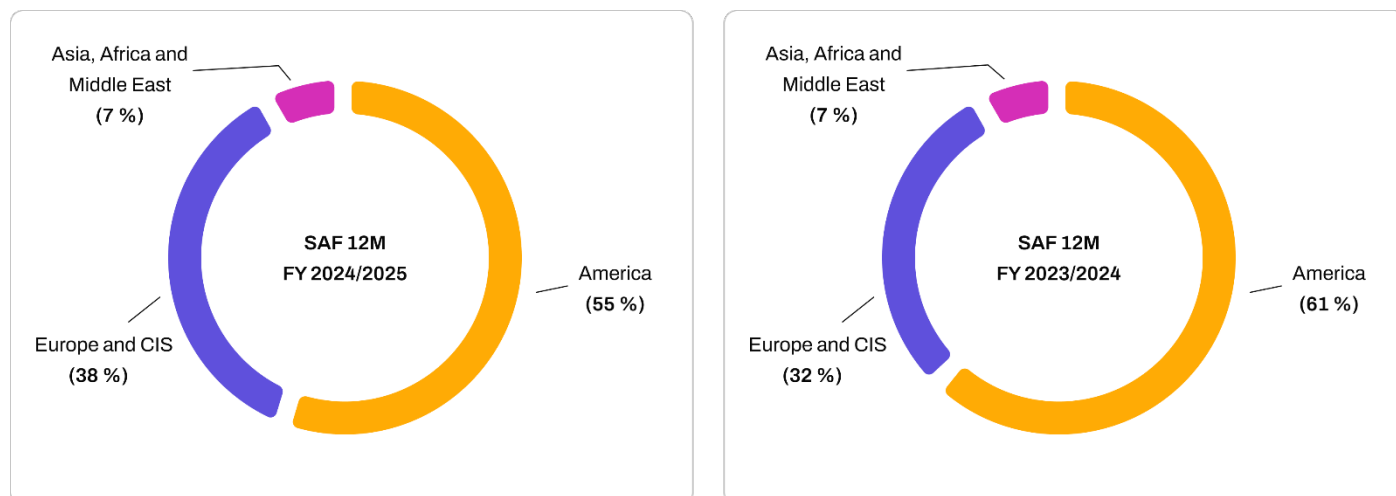


In the reporting quarter, the Group's products were sold in 75 countries.

For the 12 months of the 2024/2025 financial year, the Group's unaudited consolidated turnover was EUR 26.11 million, a 4% decline from the previous financial year's revenue.

Over a 12-month period, revenues in North and Latin Americas represented 55% of the total turnover of the Group and amounted to EUR 14.28 million, thus showing a 14% decrease compared to the result of the twelve months of the previous financial year. 38% of the total turnover comes from revenues generated in European countries, which increased by 17% against 12 months of the previous year, and amount to EUR 10.04 million. Revenue from the Asia, Africa and the Middle East region declined by 5%, accounting for 7% of the Group's total turnover.

Charts comparing the sales volume distribution by region for the 12-month period:



The Group's expenses did not exceed the amounts planned in the budget. The Group continues to invest in new product development and product enhancements, as well as in sales promotion across both existing and new market segments.

The Group closed the fourth quarter of the 2024/2025 financial year with a loss of EUR 913 thousand (unaudited). In Q4 of the previous year, the Group recorded a loss of EUR 498 thousand.

The consolidated unaudited result for the twelve months of the 2024/2025 financial year is a loss of EUR 820 thousand. The Group reported a loss of EUR 2.37 million for the 2023/2024 financial year.

The Group's operations were affected by the global shortage of various electronic components. During the previous period, the company accumulated material reserves to be able to fulfill the majority of orders, ensuring short, or customer-expected, delivery times. Delivery times have continued to improve recently.

The Group's net cash flow for the 12 months of the financial year is EUR 2.6 million. The Group's cash balance in the balance sheet at the end of the period was EUR 4.8 million. Advances received from customers for goods totaled EUR 3.9 million.

To ensure liquidity, the Parent Company has a Credit Line Agreement with Luminor Bank AS for a total amount of EUR 4.95 million, which had not been utilized at the end of the reporting period.

In Q4 of the 2024/2025 financial year, EUR 239 thousand were invested in the purchase of fixed assets – primarily to support production and testing processes, as well as for the acquisition of office equipment.

Market Overview

During the quarter, there were no major changes in the microwave radio market. We believe that significant and rapid changes in the microwave radio market are not expected in the near future. SAF Tehnika continues to foster close collaboration with its clients and partners to proactively identify and mitigate potential risks, as well as to assess new opportunities for development. The Group continuously monitors changes in the global trade environment, including potential tariff adjustments in the United States.

The Group has no clients or suppliers in the region affected by armed conflict (Russia, Ukraine, or Belarus); therefore, no impact on order volumes has been observed.

Guidelines

SAF Tehnika is a company with extensive experience and expertise in the development and production of microwave links.

Although the hostilities in Ukraine do not directly impact the Group's operations, overall uncertainty in the business environment persists. The Group continues to monitor potential cost increase forecasts and evaluate associated risks. The company regularly reviews procurement volumes and timelines, ensuring sufficient material reserves to fulfill most orders within standard lead times. This applies to all SAF product families: microwave links, spectrum analyzers, and Internet of Things (IoT).

Even with the modernization of the telecommunications market toward fiber optic communications, there is still a strong demand for radio systems that provide enhanced data rates. Therefore, the Group continues to actively research the market and identify key issues in order to propose necessary product modifications and develop prototypes for next-generation technologies. At the same time, the Group develops IoT solutions for both business and consumer segments, diversifying its product line, creating higher added value for SAF Tehnika product offerings, and increasing the Group's revenue.

The company's goal is to stabilize turnover to ensure a positive net result in the long term. The Board of SAF Tehnika remains cautious and refrains from providing specific sales and performance forecasts.

As of June 30, 2025, the Group had 273 employees (265 employees as of June 30, 2024)

KEY indicators

	Q4 2024/25 EUR	Q4 2023/24 EUR	Q4 2022/23 EUR
Net Sales	5 184 188	5 983 051	8 675 305
Earnings before interest, taxes and depreciation (EBITDA)	(459 632)	(96 211)	1 151 625
(EBITDA %)	(9)%	(2)%	13.3%
Profit/loss before interest and taxes (EBIT)	(863 273)	(495 301)	828 451
(EBIT %)	(17)%	(8)%	10%
Net Profit	(913 464)	(498 107)	804 633
Share of the turnover %	(18)%	(8)%	9%
Total assets	25 916 954	22 997 300	28 372 380
Total Owners equity	15 581 325	16 414 259	18 707 934
Return on assets (ROA) %	(3.59)%	(2.11)%	2.84%
Return on equity (ROE) %	(5.69)%	(2.99)%	4.40%
Liquidity ratio			
Quick ratio %	57%	49%	48%
Current ratio %	78%	94%	66%
Earnings per share	(0.31)	(0.17)	0.27
Last share price at the end of period	5.74	4.88	11.35
P/E	(20.50)	(6.10)	9.96
Number of employees at the end of reporting period	273	265	271

Consolidated Statement of Financial Position

	Note	30.06.2025	30.06.2024
CURRENT ASSETS		EUR	EUR
Cash and bank		4 812 202	2 213 197
Customer receivables	1		
Accounts receivable		1 321 900	1 515 769
Allowance for uncollectible receivables		(20 246)	(15 957)
Total		1 301 654	1 499 812
Other current receivables	2	447 614	541 001
Total		447 614	541 001
Prepaid expenses			
Prepaid taxes		172 270	167 126
Other prepaid expenses		253 972	244 110
Total		426 242	411 236
Inventories	3		
Raw materials		2 365 783	2 949 844
Work-in-progress		4 475 348	3 180 499
Finished goods		7 000 730	6 663 062
Prepayments to suppliers		97 457	67 478
Total		13 939 318	12 860 883
TOTAL CURRENT ASSETS		20 927 030	17 526 129
NON-CURRENT ASSETS			
Long-term financial assets			
Investments in other companies		209 183	209 328
Deferred income tax		150 545	164 819
Long-term loans		4 914	7 588
Total		364 642	381 735
NON-CURRENT physical assets	4		
Plant and equipment		5 912 372	5 672 789
Other equipment and fixtures		3 949 122	3 713 450
Accumulated depreciation		(7 301 459)	(6 412 487)
Prepayments for noncurrent physical assets		14 180	3 815
Unfinished renovation works		43 990	20 286
Long-term investment - lease		1 472 341	1 588 701
Total		4 090 546	4 586 554
Intangible assets	4		
Purchased licenses, trademarks etc.		474 286	515 475
Other long-term intangible assets		60 449	14 810
Total		534 735	530 285
TOTAL NON-CURRENT ASSETS		4 989 924	5 498 575
TOTAL ASSETS		25 916 954	23 024 704

LIABILITIES AND OWNERS' EQUITY	Note	30.06.2025	30.06.2024
CURRENT LIABILITIES		EUR	EUR
Debt obligations			
Short-term loans from financial institutions	5	15 703	25 939
Customer prepayments for goods and services		3 916 211	759 290
Accounts payable		1 271 155	809 171
Accrued short-term operating lease liabilities	6	381 070	375 735
Tax liabilities		420 634	425 312
Salary-related accrued expenses	7	1 791 579	1 589 853
Provisions for guarantees		55 658	55 658
Deferred income		536 850	467 149
TOTAL CURRENT LIABILITIES		8 388 859	4 508 107
NON-CURRENT LIABILITIES			
Long-term liabilities			
Long-term deferred income		693 099	748 524
Accrue long-term operating lease liabilities	6	1 253 671	1 332 122
TOTAL LONG-TERM LIABILITIES		1 946 770	2 080 646
TOTAL LIABILITIES		10 335 629	6 588 753
OWNERS' EQUITY			
Share capital		4 158 252	4 158 252
Paid in capital over par		2 851 726	2 851 726
Other reserves		8 530	8 530
Retained earnings		9 378 876	11 748 240
Net profit for the financial year		(820 219)	(2 369 364)
Currency translation reserve		4 160	38 567
TOTAL OWNERS' EQUITY		15 581 325	16 435 951
TOTAL LIABILITIES AND OWNERS' EQUITY		25 916 954	23 024 704

Consolidated Statement of Profit or Loss for 12 months of the financial year 2024/2025

	Note	30.06.2025	30.06.2024
		EUR	EUR
Net sales	8	26 109 370	27 092 552
Other operating income		700 714	919 264
Total income		26 810 085	28 011 816
Direct cost of goods sold or services rendered		(9 329 699)	(13 117 489)
Marketing, advertising and public relations expenses		(1 892 892)	(1 899 921)
Bad receivables	9	(5 887)	1 874
Operating expenses		(2 262 594)	(2 097 036)
Salaries and social expenses	10	(10 582 406)	(10 538 718)
Bonuses and social expenses	10	(1 824 652)	(942 815)
Depreciation expense		(1 239 141)	(1 153 927)
Amortization of operating lease		(386 730)	(388 855)
Other expenses		(40 271)	(134 206)
Operating expenses		(27 564 272)	(30 271 092)
EBIT		(754 187)	(2 259 275)
Financial income (except ForEx rate difference)		49 935	19 615
Financial costs (except ForEx rate difference)		(64 866)	(154 964)
Foreign exchange +gain/(loss)		(46 928)	45 484
Financial items		(61 858)	(89 864)
EBT		(816 045)	(2 349 140)
Corporate income tax		(4 173)	(20 224)
Profit after taxes		(820 219)	(2 369 364)
Net profit/(loss)		(820 219)	(2 369 364)

*Earnings per share

EPS 30.06.2025. (0.28) EUR

EPS 30.06.2024. (0.80) EUR

Consolidated Statement of Profit or Loss for Q4 of the financial year 2024/2025

	30.06.2025	30.06.2024
	EUR	EUR
Net sales	5 184 188	5 983 051
Other operating income	351 448	630 706
Total income	5 535 636	6 613 757
Direct cost of goods sold or services rendered	(1 945 940)	(2 827 751)
Marketing, advertising and public relations expenses	(539 410)	(511 249)
Bad receivables	2 777	60 362
Operating expenses	(586 610)	(518 029)
Salaries and social expenses	(2 620 953)	(2 661 652)
Bonuses and social expenses	(298 161)	(179 565)
Depreciation expense	(308 838)	(301 821)
Amortization of operating lease	(94 803)	(97 269)
Other expenses	(6 971)	(72 084)
Operating expenses	(6 398 909)	(7 109 058)
EBIT	(863 273)	(495 301)
Financial income (except ForEx rate difference)	17 565	5 025
Financial costs (except ForEx rate difference)	(16 967)	(19 694)
Foreign exchange +gain/(loss)	(46 616)	13 075
Financial items	(46 018)	(1 594)
EBT	(909 291)	(496 895)
Corporate income tax	(4 173)	(1 212)
Profit after taxes	(913 464)	(498 107)
Net profit/(loss)	(913 464)	(498 107)

*Earnings per share

EPS 30.06.2025. (0.31) EUR

EPS 30.06.2024. = (0.17) EUR

Consolidated cash flow statement for 12 months of the financial year 2024/2025

	30.06.2025	30.06.2024
	EUR	EUR
CASH GENERATED FROM OPERATIONS (of which)	2 131 529	939 013
Cash received from customers	29 013 737	27 696 721
Cash paid to suppliers and employees	(27 267 939)	(27 188 142)
Paid/Received VAT	385 730	430 434
NET CASH USED IN INVESTING ACTIVITIES (of which)	(789 687)	(1 212 065)
Cash paid for purchasing shares in subsidiary	145	0
Cash paid for purchasing non-current physical assets	(832 140)	(1 230 937)
Interest received	42 308	18 872
NET CASH USED IN FINANCING ACTIVITIES (of which)	848 532	(915 806)
Repayment of short-term loans	15 703	(1 182 034)
Paid interest	(1 368)	(92 959)
Cash received from EU funds	834 197	359 187
Effects of exchange rate changes	408 632	(62 384)
TOTAL CASH FLOW:	2 599 005	(1 251 242)
Cash and cash equivalents as at the beginning of period	2 213 197	3 464 439
Cash and cash equivalents as at the end of period	4 812 202	2 213 197

Statement of changes in consolidated equity for the 12 month period ended June 30, 2025

	Share capital EUR	Share premium EUR	Other reserves EUR	Currency translation reserve EUR	Retained earnings EUR	Total EUR
As at 30 June 2023	4 158 252	2 851 726	8 530	76 791	11 748 240	18 843 539
Currency translation difference	-	-	-	(38 224)	-	(38 224)
Loss for the year	-	-	-	-	(2 369 364)	(2 369 364)
As at 30 June 2024	4 158 252	2 851 726	8 530	38 567	9 378 876	16 435 951
Currency translation difference	-	-	-	(34 407)	-	(34 407)
Profit for the year	-	-	-	-	(820 219)	(820 219)
As at 30 June 2025	4 158 252	2 851 726	8 530	4 160	8 558 657	15 581 325

Notes for interim report

Note 1: Customer receivables

	30.06.2025 EUR	30.06.2024 EUR
Accounts receivable	1 321 900	1 515 769
Provisions for bad and doubtful accounts receivable	(20 246)	(15 957)
Total receivables	1 301 654	1 499 812

As compared to the same balance sheet date of the previous financial year the total receivables have increased.

Note 2: Other current receivables

	30.06.2025 EUR	30.06.2024 EUR
Other current receivables	447 614	541 001

Other current receivables include the amounts of calculated co-financing from EU funds for ongoing product development projects. Co-financing is assigned via competence center "LEO pētījumu centrs" (LEO) and will be received when project documentation and results are reviewed and accepted by project sponsor.

Note 3: Inventories

	30.06.2025 EUR	30.06.2024 EUR
Raw materials	6 394 295	8 048 157
Allowance for slow-moving items	(4 028 512)	(5 098 313)
Work-in-progress	4 475 348	3 180 499
Finished goods	7 000 730	6 663 062
Prepayments to suppliers	97 457	67 478
Total Inventories	13 939 318	12 860 883

Compared to June 30, 2024, total inventory volumes increased by 8%.

The Group maintains a certain level of raw materials and consumables in order to be able to deliver all products that are currently included in the Group's product portfolio within competitive deadlines.

The Group's inventory must include components of previously manufactured and sold equipment in order to be able to provide them with repair services.

Following the precautionary principle and the Group's policy on slow-moving stocks – the stocks that over the period of 12, 9 or 6 months, respectively, have moved by less than 30% of their amount at the beginning of the period are recognized as slow-moving inventory.

Note 4: Non-current, intangible assets

	30.06.2025 EUR	30.06.2024 EUR
Plant and equipment	5 912 372	5 672 789
Other equipment and fixtures	3 949 122	3 713 450
Accumulated depreciation	(7 301 459)	(6 412 487)
Prepayments for noncurrent physical assets	14 180	3 815
Unfinished renovation works	43 990	20 286
Long-term investment lease*	1 472 341	1 588 701
Total	4 090 546	4 586 554
Purchased licenses, trademarks etc.	474 286	515 475
Other long-term intangible assets	60 449	14 810
Total	534 735	530 285
Total non-current, intangible assets	4 625 282	5 116 839

*See Note 6 Operating lease liabilities

During Q4, the Group acquired fixed assets and intangible assets in the amount of 239 thousand euros – mainly, in order to ensure production and testing processes, as well as to acquire office equipment.

Note 5: Short-term loans from financial institutions

	30.06.2025	30.06.2024
	EUR	EUR
Short-term loans from financial institutions	15 703	25 939

To ensure liquidity, the Parent Company has an active credit line agreement with Luminor Bank AS for the total amount of EUR 4.95 million. At the end of the reporting period, the credit line had not been used.

Note 6: Operating lease liabilities

	30.06.2025	30.06.2024
	EUR	EUR
Accrued short-term operating lease liabilities	381 070	375 735
Accrued long-term operating lease liabilities	1 253 671	1 332 122
	1 634 740	1 707 857

As a result of the introduction of IFRS 16 “Leases”, the Group has made estimates in respect of concluded operating leases, assuming that over the next 5 (five) years, it will continue to lease premises in accordance with the concluded lease agreements. In addition, the volume of leased premises has also increased.

Note 7: Salary-related accrued expenses

	30.06.2025	30.06.2024
	EUR	EUR
Salary-related accrued expenses	1 791 579	1 589 853

The increase in the balance sheet is due to fluctuations in the amounts of vacation accruals and bonuses between periods.

Note 8: Segment information

- a) The Group's (Parent company's) operations are divided into two major structural units:
- SAF branded equipment designed and produced in-house - as one of the structural units containing CFIP, Integra (Integrated carrier-grade Ethernet microwave radio), Spectrum Compact (measurement tools for radio engineers) and Aranet (environmental monitoring solutions).
 - a. **CFIP** – product line is represented by:
 - i. Phoenix, a split mount (IDU+ODU) Phoenix hybrid radio system with Gigabit Ethernet and 20E1 interfaces;
 - ii. Lumina high capacity Full Outdoor all-in-one radio with Gigabit Ethernet traffic interface;
 - iii. Marathon FIDU low frequency low capacity system for industrial applications, energy companies and rural telecom use.
 - iv. All CFIP radios are offered in most widely used frequency bands from 1.4GHz to 38 GHz, thus enabling the use of CFIP radios all across the globe.
 - b. **Integra** – is a next generation radio system employing latest modem technology on the market as well as radio technology in an innovative packaging.
 - c. **Spectrum Compact** is the latest product line in SAF's portfolio, it is a measurement tool for field engineers for telecom, broadcasting and other industries using radio technologies. It comprises of a number of units covering several frequency bands and proving various functionality.
 - d. **Aranet** - the latest SAF product line for environmental monitoring, consisting of various wireless sensors, base stations and Aranet cloud solution for data collection, aggregation and analysis.
 - Operations related to sales of products purchased from other suppliers, like antennas, cables, SAF renamed (OEMed) products and different accessories - as the second unit.
- b) This note provides information about division of the Group's turnover and balance items by structural units by product type for 12 month of the financial year 2024/25 and financial year 2023/24.

	CFIP, Integra, Spectrum, Compact, Aranet		Other		Total	
	2024/25 EUR	2023/24 EUR	2024/25 EUR	2023/24 EUR	2024/25 EUR	2023/24 EUR
Segment assets	15 214 899	13 445 322	1 184 309	1 966 406	16 399 208	15 411 728
Undivided assets					9 517 746	7 612 976
Total assets					25 916 954	23 024 704
Segment liabilities	5 696 314	2 094 293	113 941	34 500	5 810 255	2 128 793
Undivided liabilities					4 525 374	4 459 960
Total liabilities					10 335 629	6 588 753
Net sales	24 309 076	25 097 488	1 800 294	1 995 064	26 109 370	27 092 552
Segment results	9 354 652	4 681 332	2 792 445	2 851 324	12 147 097	7 532 656
Undivided expenses					(13 601 998)	(10 751 643)
Profit from operations					(1 454 901)	(3 218 987)
Other income					700 714	919 264
Financial income (except ForEx rate difference)					49 935	19 570
Financial costs (except ForEx rate difference)					(64 866)	(154 964)
Foreign exchange +gain/(loss)					(46 928)	45 529
Profit before taxes					(816 046)	(2 389 588)
Corporate income tax					(4 173)	20 224
Profit after taxes					(820 219)	(2 369 364)
Net profit					(820 219)	(2 369 364)
Other information						
Additions of property plant and equipment and intangible assets	226 926	268 371	-	-	226 926	268 371
Undivided additions					561 210	1 016 104
Total additions of property plant and equipment and intangible assets					788 136	1 284 475
Depreciation and amortization	769 488	750 919	-	-	769 488	750 919
Undivided depreciation					856 383	791 868
Total depreciation and amortization					1 625 871	1 542 787

c) This note provides information about division of the Group's turnover and assets by geographical regions (customer location) for 12 month of the financial year 2024/25 compared to the same period of financial year 2023/24.

	Net Sales		Assets	
	2024/2025 EUR	2023/2024 EUR	30.06.2025 EUR	30.06.2024 EUR
Americas	14 282 812	16 603 697	996 258	1 045 977
Europe, CIS	10 043 799	8 616 355	223 263	330 239
Asia, Africa, Middle East	1 782 759	1 872 500	82 133	123 596
Subtotal	26 109 370	27 092 552	1 301 654	1 499 812
Unallocatted assets	-	-	24 615 300	21 497 489
Total	26 109 370	27 092 552	25 916 954	23 024 704

Note 9: Bad receivables

	30.06.2025 EUR	30.06.2024 EUR
Bad receivables	(5 887)	1 874

Provisions for doubtful and bad accounts receivable were calculated according to Group's provision calculation policy. The Group starts to calculate provisions for customers who delays payment terms more than 3 months. Additional provisions were calculated for debts where probability not to receive payment is high, although agreed payment term has not come yet. Assessing the risks of receivables, additional provision for insecure debts has been made.

Note 10: Salaries, bonuses and social expenses

	30.06.2025 EUR	30.06.2024 EUR
Salaries and social expenses	(10 582 406)	(10 538 718)
Bonuses and social expenses	(1 824 652)	(942 815)
Total	(12 407 058)	(11 481 533)

Compared to the twelve months of the previous 2023/2024 financial year, the amount of wages and related social costs has increased by 8%.