SAF Tehnika JSC

Consolidated Interim Report for Q4 and 12 months of financial year 2025/2026

July 1, 2025 – June 30, 2026

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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 25 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 290 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.

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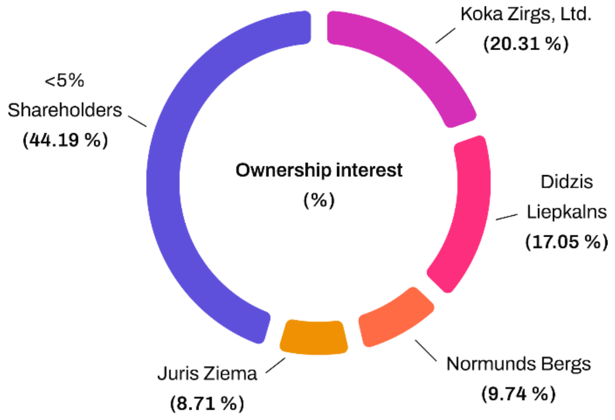
Commercial Registry Nr.:	40003474109
VAT Registry Nr.:	LV40003474109
Beginning of financial year:	01.07.2026
End of financial year:	30.06.2026
Phone:	+371 67046840
E-mail:	info@saftehnika.com

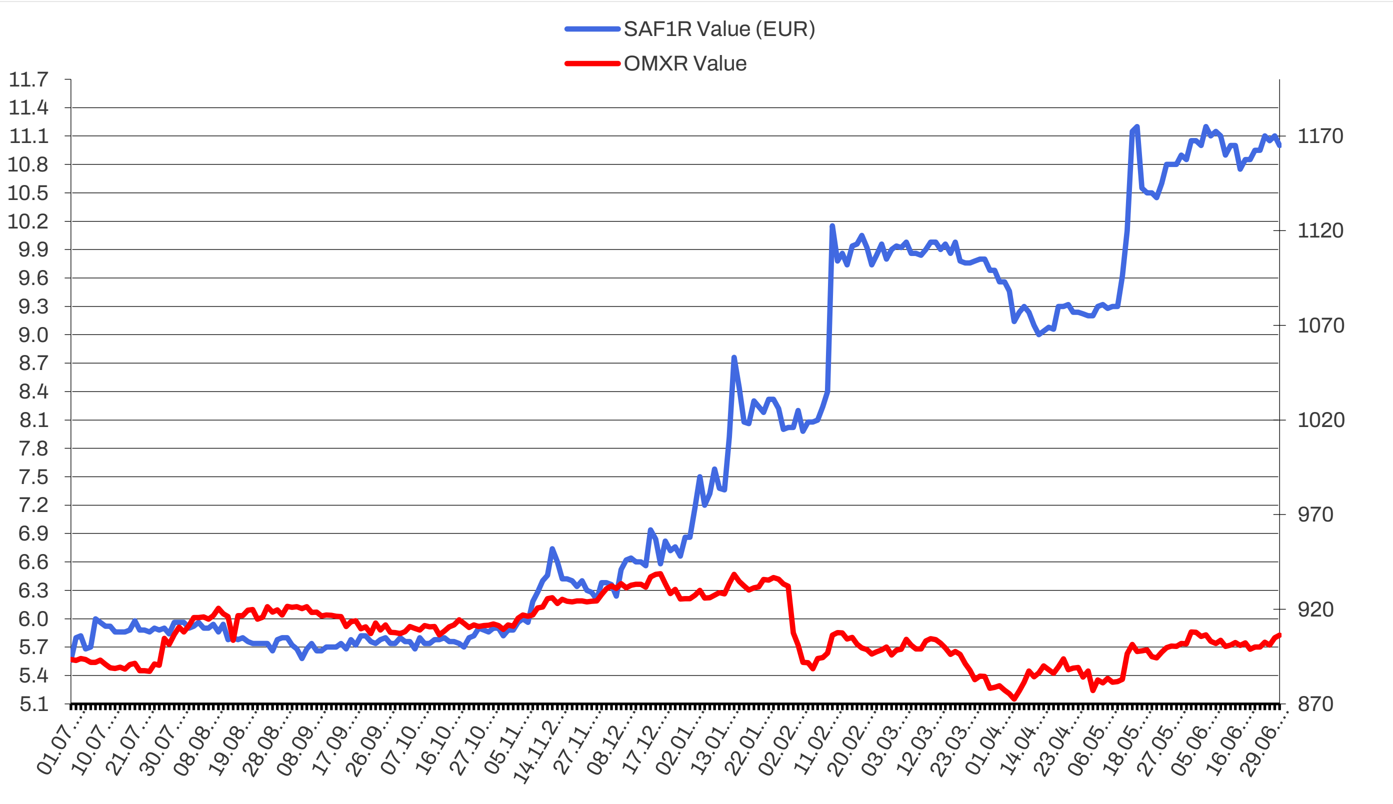
Share and Shareholdings

SAF Tehnika shareholders (over 5%) as of 10.04.2026.



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

SAF Tehnika (SAF1R)
Period: July 1, 2025 – June 30, 2026
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 31 shares
Aira Loite	Member	owns 8000 shares
Sanda Reiharde	Member	owns 500 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 Transhipment 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 2026 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, 2025.

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

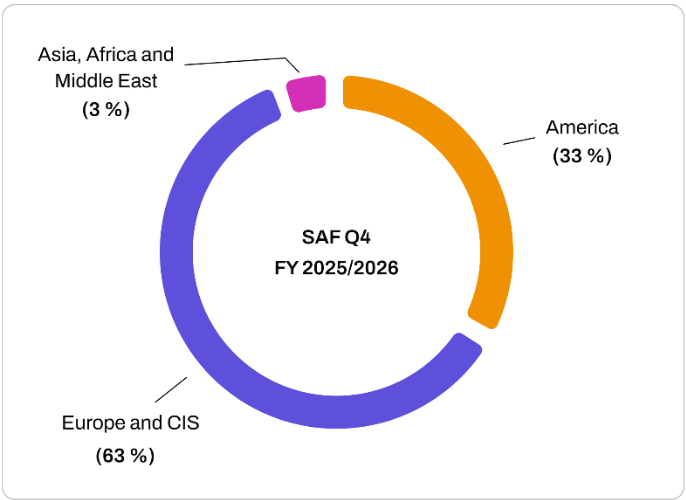
The Group's unaudited consolidated net turnover for the fourth quarter (Q4) of fiscal year (FY) 2025/2026 was EUR 14.17 million, which is 2.7 times higher than in the fourth quarter of FY 2024/2025.

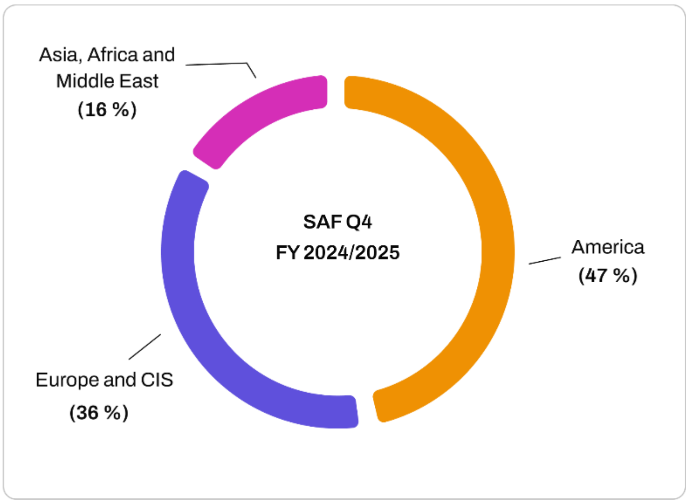
The turnover of the North and Latin American region amounted to EUR 4.8 million, representing 33% of total turnover. Compared to the same quarter of the previous fiscal year, turnover increased by 94%.

The turnover of the European region amounted to EUR 9 million, representing 63% of total turnover, which is 383% higher than in the fourth quarter of the previous fiscal year. The turnover of the Asia, Africa, and Middle East region decreased compared to the corresponding quarter of the previous fiscal year and accounted for 3% of total quarterly turnover (or EUR 475 thousand).

As noted in previous reports, fluctuations in quarterly turnover are influenced by the execution of individual projects. Projects vary in size and complexity, and their implementation is affected both by the duration of the production process and by the availability and scheduling of material procurement. Consequently, the dispatch of goods and the recognition of revenue may also take place in subsequent quarters, depending on project completion timelines. Fourth-quarter turnover is 4% higher than in the third quarter, but 8% lower than in the second quarter of the fiscal year.

Comparative charts of Q4 sales breakdown by region:



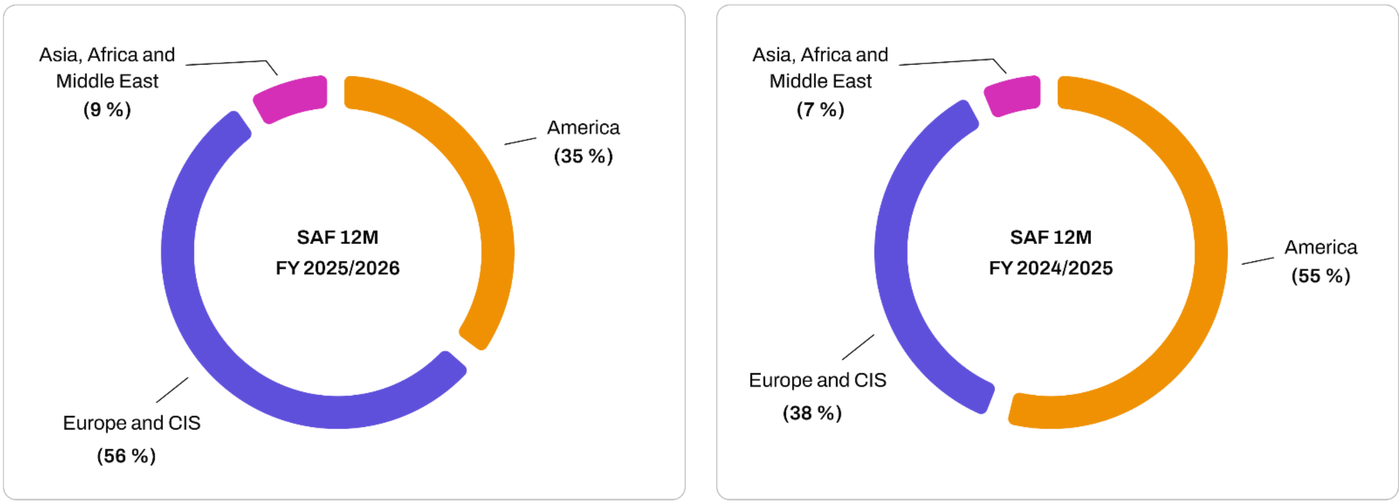


In the reporting quarter, the Group's products were sold in 68 countries.

The Group's unaudited consolidated turnover for FY 2025/2026 amounted to EUR 51.46 million, representing a 97% increase compared with the revenue recorded in the corresponding period of the previous fiscal year.

Revenue from the North and Latin American region accounted for 35% of the Group's total turnover and amounted to EUR 17.96 million, representing a 26% increase compared with the result for the 12 months of the previous fiscal year. Revenue from European countries accounted for 56% of total turnover, increasing by 189% compared with the corresponding 12-month period of the previous year and amounting to EUR 29 million. Revenue from the Asia, Africa, and Middle East region increased by 150% and accounted for 9% of the Group's total turnover.

Comparative charts of twelve-month sales breakdown by region:



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

The Group closed the fourth quarter of FY 2025/2026 with an unaudited profit of EUR 2.69 million. The Group recorded a loss of EUR 750 thousand in the fourth quarter of the previous year.

The Group's unaudited consolidated 12-month result for FY 2025/2026 was a profit of EUR 8.6 million. In the previous FY 2024/2025, the Group recorded a loss of EUR 643 thousand.

The Group's net cash flow for the 12 months of the fiscal year amounted to EUR 5.69 million. The Group's cash balance in the statement of financial position at the end of the period was EUR 10.5 million.

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

In the fourth quarter of FY 2025/2026, EUR 536 thousand were invested in the acquisition of fixed assets, primarily to support production and testing processes, as well as to purchase office equipment.

Market Overview

During the quarter, no rapid changes were observed in the microwave radio market. In our view, no significant or rapid changes in this market are expected in the near term. However, external factors, including the situation in the Middle East, may affect market participants' caution, investment activity and project implementation timelines in certain regions. SAF Tehnika continues to maintain close cooperation with its customers and partners in order to identify and mitigate potential risks in a timely manner, while also assessing new development opportunities. The Group also continuously monitors changes in the global trade environment that may affect the pace of project implementation in individual markets.

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 have a direct impact on the Group's operations, overall uncertainty in the business environment persists. This is further exacerbated by the geopolitical situation in the Middle East, including risks related to Iran, which create additional pressure on supply chains and the availability of certain materials. The Group continues to monitor potential cost increase trends and assess the related risks. By regularly reviewing procurement volumes and timelines, the company continues to maintain material reserves to ensure that most orders can be fulfilled within short delivery lead times. This applies to all SAF product groups – microwave radios, spectrum analyzers, and Internet of Things (IoT) solutions.

The Group continues to actively research the market and identify key challenges, carrying out development activities to deliver necessary product modifications and create prototypes for next-generation technologies. At the same time, the Group is developing IoT segment solutions for both business and consumer markets, diversifying its product line, creating higher value-added offerings within SAF Tehnika's product portfolio, and supporting further growth in the Group's revenues.

The development of new products is closely linked to changes in manufacturing approaches and supply chain organization. In the defense segment, supply chain independence is particularly critical. Accordingly, the Group is purposefully investing in expanding production capacity in Latvia and strengthening internal competencies, increasing its ability to carry out a substantial portion of the process in-house.

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

As at 30 June 2026, the Group had 291 employees, compared with 273 employees as at 30 June 2025.

KEY indicators

	Q4 2025/26 EUR	Q4 2024/25 EUR	Q4 2023/24 EUR
Net Sales	14 167 283	5 184 188	5 983 051
Earnings before interest, taxes and depreciation (EBITDA)	2 321 600	(459 632)	(96 211)
(EBITDA %)	**16%**	**-9%**	**-1.6%**
Profit/loss before interest and taxes (EBIT)	2 760 412	(863 273)	(495 301)
(EBIT %)	**19%**	**-17%**	**-8%**
Net Profit	2 687 231	(913 464)	(498 107)
Share of the turnover %	**19%**	**-18%**	**-8%**
Total assets	38 230 679	25 916 954	22 997 300
Total Owners equity	24 356 740	15 581 325	16 414 259
Return on assets (ROA) %	**7.36%**	**-3.59%**	**-2.11%**
Return on equity (ROE) %	**11.67%**	**-5.69%**	**-2.99%**
Liquidity ratio			
Quick ratio %	**85%**	**57%**	**49%**
Current ratio %	**115%**	**78%**	**94%**
Earnings per share	0.90	(0.31)	(0.17)
Last share price at the end of period	11.00	5.74	4.88
P/E	**3.81**	**(20.50)**	**(6.10)**
Number of employees at the end of reporting period	291	273	265

Consolidated Statement of Financial Position

	Note	30.06.2026	30.06.2025
CURRENT ASSETS		**EUR**	**EUR**
Cash and bank		**10 500 508**	**4 812 202**
Customer receivables	**1**		
Accounts receivable		3 054 947	1 321 170
Allowance for uncollectible receivables		(43 501)	(20 246)
Total		**3 011 447**	**1 300 924**
Short-term loans		3 114	0
Other current receivables	**2**	727 528	447 614
Total		**730 642**	**447 614**
Prepaid expenses			
Prepaid taxes		473 827	172 270
Other prepaid expenses		254 557	253 972
Total		**728 383**	**426 242**
Inventories	**3**		
Raw materials		4 966 418	2 521 692
Work-in-progress		6 350 974	4 475 348
Finished goods		6 878 228	7 000 730
Prepayments to suppliers		400 962	97 457
Total		**18 596 582**	**14 095 227**
TOTAL CURRENT ASSETS		**33 567 561**	**21 082 209**
NON-CURRENT ASSETS			
Long-term financial assets			
Investments in other companies		202 700	209 183
Deffered income tax		167 716	163 051
Long-term loans		4 194	4 914
Total		**374 610**	**377 148**
NON-CURRENT physical assets	**4**		
Plant and equipment		6 544 982	5 912 372
Other equipment and fixtures		4 334 930	3 949 122
Accumulated depreciation		(8 283 296)	(7 301 459)
Prepayments for noncurrent physical assets		31 358	14 180
Unfinished renovation works		58 800	43 990
Long-term investment - lease		1 084 250	1 472 341
Total		**3 771 024**	**4 090 546**
Intangible assets	**4**		
Purchased licenses, trademarks etc.		616 312	474 286
Other long-term intangible assets		3 138	60 449
Total		**619 450**	**534 735**
TOTAL NON-CURRENT ASSETS		**4 765 084**	**5 002 430**
TOTAL ASSETS		**38 332 645**	**26 084 639**

LIABILITIES AND OWNERS' EQUITY	Note	30.06.2026	30.06.2025
CURRENT LIABILITIES		**EUR**	**EUR**
Debt obligations			
Short-term loans from financial institutions	**5**	31 603	15 703
Customer prepayments for goods and services		2 875 400	3 916 211
Accounts payable		3 123 777	1 262 285
Accrued short-term operating lease liabilities	**6**	341 817	381 070
Tax liabilities		471 671	420 634
Salary-related accrued expenses	**7**	3 899 554	1 791 579
Provisions for guarantees		1 040 986	55 658
Deferred income		551 234	536 850
TOTAL CURRENT LIABILITIES		**12 336 042**	**8 379 989**
NON-CURRENT LIABILITIES			
Long-term liabilities			
Long-term deferred income		674 687	693 099
Accrue long-term operating lease liabilities	**6**	965 176	1 253 671
TOTAL LONG-TERM LIABILITIES		**1 639 863**	**1 946 770**
TOTAL LIABILITIES		**13 975 905**	**10 326 759**
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		8 736 234	9 378 876
Net profit for the financial year		8 581 111	(642 642)
Non-controlling interest		18 529	-
Currency translation reserve		2 357	3 138
TOTAL OWNERS' EQUITY		**24 356 740**	**15 757 880**
TOTAL LIABILITIES AND OWNERS' EQUITY		**38 332 645**	**26 084 639**

Consolidated Statement of Profit or Loss for 12 months of the financial year 2025/2026

	Note	30.06.2026	30.06.2025
		EUR	**EUR**
Net sales	**8**	51 458 430	25 994 294
Other operating income		1 079 394	703 445
Total income		**52 537 824**	**26 697 739**
Direct cost of goods sold or services rendered		(20 700 992)	(9 263 274)
Marketing, advertising and public relations expenses		(2 312 198)	(1 683 655)
Bad receivables	10	(22 804)	(5 887)
Operating expenses		(2 291 930)	(2 262 594)
Salaries and social expenses	**11**	(11 566 002)	(10 582 406)
Bonuses and social expenses	**11**	(4 837 965)	(1 824 652)
Depreciation expense		(1 329 490)	(1 239 141)
Amortization of operating lease		(394 248)	(386 730)
Other expenses		(30 487)	(40 271)
Operating expenses		**(43 486 115)**	**(27 288 611)**
EBIT		**9 051 709**	**(590 872)**
Financial income (except ForEx rate difference)		39 914	49 935
Financial costs (except ForEx rate difference)		(70 384)	(64 866)
Foreign exchange +gain/(loss)		(32 193)	(46 828)
Financial items		**(62 663)**	**(61 758)**
Loss on sale of long-term investment		(201 898)	0
Share of profit/(loss) of equity-accounted investees		(104 585)	0
EBT		**8 682 563**	**(652 630)**
Corporate income tax		(101 452)	(9 987)
Profit after taxes		**8 581 111**	**(642 642)**
Net profit/(loss)		**8 581 111**	**(642 642)**
Attributable to owners of parent		8 598 142	(642 642)
Attributable to non-controlling interests		(17 031)	0

Earnings per share EPS 30.06.2026. (2.89) EUR EPS 30.06.2025. (0.283) EUR

Consolidated Statement of Profit or Loss for Q4 of the financial year 2025/2026

	30.06.2026	30.06.2025
	EUR	EUR
Net sales	14 167 283	5 069 111
Other operating income	591 323	354 179
Total income	**14 758 606**	**5 423 290**
Direct cost of goods sold or services rendered	(5 912 903)	(1 879 515)
Marketing, advertising and public relations expenses	(891 453)	(330 173)
Bad receivables	(27 417)	2 777
Operating expenses	(651 450)	(586 610)
Salaries and social expenses	(2 959 311)	(2 620 953)
Bonuses and social expenses	(1 107 002)	(298 161)
Depreciation expense	(340 211)	(308 838)
Amortization of operating lease	(98 601)	(94 803)
Other expenses	(9 846)	(6 971)
Operating expenses	**(11 998 194)**	**(6 123 247)**
EBIT	**2 760 412**	**(699 957)**
Financial income (except ForEx rate difference)	14 572	17 565
Financial costs (except ForEx rate difference)	(17 635)	(16 967)
Foreign exchange +gain/(loss)	(20 578)	(46 516)
Financial items	**(23 641)**	**(45 918)**
Share of profit/(loss) of equity-accounted investees	(40 015)	0
EBT	**2 696 756**	**(745 875)**
Corporate income tax	**(9 525)**	**(4 173)**
Profit after taxes	**2 687 231**	**(750 048)**
Net profit/(loss)	**2 687 231**	(750 048)
Attributable to owners of parent	2 704 262	(750 048)
Attributable to non-controlling interests	(17 031)	0

*Earnings per share EPS 30.06.2026. (0.90) EUR EPS 30.06.2025. = (-0.31) EUR

Consolidated cash flow statement for 12 months of the financial year 2025/2026

	30.06.2026	30.06.2025
	EUR	EUR
CASH GENERATED FROM OPERATIONS (of which)	**6 930 804**	**2 131 528**
Cash received from customers	50 583 034	29 013 737
Cash paid to suppliers and employees	(44 265 416)	(27 267 939)
Paid/Received VAT	613 186	385 730
NET CASH USED IN INVESTING ACTIVITIES (of which)	**(1 796 908)**	**(789 687)**
Cash paid for purchasing shares in subsidiary	(300 000)	145
Cash paid for purchasing non-current physical assets	(1 535 172)	(832 140)
Interest received	38 264	42 308
NET CASH USED IN FINANCING ACTIVITIES (of which)	**768 402**	**848 532**
Repayment of short-term loans	15 900	15 703
Paid interest	(2 069)	(1 368)
Cash received from EU fonds	716 113	834 197
Cash flows attributable to non-controlling interests	38 459	0
Effects of exchange rate changes	**(213 993)**	**408 632**
TOTAL CASH FLOW:	**5 688 306**	**2 599 005**
Cash and cash equivalents as at the beginning of period	4 812 202	2 213 197
Cash and cash equivalents as at the end of period	10 500 508	5 609 988
NET INCREASE / DECREASE IN CASH AND CASH EQUIVALENTS	**5 688 306**	**3 396 791**

Statement of changes in consolidated equity for the 12-month period ended June 30, 2026

	Share capital EUR	Share premium EUR	Other reserves EUR	Non-Controlling interest	Currency translation reserve EUR	Retained earnings EUR	Total EUR
As at 30 June 2024	**4 158 252**	**2 851 726**	**8 530**	**-**	**38 567**	**9 378 876**	**16 435 951**
Currency translation difference	-	-	-	-	(35 429)	-	(35 429)
Loss for the year	-	-	-	-	-	(642 642)	(642 642)
As at 30 June 2025	**4 158 252**	**2 851 726**	**8 530**	**-**	**3 138**	**8 736 234**	**15 757 880**
Currency translation difference	-	-	-	-	(781)	-	(781)
Profit for the year	-	-	-	-	-	8 581 111	8 581 111
Non-controlling interest	-	-	-	18 529	-	-	18 529
As at 30 June 2026	**4 158 252**	**2 851 726**	**8 530**	**18 529**	**2 357**	**17 317 345**	**24 356 740**

Notes for interim report

Note 1: Customer receivables

	30.06.2026 EUR	30.06.2025 EUR
Accounts receivable	3 054 947	1 321 170
Provisions for bad and doubtful accounts receivable	(43 501)	(20 246)
Total receivables	**3 011 447**	**1 300 924**

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

Note 2: Other current receivables

	30.06.2026 EUR	30.06.2025 EUR
Other current receivables	**726 230**	**447 614**

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

	30.06.2026 EUR	30.06.2025 EUR
Raw materials	8 236 979	6 381 115
Allowance for slow-moving items	(3 270 561)	(3 859 423)
Work-in-progress	6 350 974	4 475 348
Finished goods	6 878 228	7 000 730
Prepayments to suppliers	400 962	97 457
Total Inventories	**18 596 582**	**14 095 227**

Compared to June 30, 2025, total inventory volumes increased by 32%.

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: Investments in other companies

	30.06.2026 EUR	30.06.2025 EUR
Investments in other companies	**202 700**	**209 183**

Group holds an investment in SIA "PLUFF. The company's line of business is the production of plastic injection-moulded products and the provision of milling services. In accordance with the signed share capital agreement, SAF Tehnika acquired 300 shares, representing 30% of the company's share capital. The total investment amounted to EUR 300 thousand.

Note 5: Non-current, intangible assets

	30.06.2026 EUR	30.06.2025 EUR
Plant and equipment	6 544 982	5 912 372
Other equipment and fixtures	4 334 930	3 949 122
Accumulated depreciation	(8 283 296)	(7 301 459)
Prepayments for noncurrent physical assets	31 358	14 180
Unfinished renovation works	58 800	43 990
Long-term investment lease*	1 084 250	1 472 341
Total	**3 771 024**	**4 090 546**
Purchased licenses, trademarks etc.	616 312	474 286
Other long-term intangible assets	3 138	60 449
Total	**619 450**	**534 735**
Total non-current, intangible assets	**4 390 474**	**4 625 281**

**See Note 6 Operating lease liabilities*

During Q4, the Group acquired fixed assets and intangible assets in the amount of 536 thousand euros – mainly, in order to ensure production and testing processes, as well as to acquire office equipment.

Note 6: Short-term loans from financial institutions

	30.06.2026 EUR	30.06.2025 EUR
Short-term loans from financial institutions	**31 603**	**15 703**

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 7: Operating lease liabilities

	30.06.2026 EUR	30.06.2025 EUR
Accrued short-term operating lease liabilities	341 817	381 070
Accrued long-term operating lease liabilities	965 176	1 253 671
	1 306 993	**1 634 741**

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 8: Salary-related accrued expenses

	30.06.2026 EUR	30.06.2025 EUR
Salary-related accrued expenses	**3 899 554**	**1 791 579**

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

Note 9: 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 2025/26 and financial year 2024/25.

	CFIP, Integra, Spectrum, Compact, Aranet		Other		Total	
	2025/26 EUR	2024/25 EUR	2025/26 EUR	2024/25 EUR	2025/26 EUR	2024/25 EUR
Segment assets	**21 692 206**	**15 097 806**	**1 140 128**	**1 178 889**	**22 832 334**	**16 276 695**
Undivided assets					15 500 311	9 807 943
Total assets					**38 332 645**	**26 084 638**
Segment liabilities	**6 592 069**	**5 664 655**	**134 691**	**112 859**	**6 726 760**	**5 777 514**
Undivided liabilities					7 249 147	4 549 244
Total liabilities					**13 975 907**	**10 326 758**
Net sales	**49 606 444**	**24 197 566**	**1 851 986**	**1 796 728**	**51 458 430**	**25 994 294**
Segment results	**21 446 405**	**7 232 280**	**2 904 416**	**2 502 265**	**24 350 821**	**9 734 545**
Undivided expenses					(16 378 504)	(11 028 861)
Profit from operations					**7 972 317**	**(1 294 316)**
Other income					1 079 394	703 445
Financial income (except ForEx rate difference)					39 914	49 935
Financial costs (except ForEx rate difference)					(70 384)	(64 866)
Foreign exchange +gain/(loss)					(32 193)	(46 828)
Financial items					**(62 663)**	**(61 758)**
Share of profit/(loss) of equity-accounted investees					(104 585)	0
Loss on sale of long-term investment					(201 898)	0
Profit before taxes					**8 682 563**	**(652 629)**
Corporate income tax					(101 452)	(9 987)
Profit after taxes					**8 581 111**	**(642 642)**
Net profit					**8 581 111**	**(642 642)**
Attributable to owners of parent					8 598 142	(642 642)
Attributable to non-controlling interests					(17 031)	0
Other information						
Additions of property plant and equipment and intangible asets	411 748	226 926	-	-	411 748	226 926
Undivided additions					1 091 155	561 210
Total additions of property plant and equipment and intangible asets					**1 502 903**	**788 136**

Depreciation and amortization	822 773	769 488	-	-	822 773	769 488
Undivided depreciation					900 965	856 383
Total depreciation and amortization					**1 284 926**	**1 625 871**

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 2025/26 compared to the same period of financial year 2024/25.

	Net Sales		Assets	
	2025/2026 EUR	**2024/2025 EUR**	**30.06.2026 EUR**	**30.06.2025 EUR**
Americas	17 955 437	14 282 812	2 289 140	995 528
Europe, CIS	29 048 930	10 043 799	424 652	223 263
Asia, Africa, Middle East	4 454 064	1 782 759	297 655	82 133
Subtotal	**51 458 430**	**26 109 370**	**3 011 447**	**1 300 924**
Unallocatted assets	-	-	35 321 198	24 783 714
Total	**51 458 430**	**26 109 370**	**38 332 645**	**26 084 638**

Note 10: Bad receivables

	30.06.2026 EUR	**30.06.2025 EUR**
Bad receivables	**(22 804)**	**(5 887)**

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 were 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 11: Salaries, bonuses and social expenses

	30.06.2026 EUR	**30.06.2025 EUR**
Salaries and social expenses	(11 566 002)	(10 582 406)
Bonuses and social expenses	(4 837 965)	(1 824 652)
Total	**(16 403 967)**	**(12 407 058)**

Compared to the twelve months of the previous 2024/2025 financial year, the amount of wages, bonuses and related social costs has increased by 32%.