

**SAF Tehnika A/S**  
**Consolidated Interim Report**  
**for Q3 and 9 months of financial year 2024/2025**  
**(July 1, 2024 – March 31, 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.

<b>Legal address:</b>	Ganību dambis 24a Rīga, LV-1005 Latvija
<b>Commercial Registry Nr.:</b>	40003474109
<b>VAT Registry Nr.:</b>	LV40003474109
<b>Beginning of financial year:</b>	01.07.2024
<b>End of financial year:</b>	30.06.2025
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## Share and Shareholdings

SAF Tehnika shareholders (over 5%) as of 30.09.2024.

Shareholder	Ownership interest (%)
SIA "Koka zirgs"	19.74%
Didzis Liepkalns	17.05%
Normunds Bergs	9.74%
Juris Ziema	8.71%

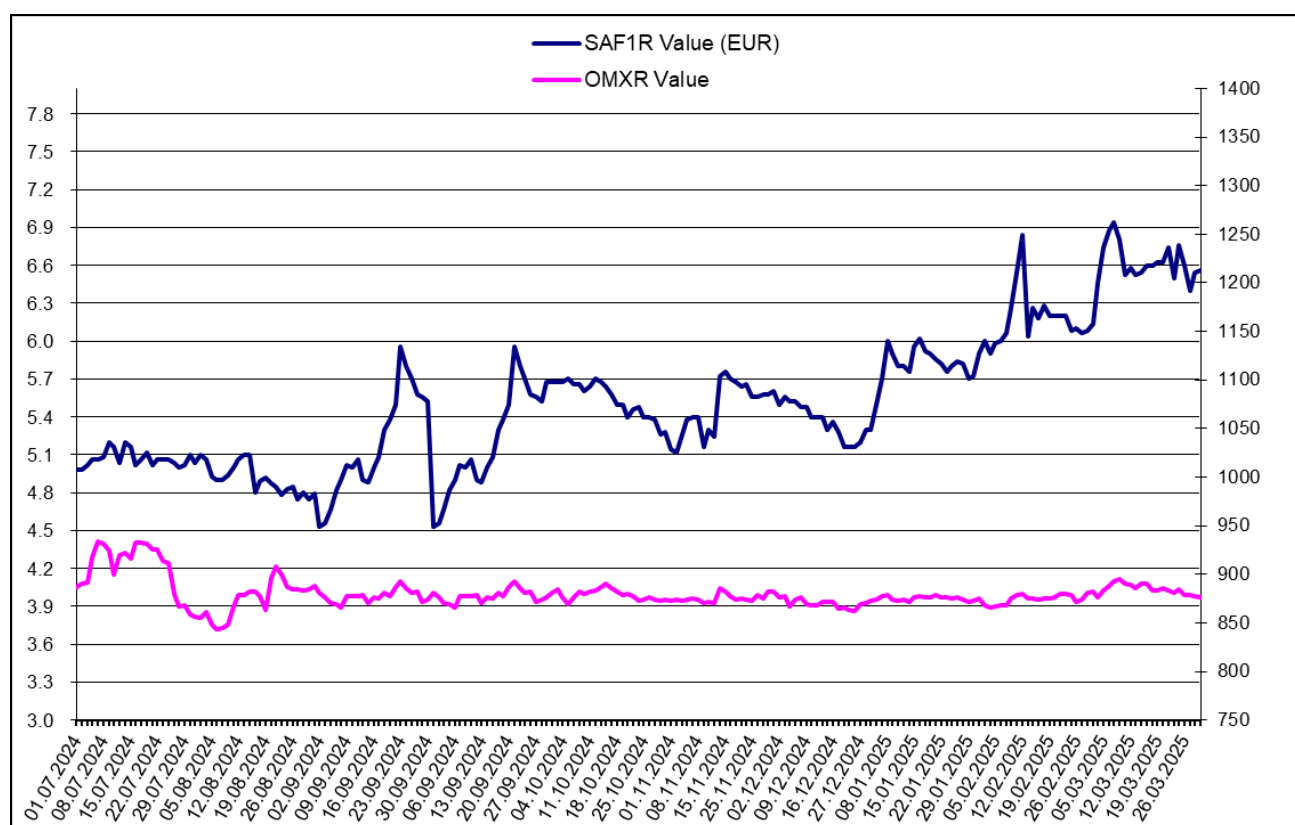
## SAF Tehnika share price and OMX Riga index development for the reporting period

SAF Tehnika (SAF1R)

Period: July 1, 2024 – March 31, 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 Zieme	Chairman	owns 8.71% of shares
Andrejs Grisans	Vice-Chairman	owns 1.95% of shares
Ivars Senbergs	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 31 March, 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 and United States of America).

The interim financial statements have been prepared in Euro.

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Zane Jozepa  
CFO, Member of the Management Board

## Management Report

The Group's unaudited consolidated net turnover for the third quarter (Q3) of the 2024/2025 financial year (FY) amounted to EUR 5.35 million, showing a 21% decrease compared to the same period in FY 2023/2024.

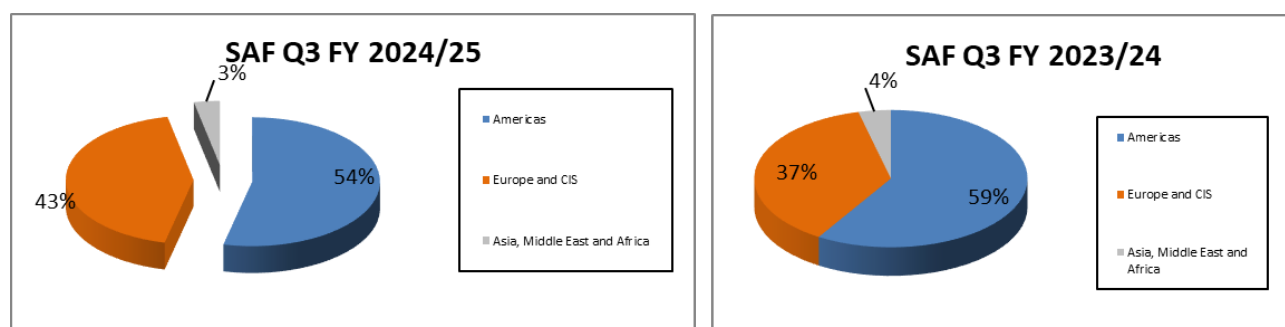
The turnover of the North America and Latin America region amounted to 54%, or EUR 2.9 million. Compared to the same quarter of the previous financial year, the turnover has decreased by 28%.

The European region accounted for 43% of the turnover, or EUR 2.3 million, which is 9% less than in the third quarter of the previous financial year. Turnover in the Asia, Africa, and Middle East region has decreased by 33% compared to the corresponding quarter of the previous financial year, accounting for 3% of the total quarterly turnover (or EUR 176 thousand).

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

As part of its ongoing efforts to enhance national expertise and strengthen the capabilities of the National Armed Forces, the Ministry of Defense of the Republic of Latvia has signed three Research and Development (R&D) contracts aimed at advancing counter-unmanned aerial vehicle capabilities. The contracts have been concluded with several Latvian technology companies, including SAF Tehnika.

### Comparative charts of Q3 sales volumes by regions:

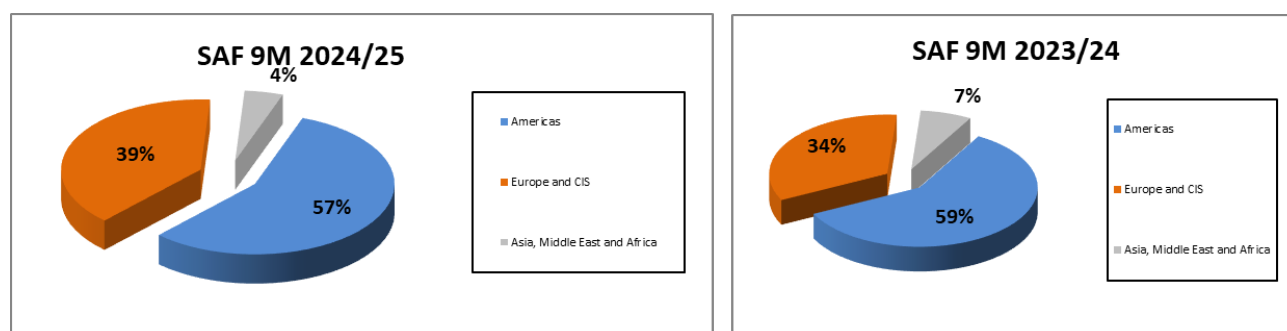


In the reporting quarter, the Group's products were sold in 67 countries.

For the nine months of the 2024/2025 financial year, the Group's unaudited consolidated turnover was EUR 20.93 million, a 1% decline from the previous financial year's revenue.

Over a 9-month period, revenues in North and Latin Americas represented 57% of the total turnover of the Group and amounted to EUR 11.83 million, thus showing a 6% decrease compared to the result of the nine months of the previous financial year. 39% of the total turnover comes from revenues generated in European countries, which increased by 15% against 9 months of the previous year and amount to EUR 8.16 million. Revenue from the Asia, Africa and the Middle East region declined by 37%, accounting for 4% of the Group's total turnover.

#### Charts comparing the sales volume distribution by region for the 9-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 third quarter of the 2024/2025 financial year with a loss of EUR 946 thousand (unaudited). In Q3 of the previous year, the Group recorded a loss of EUR 942 thousand.

The consolidated unaudited result for the first nine months of the 2024/2025 financial year is a profit of EUR 93 thousand. Over the first nine months of the 2023/2024 financial year, the Group incurred a loss of EUR 1.89 million.

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 nine months of the financial year is EUR 3.4 million. The Group's cash balance in the balance sheet at the end of the period was EUR 5.6 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 Q3 of the 2024/2025 financial year, EUR 176 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 March 31, 2025, the Group had 264 employees (264 employees as of March 31, 2024).

## KEY indicators

	Q3 2024/25	Q3 2023/24	Q3 2022/23
	EUR	EUR	EUR
Net Sales	5 352 213	6 800 389	6 633 835
Earnings before interest, taxes and depreciation (EBITDA)	-418 300	-547 785	-752 826
<i>share of the turnover %</i>	-8%	-8%	-11.3%
Profit/loss before interest and taxes (EBIT)	-824 421	-939 803	-1 056 462
<i>share of the turnover %</i>	-15%	-14%	-16%
Net Profit	-949 365	-942 116	-973 664
<i>share of the turnover %</i>	-18%	-14%	-15%
Total assets	24 985 019	24 114 631	28 314 421
Total Owners equity	16 528 154	16 906 418	17 891 820
Return on equity (ROE) %	-3.91%	-3.65%	-3.31%
Return on assets (ROA) %	-5.58%	-5.42%	-5.29%
Liquidity ratio			
Quick ratio %	86%	39%	38%
Current ratio %	111%	85%	62%
Earnings per share	-0.32	-0.32	-0.33
Last share price at the end of period	6.56	6.60	13.15
P/E	-46.86	-17.84	11.43
Number of employees at the end of reporting period	264	264	272

## Consolidated Statement of Financial Position

	Note	31.03.2025	31.03.2024
<b>CURRENT ASSETS</b>		<b>EUR</b>	<b>EUR</b>
<b>Cash and bank</b>		<b>5 609 988</b>	<b>1 978 058</b>
<b>Customer receivables</b>	<b>1</b>		
Accounts receivable		1 583 632	2 349 659
Allowance for uncollectible receivables		-24 472	-76 180
<b>Total</b>		<b>1 559 161</b>	<b>2 273 479</b>
Short-term loans		0	0
Other current receivables	<b>2</b>	114 815	120 223
<b>Total</b>		<b>114 815</b>	<b>120 223</b>
<b>Prepaid expenses</b>			
Prepaid taxes		133 570	99 142
Other prepaid expenses		288 814	252 612
<b>Total</b>		<b>422 384</b>	<b>351 754</b>
<b>Inventories</b>	<b>3</b>		
Raw materials		2 252 525	3 553 389
Work-in-progress		3 619 061	3 507 818
Finished goods		6 439 029	6 578 598
Prepayments to suppliers		93 205	57 833
<b>Total</b>		<b>12 403 820</b>	<b>13 697 638</b>
<b>TOTAL CURRENT ASSETS</b>		<b>20 110 168</b>	<b>18 421 152</b>
<b>NON-CURRENT ASSETS</b>			
<b>Long-term financial assets</b>			
Investments in other companies		209 183	209 328
Deferred income tax		163 143	137 935
Long-term loans		7 088	0
<b>Total</b>		<b>379 414</b>	<b>347 263</b>
<b>NON-CURRENT physical assets</b>	<b>4</b>		
Plant and equipment		5 796 749	5 667 485
Other equipment and fixtures		3 904 159	3 687 740
Accumulated depreciation		-7 065 549	-6 219 739
Prepayments for noncurrent physical assets		15 749	14 392
Unfinished renovation works		44 499	33 994
Long-term investment - lease		1 296 675	1 685 552
<b>Total</b>		<b>3 992 282</b>	<b>4 869 424</b>
<b>Intangible assets</b>	<b>4</b>		
Purchased licenses, trademarks etc.		473 991	476 791
Other long-term intangible assets		29 165	0
<b>Total</b>		<b>503 156</b>	<b>476 791</b>
<b>TOTAL NON-CURRENT ASSETS</b>		<b>4 874 851</b>	<b>5 693 479</b>
<b>TOTAL ASSETS</b>		<b>24 985 019</b>	<b>24 114 631</b>



<b>LIABILITIES AND OWNERS' EQUITY</b>	<b>Note</b>	<b>31.03.2025</b>	<b>31.03.2024</b>
<b>CURRENT LIABILITIES</b>		<b>EUR</b>	<b>EUR</b>
<b>Debt obligations</b>			
Short-term loans from financial institutions	<b>5</b>	9 746	462 985
Customer prepayments for goods and services		2 239 419	1 127 815
Accounts payable		1 064 264	594 623
Accrued short-term operating lease liabilities	<b>6</b>	339 241	388 877
Tax liabilities		534 457	478 901
Salary-related accrued expenses	<b>7</b>	1 750 224	1 557 899
Provisions for guarantees		55 658	55 658
Deferred income		568 052	446 678
<b>TOTAL CURRENT LIABILITIES</b>		<b>6 561 061</b>	<b>5 113 436</b>
<b>NON-CURRENT LIABILITIES</b>			
<b>Long-term liabilities</b>			
Long-term deferred income		787 767	689 243
Accrues long-term operating lease liabilities	<b>6</b>	1 108 037	1 405 534
<b>TOTAL LONG-TERM LIABILITIES</b>		<b>1 895 804</b>	<b>2 094 777</b>
<b>TOTAL LIABILITIES</b>		<b>8 456 865</b>	<b>7 208 213</b>
<b>OWNERS' EQUITY</b>			
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		93 246	-1 892 666
Currency translation reserve		37 524	32 336
<b>TOTAL OWNERS' EQUITY</b>		<b>16 528 154</b>	<b>16 906 418</b>
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>24 985 019</b>	<b>24 114 631</b>

## Consolidated Statement of Profit or Loss for 9 months of the financial year 2024/2025

	Note	31.03.2025	31.03.2024
		EUR	EUR
Net sales	8	20 925 183	21 109 481
Other operating income		349 266	288 526
<b>Total income</b>		<b>21 274 449</b>	<b>21 398 007</b>
Direct cost of goods sold or services rendered		-7 383 759	-10 330 141
Marketing, advertising and public relations expenses		-1 353 482	-1 388 672
Bad receivables	9	-8 663	-58 488
Operating expenses		-1 675 984	-1 579 007
Salaries and social expenses	10	-7 961 453	-7 877 067
Bonuses and social expenses	10	-1 526 491	-763 250
Depreciation expense		-930 303	-852 106
Amortization of operating lease		-291 928	-291 586
Other expenses		-33 300	-62 122
<b>Operating expenses</b>		<b>-21 165 362</b>	<b>-23 202 438</b>
<b>EBIT</b>		<b>109 086</b>	<b>-1 804 430</b>
Financial income (except ForEx rate difference)		32 371	14 589
Financial costs (except ForEx rate difference)		-47 899	-135 270
Foreign exchange +gain/(loss)		-312	32 450
<b>Financial items</b>		<b>-15 840</b>	<b>-88 230</b>
<b>EBT</b>		<b>93 246</b>	<b>-1 892 661</b>
Corporate income tax		0	-5
<b>Profit after taxes</b>		<b>93 246</b>	<b>-1 892 666</b>
<b>Net profit/(loss)</b>		<b>93 246</b>	<b>-1 892 666</b>

\*Earnings per share

EPS 31.03.2025. = 0.03 EUR

EPS 31.03.2024. = -0.64 EUR

## Consolidated Statement of Profit or Loss for Q3 of the financial year 2024/2025

	31.03.2025	31.03.2024
	EUR	EUR
Net sales	5 352 213	6 800 389
Other operating income	163 389	65 825
<b>Total income</b>	<b>5 515 602</b>	<b>6 866 214</b>
Direct cost of goods sold or services rendered	-1 756 977	-3 386 190
Marketing, advertising and public relations expenses	-506 045	-515 161
Bad receivables	-14 880	-6 769
Operating expenses	-610 315	-505 271
Salaries and social expenses	-2 788 312	-2 704 244
Bonuses and social expenses	-242 228	-251 258
Depreciation expense	-308 576	-294 852
Amortization of operating lease	-97 545	-97 166
Other expenses	-15 145	-45 106
<b>Operating expenses</b>	<b>-6 340 023</b>	<b>-7 806 017</b>
<b>EBIT</b>	<b>-824 421</b>	<b>-939 803</b>
Financial income (except ForEx rate difference)	11 913	4 895
Financial costs (except ForEx rate difference)	-15 533	-41 529
Foreign exchange +gain/(loss)	-121 324	34 326
<b>Financial items</b>	<b>-124 944</b>	<b>-2 308</b>
<b>EBT</b>	<b>-949 365</b>	<b>-942 111</b>
<b>Corporate income tax</b>	<b>0</b>	<b>-5</b>
<b>Net profit/(loss)</b>	<b>-949 365</b>	<b>-942 116</b>

\*Earnings per share

EPS 31.03.2025. = -0.32 EUR

EPS 31.03.2024. = -0.32 EUR

## Consolidated cash flow statement for 9 months of the financial year 2024/2025

	31.03.2025	31.03.2024
	EUR	EUR
<b>CASH GENERATED FROM OPERATIONS (of which)</b>	<b>3 996 944</b>	<b>246 872</b>
Cash received from customers	22 908 325	20 989 066
Cash paid to suppliers and employees	-19 214 288	-21 105 873
Paid/Received VAT	302 907	363 679
<b>NET CASH USED IN INVESTING ACTIVITIES (of which)</b>	<b>-572 581</b>	<b>-1 050 510</b>
Cash paid for purchasing shares in subsidiary	145	0
Cash paid for purchasing non-current physical assets	-598 438	-1 064 494
Interest received	25 712	13 984
<b>NET CASH USED IN FINANCING ACTIVITIES (of which)</b>	<b>769 364</b>	<b>-638 409</b>
Short-term loans	0	0
Repayment of short-term loans	9 746	-744 988
Paid interest	-1 368	-88 771
Cash received from EU funds	760 986	195 350
<b>Effects of exchange rate changes</b>	<b>-796 936</b>	<b>-44 334</b>
<b>TOTAL CASH FLOW:</b>	<b>3 396 791</b>	<b>-1 486 381</b>
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	5 609 988	1 978 058
<b>NET INCREASE / DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>3 396 791</b>	<b>-1 486 381</b>

## Statement of changes in consolidated equity for the 9-month period ended March 31, 2024

	Share capital	Share premium	Other reserves	Currency translation reserve	Retained earnings	Total
	EUR	EUR	EUR	EUR	EUR	EUR
<b>As at 30 June 2023</b>	<b>4 158 252</b>	<b>2 851 726</b>	<b>8 530</b>	<b>76 791</b>	<b>11 748 240</b>	<b>18 843 539</b>
Currency translation difference	-	-	-	-38 224	-	-38 224
Loss for the year	-	-	-	-	-2 369 364	-2 369 364
<b>As at 30 June 2024</b>	<b>4 158 252</b>	<b>2 851 726</b>	<b>8 530</b>	<b>38 567</b>	<b>9 378 876</b>	<b>16 435 951</b>
Currency translation difference	-	-	-	-1 043	-	-1 043
Profit for the year	-	-	-	-	93 246	93 246
<b>As at 31 March 2025</b>	<b>4 158 252</b>	<b>2 851 726</b>	<b>8 530</b>	<b>37 524</b>	<b>9 472 122</b>	<b>16 528 154</b>

## Notes for interim report

### Note 1 Customer receivables

	31.03.2025 EUR	31.03.2024 EUR
Accounts receivable	1 583 632	2 349 659
Provisions for bad and doubtful accounts receivable	(24 472)	(76 180)
<b>Total receivables</b>	<b>1 559 161</b>	<b>2 273 479</b>

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

### Note 2 Other current receivables

	31.03.2025 EUR	31.03.2024 EUR
<b>Other current receivables</b>	<b>114 815</b>	<b>120 223</b>

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

	31.03.2025 EUR	31.03.2024 EUR
Raw materials	6 421 181	8 386 132
Allowance for slow-moving items	(4 168 656)	(4 832 743)
Work-in-progress	3 619 061	3 507 818
Finished goods	6 439 029	6 578 598
Prepayments to suppliers	93 205	57 833
	<b>12 403 820</b>	<b>13 697 638</b>

Compared to March 31, 2024, total inventory volumes decreased by 9%.

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**

	<b>31.03.2025</b>	<b>31.03.2024</b>
	<b>EUR</b>	<b>EUR</b>
Plant and equipment	5 796 749	5 667 485
Other equipment and fixtures	3 904 159	3 687 740
Accumulated depreciation	(7 065 549)	(6 219 739)
Prepayments for noncurrent physical assets	15 749	14 392
Unfinished renovation works	44 499	33 994
Long-term investment lease*	1 296 675	1 685 552
	<b>3 992 282</b>	<b>4 869 424</b>
Purchased licenses, trademarks etc.	473 991	476 791
Other long-term intangible assets	29 165	-
	<b>503 156</b>	<b>476 791</b>
<b>Total non-current, intangible assets</b>	<b>4 495 438</b>	<b>5 346 215</b>

\*See Note 6 Operating lease liabilities

During Q3, the Group acquired fixed assets and intangible assets in the amount of 176 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**

	<b>31.03.2025</b>	<b>31.03.2024</b>
	<b>EUR</b>	<b>EUR</b>
<b>Short-term loans from financial institutions</b>	<b>9 746</b>	<b>462 985</b>

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**

	<b>31.03.2025</b>	<b>31.03.2024</b>
	<b>EUR</b>	<b>EUR</b>
Accrued short-term operating lease liabilities	339 241	388 877
Accrued long-term operating lease liabilities	1 108 037	1 405 534
	<b>1 447 278</b>	<b>1 794 411</b>

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

	31.03.2025 EUR	31.03.2024 EUR
Salary-related accrued expenses	1 750 224	1 557 899

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).

**CFIP** – product line is represented by:

- Phoenix, a split mount (IDU+ODU) Phoenix hybrid radio system with Gigabit Ethernet and 20E1 interfaces;
- Lumina high capacity Full Outdoor all-in-one radio with Gigabit Ethernet traffic interface;
- Marathon FIDU low frequency low capacity system for industrial applications, energy companies and rural telecom use.

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.

**Integra** – is a next generation radio system employing latest modem technology on the market as well as radio technology in an innovative packaging.

**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.

**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 the division of the Group's turnover and balance items by structural units by product type for 9 month of the financial year 2024/25 and financial year 2023/24.

	CFIP, Integra, Spectrum Compact, Aranet		Other		Total	
	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24
	EUR	EUR	EUR	EUR	EUR	EUR
<b>Segment assets</b>	<b>14 067 217</b>	<b>20 066 828</b>	<b>1 024 563</b>	<b>1 925 518</b>	<b>15 091 780</b>	<b>21 992 346</b>
Undivided assets					9 893 239	2 122 285
<b>Total assets</b>					<b>24 985 019</b>	<b>24 114 631</b>
<b>Segment liabilities</b>	<b>3 863 035</b>	<b>2 306 258</b>	<b>110 365</b>	<b>37 545</b>	<b>3 973 400</b>	<b>2 343 803</b>
Undivided liabilities					4 483 465	4 864 410
<b>Total liabilities</b>					<b>8 456 865</b>	<b>7 208 213</b>
<b>Net sales</b>	<b>19 184 921</b>	<b>19 464 130</b>	<b>1 740 262</b>	<b>1 645 351</b>	<b>20 925 183</b>	<b>21 109 481</b>
<b>Segment results</b>	<b>7 539 197</b>	<b>6 081 251</b>	<b>2 285 292</b>	<b>1 588 322</b>	<b>9 824 489</b>	<b>7 669 573</b>
Undivided expenses					-10 064 668	-9 762 529
<b>Profit from operations</b>					<b>-240 179</b>	<b>-2 092 956</b>
Other income					349 266	288 526
Financial income (except ForEx rate difference)					32 371	14 589
Financial costs (except ForEx rate difference)					-47 899	-135 270
Foreign exchange +gain/(loss)					-313	32 450
<b>Profit before taxes</b>					<b>93 246</b>	<b>-1 892 661</b>
Corporate income tax					0	-5
<b>Profit after taxes</b>					<b>93 246</b>	<b>-1 892 666</b>
<b>Net profit</b>					<b>93 246</b>	<b>-1 892 666</b>
<b>Other information</b>						
Additions of property plant and equipment and intangible assets	122 877	219 740	0	0	122 877	219 740
Undivided additions					429 390	961 643
<b>Total additions of property plant and equipment and intangible assets</b>					<b>552 267</b>	<b>1 181 383</b>
Depreciation and amortization	573 471	558 982	0	0	573 471	558 982
Undivided depreciation					648 760	584 710
<b>Total depreciation and amortization</b>					<b>1 222 231</b>	<b>1 143 692</b>



c) This note provides information about division of the Group's turnover and assets by geographical regions (customer location) for 9 month of the financial year 2024/25 compared to the same period of financial year 2023/24.

	<b>Net sales</b>		<b>Assets</b>	
	<b>2024/25</b>	<b>2023/24</b>	<b>31.03.2025</b>	<b>31.03.2024</b>
	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>	<b>EUR</b>
Americas	11 828 443	12 524 099	996 549	1 562 880
Europe, CIS	8 160 072	7 095 381	506 590	670 021
Asia, Africa, Middle East	936 668	1 490 002	56 022	40 578
	<b>20 925 183</b>	<b>21 109 481</b>	<b>1 559 161</b>	<b>2 273 479</b>
Unallocated assets	-	-	23 425 858	21 841 152
	<b>20 925 183</b>	<b>21 109 481</b>	<b>24 985 019</b>	<b>24 114 631</b>

#### Note 9 Bad receivables

	<b>31.03.2025</b>	<b>31.03.2024</b>
	<b>EUR</b>	<b>EUR</b>
<b>Bad receivables</b>	<b>8 663</b>	<b>58 488</b>

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

	<b>31.03.2025</b>	<b>31.03.2024</b>
	<b>EUR</b>	<b>EUR</b>
Salaries and social expenses	7 961 453	7 877 067
Bonuses and social expenses	1 526 491	763 250
	<b>9 487 944</b>	<b>8 640 317</b>

Compared to the first nine months of the previous 2023/2024 financial year, the amount of wages and relevant social costs has increased by 9%. It reflects the change in the amount of accruals for performance bonuses based on the results of the first quarter.