CONSOLIDATED UNAUDITED INTERIM REPORT FOR THE II QUARTER AND 6 MONTHS OF 2026

Business name:

AS Harju Elekter Group

Business registry code:

10029524

Address:

A. H. Tammsaare tee 56,

Tallinn 11316

Phone:

+372 67 47 400

E-mail:

info.heg@harjuelekter.com

Homepage:

https://harjuelekter.com/

Auditor:

AS PricewaterhouseCoopers

Financial year:

1 January – 31 December 2026

Reporting period:

1 January – 30 June 2026

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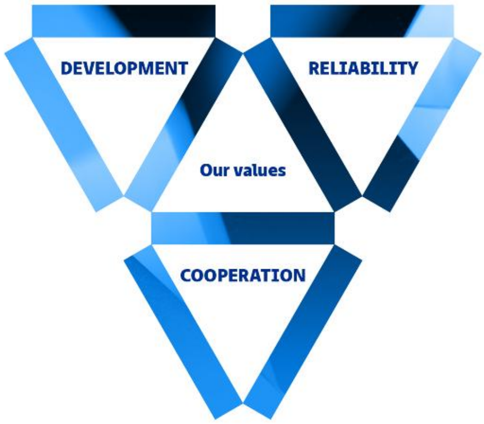
HARJU ELEKTER GROUP

Who we are

Harju Elekter is an international industrial group with extensive experience in providing future proof solutions for electrical power distribution. Harju Elekter Group has its roots and head office in Estonia, and production plants in four countries: Estonia, Finland, Sweden and Lithuania.

What we do

Harju Elekter contributes to a sustainable society by providing future-proof electrical power distribution solutions. We engineer, manufacture, and install electrification solutions for utilities, industries, infrastructure, public and commercial buildings.



AS HARJU ELEKTER GROUP

The Parent company of the Group coordinates co-operation within the Group’s companies and manages the development and holdings of industrial real estate. AS Harju Elekter Group's share in its subsidiaries is 100%

ESTONIA

AS HARJU ELEKTER
Manufacturer of electrical equipment for energy distribution, industrial and construction sectors; also producer of customer-based sheet metal products for the electrical engineering and telecom sector, located in Keila

FINLAND

HARJU ELEKTER OY
Manufacturer of electrical equipment for energy, industry, and infrastructure sectors, located in Ulvila and in Kurikka

TELESILTA OY
Electrical engineering company specializing in electrical contracting for the ship¬building industry, located in Uusikaupunki

HARJU ELEKTER KIINTEISTÖT OY
Industrial real estate holding company in Finland

SWEDEN

HARJU ELEKTER AB
Engineering company for MV/LV power and distribution solutions for the construction, infrastructure, and renewable energy sector; manufacturer of prefabricated technical houses located in Västerås

HARJU ELEKTER SERVICES AB
Industrial real estate holding company in Sweden

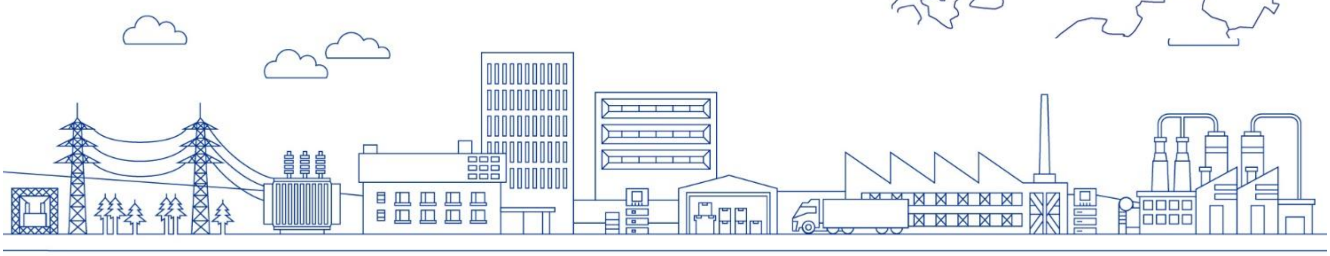
LITHUANIA

HARJU ELEKTER UAB
Engineering and contract manufacturing of multidrive, MCC’s and distribution systems, located in Panevežys

ESTONIA

OÜ SKELETON TECHNOLOGIES GROUP
(5.45%)

Developer and manufacturer of ultra-capacitors

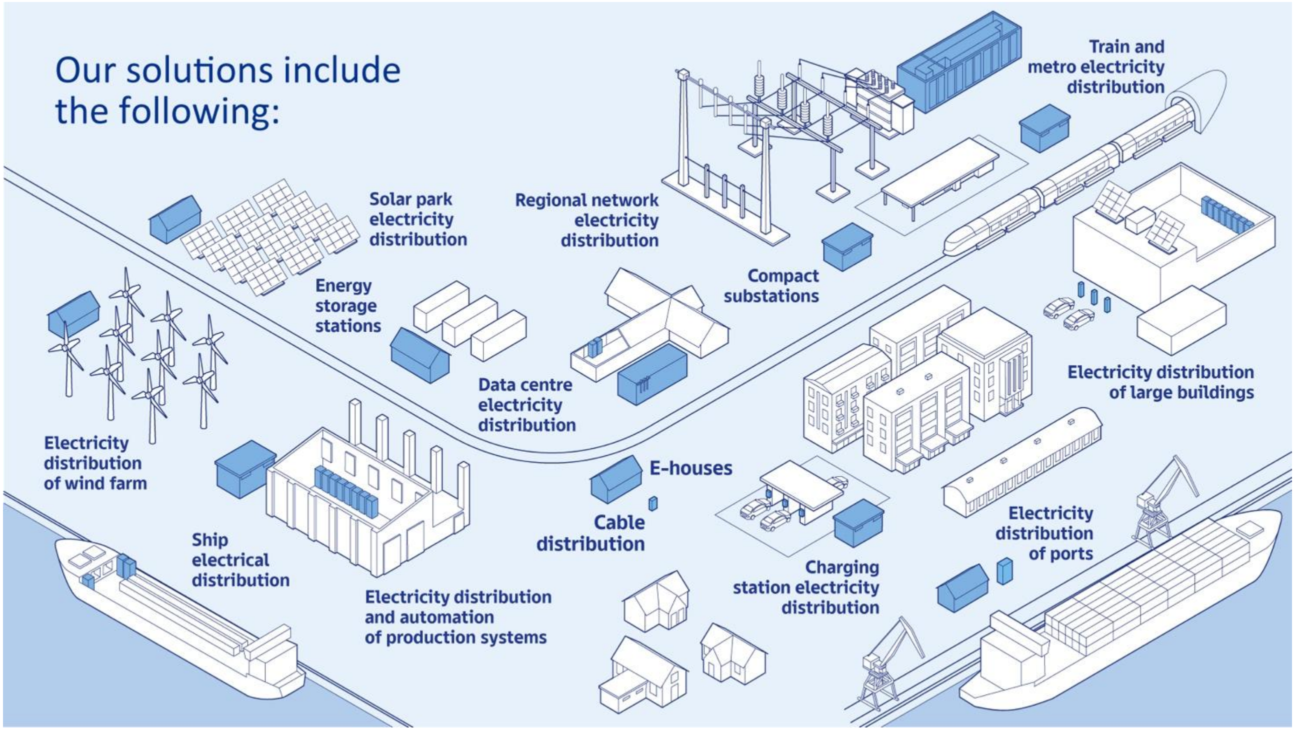


The Harju Elekter Group operates in two main areas, which are presented as separate segments.

PRODUCTION – designing, selling, manufacturing, and after-sales servicing of power distribution, switching and converting devices and automation, process control and industrial control equipment.

REAL ESTATE – developing of industrial real estate, project management, renting and the accompanying services to rental partners and to the Harju Elekter Group companies.

Other activities include the management of financial investments, electrical installation works in shipbuilding, and the retail and project sales of electrical goods.



Strategic objectives for sustainability

ENVIRONMENT

We create future-proof electrification solutions with tomorrow in mind

- Reducing GHG emissions in own operations and value chain
- Increasing the share of renewable energy
- Transition to circular economy

SOCIAL

Development and our people are at the centre of Harju Elekter

- Ensuring the health and safety of employees
- Ensuring employee satisfaction
- Improving skills and performance

GOVERNANCE

Successful cooperation with our customers leads to a sustainable future

- Promoting responsible governance
- Sustainable value chain
- Excellent quality of our products and services

MANAGEMENT REPORT

COMMENTARY FROM THE MANAGEMENT

The Group's results for the second quarter and the first half of 2026 remained significantly below target in terms of both revenue and profitability. Whereas the previous year was characterised by strong profitability supported by efficient operations and the timely execution of major projects, sales volumes during the current year developed below expectations and part of the anticipated revenue has been deferred to future periods. In addition to lower sales volumes, profitability was affected by a higher cost base resulting from investments in strengthening sales capabilities, expanding production capacity and further developing the organisation.

Although the order books of the Estonian and Swedish operations have continued to grow since the beginning of the year, revenue has not yet followed at the same pace. In Estonia, the main challenge is the timely completion of ongoing projects and the delivery of finished products to customers. In Sweden, a significant portion of the order book consists of long-term projects, with execution extending through 2028. The increase in the average delivery period in Estonia is primarily attributable to changes in the sales mix, as E-house projects account for a larger share of revenue and typically involve longer execution and delivery cycles than other products. In the substation business, delivery periods have lengthened mainly due to extended lead times for certain components and equipment. In Lithuania and Finland, the key focus remains on increasing sales volumes, and efforts continue to strengthen sales activities and secure new projects.

The higher cost base reflects preparations for the expansion of the Estonian production facility as well as investments in recruiting new employees and developing organisational competencies. The current year can be regarded as a transition period during which the Group is preparing for the next peak periods. The order book for the second half of the year is stronger compared to the first half. The Nordic market continues to be supported by investments in strengthening electricity networks, electrification and the development of new generation and consumption capacities, although the local Estonian market has been affected by lower investment volumes from distribution network operators. The Finnish economy has also shown signs of recovery, albeit with investment decisions remaining cautious. Taken together, these developments provide a basis for expecting a gradual improvement in market conditions. The ongoing preparations, combined with a growing order book, create favourable conditions for servicing larger project volumes and supporting revenue growth and improved profitability in the coming years.

SUMMARY OF THE SECOND QUARTER AND 6 MONTH RESULTS

Revenue and financial results

In Q2 of 2026, the Group's revenue was 42.1 (Q2 2025: 46.1) million euros, decreasing by 8.6% year-on-year. The lower revenue level primarily reflected the timing of project-based deliveries, as well as a strong comparison base in the previous year, which was supported by a large-scale project with solid profitability. Despite the decline, revenue remained at a customary level when given longer-term seasonal patterns.

Gross profit decreased by 31.0% to 5.1 (Q2 2025: 7.4) million euros, and the gross margin to 12.2% (Q2 2025: 16.1%), mainly due to lower production volumes and weaker fixed-cost coverage. EBITDA was 2.3 (Q2 2025: 4.7) million euros and EBIT was 1.1 (Q2 2025: 3.6) million euros, an operating margin of 2.6% (Q2 2025: 7.8%).

Net profit amounted to 0.3 (Q2 2025: 2.6) million euros, or 0.01 (Q2 2025: 0.14) euros per share. The result was also affected by the Swedish krona: for the second consecutive quarter, the Group recognised a foreign exchange loss.

In the first six months, revenue was 77.2 (6M 2025: 83.5) million euros, representing a decrease of 7.5% year-on-year. Gross profit was 10.7 (6M 2025: 13.1) million euros, and the gross margin 13.8% (6M 2025: 15.7%). EBITDA fell to 3.9 (6M 2025: 8.5) million euros and EBIT to 1.6 (6M 2025: 6.4) million euros, resulting in an operating margin of 2.1% (6M 2025: 7.6%). Net profit was 0.3 (6M 2025: 5.3) million euros, and EPS 0.02 (6M 2025: 0.28) euros.

Investments

During the first six months of 2026, the Group invested a total of 3.9 (6M 2025: 1.9) million euros in non-current assets, including 0.04 (6M 2025: 0.2) in investment property, 3.2 (6M 2025: 0.8) in property, plant and equipment, and 0.7 (6M 2025: 0.9) million euros in intangible assets. The majority of investments in property, plant and equipment were related to the expansion of the Group's Estonian production operations, including the continued construction of the new manufacturing facility in Keila. The 4,000 m² production building, scheduled for completion in October 2026, will increase the Group's total production area to 28,000 m² and support the growth of the substations and e-houses business lines. In addition, investments were made in production technology equipment to increase manufacturing capacity and improve production efficiency. To optimise production operations, the Group decided at the end of 2025 to close its 850 m² production unit in Kerava, Finland, and consolidate production activities in Ulvila. The Kerava facility was sold during the reporting period.

Investments in intangible assets were primarily related to development activities, including the development of the next-generation electric vehicle charger Elektra (Elektra Sense) and enhancements to the Group's digital solutions, including its website. These development activities are aimed at improving product competitiveness, enhancing customer experience, and expanding charger sales beyond the Finnish market.

The Group's financial investments remained stable: no new investments were made or disposed of, and portfolio value was largely unchanged, with long-term financial investments at 27.2 (31.12.25: 27.2) million euros. Non-current assets accounted for 61.4% of total assets, or 99.9 (31.12.25: 58.8% or 98.8) million euros, reflecting continued investment in production capacity.

Current assets

As of the reporting date, the Group's current assets amounted to 62.8 (31.12.25: 69.3) million euros, representing a decrease of 9.3% compared to the beginning of the year. The decline was mainly attributable to a reduction in trade and other receivables, which decreased to 37.1 (31.12.25: 46.7) million euros as a result of cash collections from previously completed large-scale projects and lower sales volumes during the period. Inventories amounted to 20.5 (31.12.25: 19.9) million euros, remaining broadly in line with the level at the beginning of the year. Compared to the same period last year (30.06.25: 25.1) million euros, inventory levels decreased. Cash and cash equivalents increased to 2.9 (31.12.25: 1.5) million euros compared to the beginning of the year and remained at the same level as a year earlier (30.06.25: 2.9) million euros.

Liabilities

Total liabilities decreased to 67.6 (31.12.25: 69.2) million euros by the end of the reporting period, declining by 2.3% from the start of the year and by 12.0% (30.06.2025: 76.9) year-on-year. Current liabilities were 52.3 (31.12.25: 54.1) million euros. The decline was driven mainly by lower customer advances, which fell to 6.4 (31.12.25: 15.3) million euros, and lower trade payables, while current borrowings increased to 20.2 (31.12.25: 15.5) million euros to fund working capital and investments. Non-current liabilities amounted to 15.3 (31.12.25: 15.1) million euros and consisted primarily of long-term borrowings. Total interest-bearing borrowings amounted to 35.5 (31.12.25: 30.5) million euros, including current borrowings of 20.2 (31.12.25: 15.5) and non-current borrowings of 15.3 (31.12.25: 15.1) million euros.

Cash Flows

Cash flow from operating activities amounted to 0.3 (Q2 2025: 5.7) million euros in the second quarter and 3.7 (6M 2025: 4.1) million euros during the first six months of the year. Although net profit was lower than a year earlier, operating cash flow for the six-month period remained close to the prior-year level, supported by a release of working capital. Trade receivables and prepayments decreased by 8.6 million euros.

Cash flow from investing activities amounted to -1.4 (Q2 2025: -0.2) million euros in the second quarter and -2.9 (6M 2025: -1.0) million euros during the first six months of the year. Investments were primarily directed towards the expansion of the Group's Estonian production operations and development activities. These cash outflows were partially offset by proceeds of 0.6 million euros received from the disposal of the Kerava production facility in Finland.

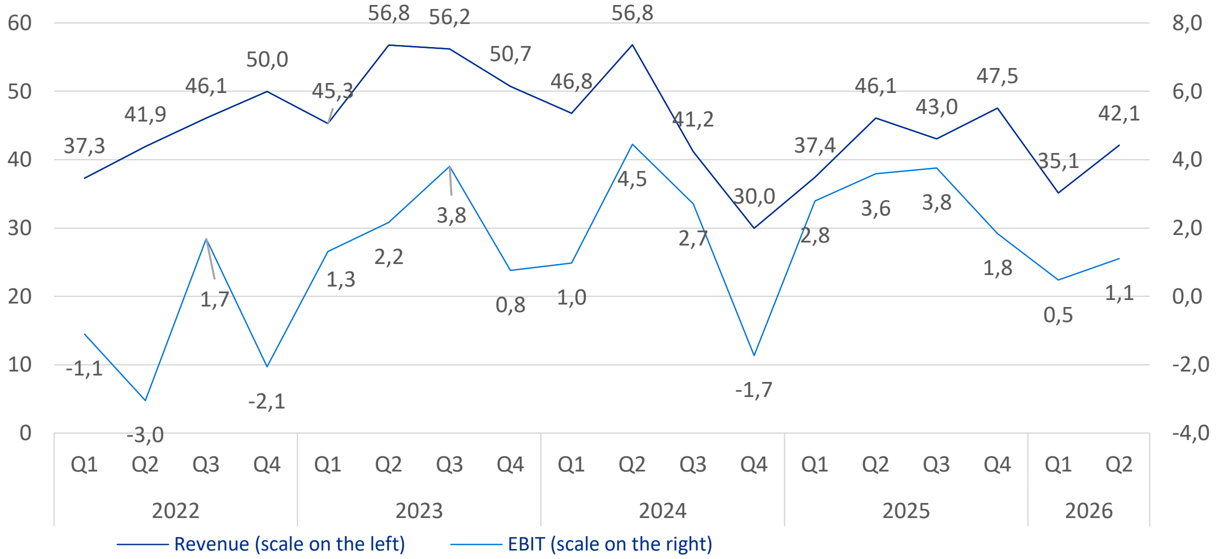
Cash flow from financing activities was positive at 2.2 (Q2 2025: 0.5) million euros in Q2 and 0.5 (6M 2025: -3.6) million euros for the first six months. The largest cash outflow related to dividends paid on 28 May 2026 for the 2025 financial year, amounting to 4.6 (6M 2025: 2.8) million euros, approximately 64% higher than a year earlier. These payments were more than offset by an increase in overdraft and factoring balances, a long-term loan received in the amount of 2.0 million euros and proceeds of 0.2 million euros from the exercise of share options.

Overall, the Group's cash balance increased by 1.1 (Q2 2025: -1.5) million euros during the second quarter and by 1.3 (6M 2025: -0.6) million euros during the first six months of the year. As a result, cash and cash equivalents amounted to 2.9 (30.06.25: 2.9) million euros at the end of the reporting period.

Key indicators (EUR´000)	Q2 2026	Q2 2025	+/-	6M 2026	6M 2025	+/-
Revenue	42,110	46,071	*-8.6%*	77,223	83,497	*-7.5%*
Gross profit	5,128	7,436	*-31.0%*	10,661	13,103	*-18.6%*
EBITDA	2,266	4,658	*-51.4%*	3,905	8,523	*-54.2%*
Operating profit (EBIT)	1,111	3,585	*-69.0%*	1,587	6,380	*-75.1%*
Profit for the period	272	2,628	*-89.6%*	291	5,263	*-94.5%*
Earnings per share (EPS) (euros)	0.01	0.14	*-92.9%*	0.02	0.28	*-92.9%*
	30.06.26	**30.06.25**	+/-	**30.06.26**	**31.12.25**	+/-
Total current assets	62,845	72,707	*-13.6%*	62,845	69,304	*-9.3%*
Total non-current assets	99,922	97,776	*2.2%*	99,922	98,757	*1.2%*
Total assets	162,767	170,483	*-4.5%*	162,767	168,061	*-3.2%*
Total liabilities	67,612	76,858	*-12.0%*	67,612	69,200	*-2.3%*

Ratios (%)	Q2 2026	Q2 2025	+/-	6M 2026	6M 2025	+/-
Distribution cost to revenue	4.4	3.0	*1.4*	4.8	3.2	*1.6*
Administrative expenses to revenue	6.2	5.1	*1.1*	7.3	5.9	*1.4*
Labour cost to revenue	25.7	22.0	*3.7*	27.7	23.5	*4.2*
Gross margin (gross profit / revenue)	12.2	16.1	*-3.9*	13.8	15.7	*-1.9*
EBITDA margin (EBITDA / revenue)	5.4	10.1	*-4.7*	5.1	10.2	*-5.1*
Operating margin (EBIT / revenue)	2.6	7.8	*-5.2*	2.1	7.6	*-5.5*
Net margin (profit for the period / revenue)	0.6	5.7	*-5.1*	0.4	6.3	*-5.9*
Inventory turnover (revenue / avg. inventories)	2.0	1.8	*0.2*	3.8	3.7	*0.1*
Return on equity (ROE) (profit for the period/ avg.equity)	0.3	2.8	*-2.5*	0.3	5.7	*-5.4*
	30.06.26	**30.06.25**	+/-	**30.06.26**	**31.12.25**	+/-
Equity ratio (equity / total assets) (%)	58.5	54.9	*3.6*	58.5	58.8	*-0.3*
Current ratio (current assets / current liabilities)	1.2	1.3	*-0.1*	1.2	1.3	*-0.1*
Debt ratio (total liabilities/ total assets)	0.4	0.5	*-0.1*	0.4	0.4	*0.0*
Quick ratio ((current assets - inventories) / current liabilities)	0.8	0.8	*0.0*	0.8	0.9	*-0.1*

Business seasonality
mln euros



SUPERVISORY, AUDIT COMMITTEE AND MANAGEMENT BOARDS

The Supervisory Board of AS Harju Elekter Group has six members with the following membership: Triinu Tombak (financial consultant, Managing Director of TH Consulting OÜ), Andres Toome (consultant, Managing Director of OÜ Tradematic), Aare Kirsme (Member of the Supervisory Board of AS Harju KEK), Arvi Hamburg (Member of the Estonian Association of Engineers and Committee of Energy of the Academy of Sciences), Märt Luuk (Member of the Supervisory Board of AS Harju KEK) and Risto Vahimets (Ellex Raidla Advokaadibüroo OÜ partner). The Chairman of the Supervisory Board is Triinu Tombak.

Management Board of AS Harju Elekter Group had five members as of the reporting date: Mr. Tiit Atso (Chairman of the Board), Mr. Aron Kuhi-Thalfeldt (Head of the Real Estate and Energy Division) and Mr. Priit Treial (Chief Financial Officer), Mr. Erko Lepa (manufacturing and supply chain) and Mr. Tiit Luman (sales, marketing and product management).

Information about the education and career of the members of the management and Supervisory Boards as well as their membership in the management bodies of companies and their shareholdings have been published on the home page of the company at https://harjuelekter.com/investors/governing-bodies/.

CHANGES IN THE STRUCTURE OF THE GROUP

Intra-group restructuring

On 1 October 2025, the Estonian subsidiaries of AS Harju Elekter Group, AS Harju Elekter and Energo Veritas OÜ, entered into a merger agreement. The merger resolutions were adopted on 1 December 2025, and the merger was registered in the business register on 16 March 2026. As a result of the merger, AS Harju Elekter became the legal successor of Energo Veritas OÜ, and Energo Veritas OÜ was deleted from the commercial register. The balance sheet date of the merger was 1 January 2026.

MAIN EVENTS

Annual General Meeting of Shareholders

The Annual General Meeting of Shareholders of Harju Elekter was held on 30 April 2026. The shareholders approved the annual report for 2025, the proposal for profit distribution, and appointed the auditor for the financial years 2026 and 2027. The General Meeting resolved to pay a dividend of 0.25 euros per share for the 2025 financial year, amounting to a total of 4.6 million euros. The dividends were paid to shareholders on 28 May 2026. The meeting was attended by 62 shareholders and their authorized representatives, who represented a total of 11,503,273 votes, accounting for 61.91% of the total voting rights.

Topping-Out Ceremony of Harju Elekter Eesti Production Facility Expansion

On 23 April 2026, Harju Elekter Eesti celebrated the topping-out ceremony of its 4,000 m² factory expansion project. The expansion supports the growth of the company's production capacity and creates better conditions for the development and manufacturing of electrical and automation solutions tailored to customer needs.

President of Estonia Alar Karis Met with Estonian Entrepreneurs Operating in Lithuania

The President of the Republic of Estonia, Alar Karis, met with Estonian entrepreneurs operating in Lithuania, including Tomas Prūsas, Managing Director of Harju Elekter Lithuania. The meeting provided an opportunity for a meaningful exchange of views on the future of Baltic industry, as well as on the further development of cooperation and synergies between Estonia and Lithuania.

Increase of Share Capital

On 6 January 2026, the Supervisory Board of AS Harju Elekter Group adopted a resolution to increase the company’s share capital by 34,020 euros through the issuance of new ordinary shares. The increase in share capital was related to the need to issue new shares to members of the Management Boards and key personnel of Harju Elekter and its subsidiaries participating in the option programme approved by the resolution of the General Meeting on 29 April 2021. A total of five members of the Harju Elekter Group’s Management Board participated in the share issue and subscribed for 54,000 shares in total. Following the increase in share capital, Harju Elekter has a total of 18,579,770 ordinary shares without nominal value, and the share capital amounts to 11,705,255.10 euros.

35th year of operations of the Lithuanian subsidiary

During the reporting quarter, the Group’s Lithuanian subsidiary, Harju Elekter UAB, celebrated its 35th year of operations. Located in Panevėžys, Harju Elekter UAB is one of the Harju Elekter Group’s production units, specialising in the design, engineering and contract manufacturing of electrical and automation equipment for industrial and marine customers, and has been operating in international export markets since 1991.

OPERATING RESULTS

Revenue

In the second quarter of 2026, Harju Elekter Group's consolidated revenue amounted to 42.1 (Q2 2025: 46.1) million euros, decreasing by 8.6% compared to the same period last year. Revenue for the first six months of the year totalled 77.2 (6M 2025: 83.5) million euros, representing a year-on-year decline of 7.5%. The change in revenue was primarily driven by the timing of project-based deliveries and higher sales volumes in certain export markets during the comparison period, while sales increased in both Finland and Sweden.

Revenue by segment (EUR´000)	Q2 2026	Q2 2025	+/-	6M 2026	6M 2025	+/-	% 6M 2026	% 6M 2025
Production	38,977	43,446	*-10.3%*	71,400	77,993	*-8.5%*	92.5%	93.4%
Real Estate	1,507	1,311	*15.0%*	2,936	2,745	*7.0%*	3.8%	3.3%
Other activities	1,626	1,314	*23.7%*	2,887	2,759	*4.6%*	3.7%	3.3%
Total	**42,110**	**46,071**	***-8.6%***	**77,223**	**83,497**	***-7.5%***	100.0%	**100.0%**

The production segment continued to account for the majority of the Group's revenue. Segment revenue amounted to 39.0 (Q2 2025: 43.4) in Q2 and 71.4 (6M 2025: 78.0) million euros during the first six months of the year, representing 92.5% of the Group's revenue for the six-month period. The decrease in revenue was mainly attributable to the timing of project-based deliveries and lower sales volumes in certain export markets.

Revenue from the real estate segment increased to 1.5 (Q2 2025: 1.3) million euros in the second quarter and reached 2.9 (6M 2025: 2.7) million euros during the first six months of the year. The growth was supported by the stability of the lease portfolio and a high occupancy rate of industrial properties. The Real Estate segment accounted for 3.8% (6M 2025: 3.3%) of the Group's revenue in the first half of the year.

Revenue from other activities, comprising primarily electrical installation works for shipbuilding projects and other non-segmented activities, amounted to 1.6 (Q2 2025: 1.3) million euros in the second quarter and 2.9 (6M 2025: 2.8) million euros during the first six months of the year. The increase in segment revenue reflects the timing of project execution and a moderate increase in activity levels.

Revenue by markets (EUR´000)	Q2 2026	Q2 2025	+/-	6M 2026	6M 2025	+/-	% 6M 2026	% 6M 2025
Estonia	4,508	7,014	*-35.7%*	10,084	11,813	*-14.6%*	13.1%	14.1%
Finland	17,917	13,804	*29.8%*	31,046	26,683	*16.4%*	40.2%	32.0%
Sweden	7,744	5,228	*48.1%*	14,078	10,162	*38.5%*	18.2%	12.2%
Norway	5,610	10,614	*-47.1%*	9,810	17,499	*-43.9%*	12.7%	21.0%
Germany	1,581	4,703	*-66.4%*	2,709	11,223	*-75.9%*	3.5%	13.4%
Denmark	2,417	1,810	*33.5%*	4,591	1,810	*153.6%*	5.9%	2.2%
Netherlands	948	2,562	*-63.0%*	2,136	3,382	*-36.8%*	2.8%	4.1%
Other countries	1,385	336	*312.2%*	2,769	925	*199.4%*	3.6%	1.0%
Total	**42,110**	**46,071**	*-8.6%*	**77,223**	**83,497**	*-7.5%*	**100.0%**	**100.0%**

Revenue growth in the second quarter was strongest in Finland and Sweden, both of which increased their share of the Group's total revenue. At the same time, revenue declined in Estonia, Norway, Germany and the Netherlands, where the comparison base was higher due to large-scale projects completed in the prior year. Changes across markets were mainly driven by the timing of project-based deliveries, the composition of orders and differences in the sales base of the comparison period.

Finland remained the Group's largest market, generating revenue of 17.9 (Q2 2025: 13.8) in Q2 and 31.0 (6M 2025: 26.7) million euros during the first six months of the year. Revenue in Finland increased by 16.4% year on year and accounted for 40.2% of the Group's revenue in the first half of the year. The growth was supported by stable deliveries of power distribution solutions, particularly compact substations and low-voltage switchgear. Revenue in Sweden increased to 7.7 (Q2 2025: 5.2) in Q2 and 14.1 (6M 2025: 10.2) million euros during the first six months of the year, representing growth of 38.5% compared to the corresponding period of the previous year. Revenue growth was driven by the execution of larger projects and continued demand for substations and technical buildings.

Revenue in Estonia amounted to 4.5 (Q2 2025: 7.0) in Q2 and 10.1 (6M 2025: 11.8) million euros during the first six months of the year. The decrease was mainly attributable to the timing of orders related to distribution network projects. While sales volumes in the domestic market were stronger in the first quarter, second-quarter revenue remained below the level of the corresponding period last year. At the same time, production capacity was increasingly allocated to export markets, particularly to fulfil contracts in the Scandinavian region.

The largest decline was recorded in Germany, Norway and the Netherlands, where revenue remained significantly below the level of the comparison period. The decrease was primarily attributable to changes in the timing of large-scale project deliveries and a stronger comparison base in the previous year.

In Denmark, revenue increased to 2.4 (Q2 2025: 1.8) million euros in the second quarter and 4.6 (6M 2025: 1.8) million euros during the first six months of the year. Revenue from other countries amounted to 1.4 (Q2 2025: 0.3) million euros in the second quarter and 2.8 (6M 2025: 0.9) million euros during the first six months of the year. The growth was supported by orders from new and smaller export markets, as well as the completion of individual projects during the reporting period.

Revenue by business activities *(EUR´000)*	Q2 2026	Q2 2025	+/-	6M 2026	6M 2025	+/-	% 6M 2026	% 6M 2025
Electrical equipment	38,168	43,193	*-11.6%*	69,876	77,287	*-9.6%*	90.5%	92.6%
Lease income	1,206	1,161	*3.9%*	2,416	2,323	*4.0%*	3.1%	2.8%
Electrical works	1,614	1,313	*22.9%*	2,875	2,759	*4.2%*	3.7%	3.3%
Other services	1,122	404	*177.7%*	2,056	1,128	*82.3%*	2.7%	1.3%
Total	**42,110**	**46,071**	***-8.6%***	**77,223**	**83,497**	***-7.5%***	**100.0%**	**100.0%**

The sale of electrical equipment continued to represent the core of the Group's revenue stream. Revenue from electrical equipment amounted to 38.2 (Q2 2025: 43.2) in Q2 and 69.9 (6M 2025: 77.3) million euros during the first six months of the year. Electrical equipment accounted for 90.5% of the Group's revenue in the first half of 2026. The decline in revenue was primarily attributable to differences in production volumes and the timing of project-based deliveries compared to the corresponding period of the previous year. Sales of electrical equipment mainly comprised compact substations, low-voltage switchgear, technical buildings and other power distribution solutions.

Lease income was 1.2 (Q2 2025: 1.2) in Q2 and 2.4 (6M 2025: 2.3) million euros during the first six months of the year, increasing by 4.0% compared to the corresponding period of the previous year. Lease income accounted for 3.1% of the Group's revenue, and their contribution to the revenue base remained stable, supported by long-term lease agreements and the high occupancy rate of industrial properties.

Revenue from electrical works amounted to 1.6 (Q2 2025: 1.3) in Q2 and 2.9 (6M 2025: 2.8) million euros during the first six months of the year. Revenue increased by 4.2% compared to the first half of the previous year, reflecting primarily the project-based nature and timing of electrical installation works related to shipbuilding projects. Revenue from other services amounted to 1.1 (Q2 2025: 0.4) in Q2 and 2.1 (6M 2025: 1.1) million euros during the first six months of the year, representing an increase of 82.3% compared to the corresponding period of the previous year.

Operating expenses

(EUR´000)	Q2 2026	Q2 2025	+/-	6M 2026	6M 2025	+/-	% 6M 2026	% 6M 2025
Cost of sales	36,982	38,635	*-4.3%*	66,562	70,394	*-5.4%*	87.7%	90.2%
Distribution costs	1,857	1,395	*33.1%*	3,724	2,681	*38.9%*	4.9%	3.4%
Administrative expenses	2,620	2,366	*10.7%*	5,627	4,945	*13.8%*	7.4%	6.4%
Total operating expenses	**41,459**	**42,396**	*-2.2%*	**75,913**	**78,020**	*-2.7%*	100.0%	100.0%
incl. depreciation, amortization	1,155	*1,073*	*7.6%*	2,318	*2,143*	*8.2%*	3.1%	*2.7%*
incl. total labour cost	10,838	*10,118*	*7.1%*	21,378	*19,649*	*8.8%*	28.2%	*25.2%*
incl. wages and salaries	8,366	*7,294*	*14.7%*	16,657	*14,643*	*13.8%*	21.9%	*18.8%*

During the second quarter, the Group continued to adjust its cost structure in response to changes in order volumes and market conditions. Total operating expenses decreased by 2.2% to 41.5 (Q2 2025: 42.4) in Q2 and by 2.7% to 75.9 (6M 2025: 78.0) million euros during the first six months of the year. However, expenses declined at a slower pace than revenue, resulting in profitability remaining below the level of the previous year. The largest component of operating expenses continued to be the cost of sales, which decreased by 4.3% to 37.0 (Q2 2025: 38.6) in Q2 and by 5.4% to 66.6 (6M 2025: 70.4) million euros during the first six months of the year. The share of cost of sales in total operating expenses decreased to 87.7% (6M 2025: 90.2%) during the six-month period. The decline was mainly attributable to lower order volumes and reduced production activity compared to the previous year. As a result, the gross profit margin declined to 13.8% (6M 2025: 15.7%).

Distribution costs and administrative expenses increased both in the second quarter and during the first six months of the year, reflecting investments made to support sales and market development activities. Selling expenses increased by 33.1% to 1.9 (Q2 2025: 1.4) million euros in Q2 and by 38.9% to 3.7 (6M 2025: 2.7) million euros during the first six months of the year. As a result, the ratio of selling expenses to revenue increased to 4.8% (6M 2025: 3.2%). Administrative expenses rose by 10.7% to 2.6 (Q2 2025: 2.4) million euros in Q2 and by 13.8% to 5.6 (6M 2025: 4.9) million euros during the first six months of the year, accounting for 7.3% (6M 2025: 5.9%) of revenue. The increase was related to the strengthening of sales and development activities, including participation in international trade fairs, where the Group showcased its HECON EVO low-voltage switchgear and the Elektra Sense electric vehicle charger. In addition, the Group expanded its sales and development teams.

Within operating expenses, depreciation and amortisation increased to 1.2 (Q2 2025: 1.1) in Q2 and 2.3 (6M 2025: 2.1) million euros during the first six months of the year, reflecting the Group's continued investments in production capacity.

Total labour costs increased by 7.1% to 10.8 (Q2 2025: 10.1) million euros in Q2 and by 8.8% to 21.4 (6M 2025: 19.6) million euros during the first six months of the year. Of this amount, wages and salaries accounted for 8.4 (Q2 2025: 7.3) million euros and 16.7 (6M 2025: 14.6) million euros, respectively. The ratio of labour costs to revenue increased to 27.7% (6M 2025: 23.5%) during the first six months of the year, as the Group deliberately retained its workforce and production capacity in anticipation of a recovery in demand while revenue declined. The average monthly gross salary amounted to 3,338 (6M 2025: 2,949) euros.

PERSONNEL

During the reporting quarter, the Group focused on updating its HR processes and documentation. Job descriptions, internal work regulations and other HR-related documents were reviewed and updated. A key area of focus was preparation for the implementation of the European Union Pay Transparency Directive. As part of this process, the Group reviewed and updated job descriptions and competency models and carried out job evaluation exercises for office-based positions.

The Group also conducted its annual salary survey and annual salary review process. In addition, a Work Fluency project was launched to streamline workflows across the organisation. During the project, areas for process improvement were identified and the implementation of enhancement measures was initiated.

In the area of occupational health, safety and employee development, occupational health examinations were carried out, with no significant deficiencies identified. The Group also organised certification assessments for electrical equipment assemblers to ensure that employees maintain the required competencies and qualifications.

To support employee well-being and team spirit, the Group organised a well-being day combined with a product presentation by a cooperation partner, offered employees the opportunity to attend an electrical engineering trade fair, and held its annual summer kayaking event in Lithuania.

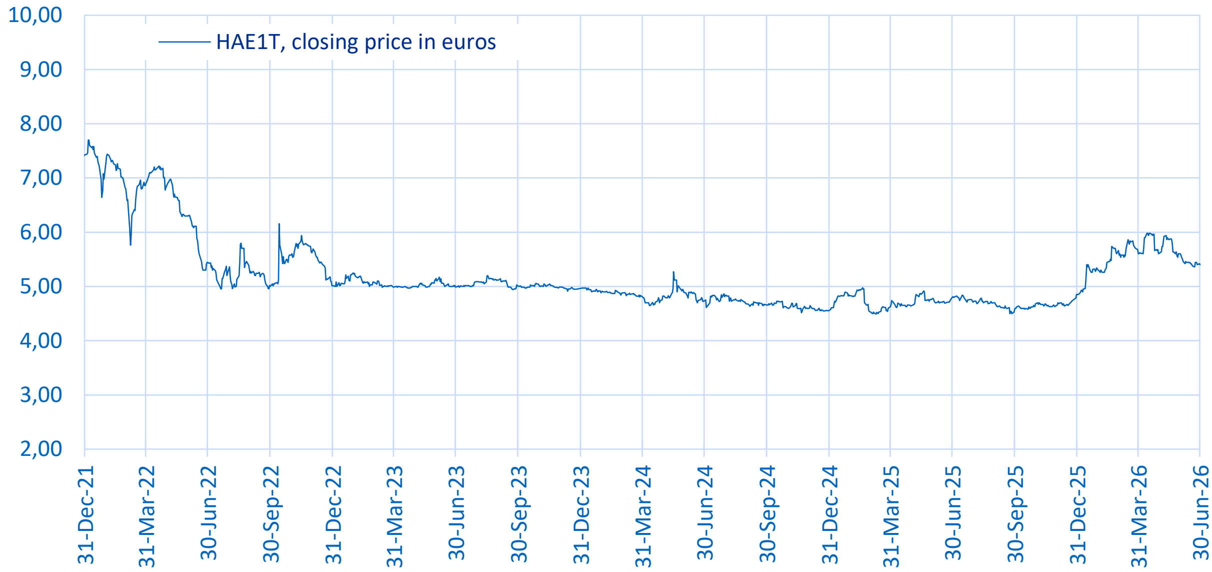
At the end of the reporting period, the Group employed 863 people, 17 more than a year earlier. The average number of employees during the quarter was 840. The largest increase was recorded in Estonia, where the number of employees grew by 50 year on year, reflecting the expansion of the production unit and increased order volumes.

	Average number of employees				Numbers of employees			Proportion	
	Q2 2026	Q2 2025	6M 2026	6M 2025	30.06.26	30.06.25	+/-	% 30.06.26	% 30.06.25
Estonia	347	306	342	301	361	311	50	41.8%	36.8%
Finland	188	171	186	179	196	195	1	22.7%	23.0%
Lithuania	256	282	257	287	253	281	-28	29.3%	33.2%
Sweden	49	55	48	61	53	59	-6	6.2%	7.0%
Total	**840**	**814**	**833**	**828**	**863**	**846**	**17**	100.0%	100.0%

SHARES AND SHAREHOLDERS

Share trading history	6M 2026	2025	2024	2023	2022
Opening price (euros)	4.81	4.58	4.97	5.01	7.44
Highest price (euros)	6.02	4.99	5.33	5.31	7.74
Lowest price (euros)	4.81	4.00	4.20	4.90	4.85
Closing price (euros)	5.40	4.85	4.58	4.97	5.01
Traded shares (pcs)	718,979	854,787	751,657	1,154,685	929,491
Turnover (in million euros)	3.99	4.01	3.59	5.82	5.60
Capitalisation (in million euros)	100.3	89.78	84.63	91.94	91.63
Average number of the shares (pcs)	18,566,270	18,512,270	18,498,770	18,355,774	18,134,463
EPS (euros)	0.02	0.58	0.17	0.28	-0.31

Price of AS Harju Elekter Group's share (in euros) on Nasdaq Tallinn Stock Exchange between 31 December 2021–30 June 2026 (Nasdaq Tallinn, http://www.nasdaqbaltic.com/)



Division of shareholders by size of holding and list of shareholders with more than 10% holding as of 30 June 2026:

Holding	No of shareholders	% of all shareholders	% of votes held
> 10%	1	0.0	30.0
1.0 - 10.0%	7	0.1	28.3
0.1 - 1.0 %	63	0.6	17.2
< 0.1%	10 080	99.3	24.5
Total	**10 151**	**100.0**	**100.0**

Shareholders	Holding (%)
AS Harju KEK	29.97
Shareholders holding under 10%	70.03
Total	**100.00**

As of 30 June 2026, AS Harju Elekter Group had 10,151 shareholders. During the reporting quarter, the number of shareholders decreased by 169. The largest shareholder of AS Harju Elekter Group is AS Harju KEK, a company based on local capital which holds 29.97% of AS Harju Elekter Group's share capital. On 30 June 2026, the members of the Supervisory and Management Boards owned, in accordance with their direct and indirect ownerships, in total of 5.70% of AS Harju Elekter Group shares. The complete list of shareholders of AS Harju Elekter Group is available on the website of the Nasdaq CSD https://nasdaqcsd.com/statistics/en/shareholders.

INTERIM FINANCIAL STATEMENT

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(EUR´000)	Note	30.06.2026	31.12.2025	30.06.2025
ASSETS				
Current assets				
Cash and cash equivalents		2,911	1,545	2,925
Trade and other receivables		37,148	46,654	42,582
Prepayments		2,330	1,209	2,076
Inventories		20,456	19,896	25,124
Total current assets		**62,845**	**69,304**	**72,707**
Non-current assets				
Deferred income tax assets		132	142	526
Non-current financial investments	2	27,223	27,225	27,221
Non-curren receivables		2	9	0
Investment properties	3	27,488	28,228	28,927
Property, plant, and equipment	4	34,696	33,273	32,238
Intangible assets	4	10,381	9,880	8,864
Total non-current assets		**99,922**	**98,757**	**97,776**
TOTAL ASSETS	7	**162,767**	**168,061**	**170,483**
LIABILITIES AND EQUITY				
Liabilities				
Borrowings	5	20,207	15,452	9,625
Prepayments from customers		6,422	15,326	16,872
Trade and other payables		21,422	19,670	26,232
Tax liabilities		3,998	3,324	3,502
Current provisions		283	336	671
Total current liabilities		**52,332**	**54,108**	**56,902**
Borrowings	5	15,260	15,072	19,939
Other non-current liabilities		20	20	17
Total non-current liabilities		**15,280**	**15,092**	**19,956**
Total liabilities		**67,612**	**69,200**	**76,858**
Equity				
Share capital	6	11,706	11,672	11,655
Share premium		3,619	3,410	3,306
Reserves		22,729	22,397	23,035
Retained earnings		57,101	61,382	55,629
Total equity attributable to the owners of the parent company		**95,155**	**98,861**	**93,625**
TOTAL LIABILITIES AND EQUITY		**162,767**	**168,061**	**170,483**

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

(EUR´000)	Note	Q2 2026	Q2 2025	6M 2026	6M 2025
Revenue	7	42,110	46,071	77,223	83,497
Cost of sales		-36,982	-38,635	-66,562	-70,394
Gross profit		**5,128**	**7,436**	**10,661**	**13,103**
Distribution costs		-1,857	-1,395	-3,724	-2,681
Administrative expenses		-2,620	-2,366	-5,627	-4,945
Other income		588	7	672	1,030
Other expenses		-128	-97	-395	-127
Operating profit	7	**1,111**	**3,585**	**1,587**	**6,380**
Finance income		74	267	139	900
Finance costs		-778	-1,067	-1,308	-1,352
Profit before tax		**407**	**2,785**	**418**	**5,928**
Income tax	9	-135	-157	-127	-665
Profit for the period		**272**	**2,628**	**291**	**5,263**
Earnings per share					
Basic earnings per share (euros)	8	0.01	0.14	0.02	0.28
Diluted earnings per share (euros)	8	0.01	0.14	0.02	0.28

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(EUR´000)	Note	Q2 2026	Q2 2025	6M 2026	6M 2025
Profit for the period		**272**	**2,628**	**291**	**5,263**
Other comprehensive income					
Items that may be reclassified to profit or loss					
Impact of exchange rate changes of foreign subsidiaries		200	300	405	-288
Items that will not be reclassified to profit or loss					
Realized gain on sales of financial assets		0	385	0	204
Revaluation of financial assets	2	-3	-1	0	175
Total other comprehensive income (-loss) for the period		**197**	**684**	**405**	**91**
Total comprehensive income for the period		**469**	**3,312**	**696**	**5,354**

CONSOLIDATED STATEMENT OF CASH FLOWS

(EUR´000)	Note	6M 2026	6M 2025
Cash flows from operating activities			
Profit for the period		291	5,263
Adjustments			
Depreciation, amortization and impairment	3,4	2,318	2,143
Gain/loss on sale of property, plant and equipment		-471	0
Share-based payments	10	4	13
Finance income		-139	-900
Finance costs		1,308	1,352
Income tax	9	127	665
Changes			
Changes in trade receivables and prepayments		8,582	-12,823
Changes in inventories		-560	-5,278
Changes in trade payables and prepayments		-7,002	14,755
Corporate income tax paid	9	-271	-926
Interest paid		-486	-193
Total cash flow (-outflow) from operating activities		**3,701**	**4,071**
Cash flows from investing activities			
Payments for investment properties	9	-62	-341
Payments for property, plant and equipment	9	-2,681	-799
Payments for intangible assets	9	-762	-734
Payments for financial investment	2	0	-17
Proceeds from sale of property, plant and equipment		635	1
Proceeds from sale of other financial investments	2	0	889
Received interests		2	8
Total cash flow (-outflow) from investing activities		**-2,868**	**-993**
Cash flows from financing activities			
Change in overdraft balance and current borrowings	5	5,771	1,706
Proceeds from borrowings		1,969	0
Repayment of non-current borrowings	5	-3,543	-1,628
Change in factoring liability	5	917	-819
Repayments of lease liabilities	5	-257	-196
Proceeds from the share issue		243	68
Dividends paid		-4,645	-2,775
Total cash flow (-outflow) from financing activities		**455**	**-3,644**
Total net cash flow (-outflow)		**1,288**	**-566**
Cash and cash equivalents at the beginning of the period		**1,545**	**3,773**
Changes in cash and cash equivalents		1,288	-566
Effect of exchange rate fluctuations on cash and cash equivalents		78	-282
Cash and cash equivalents at the end of the period		**2,911**	**2,925**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

1 January – 30 June *(EUR´000)*	Share capital	Share premium	Reserves	Retained earnings	Total equity
Balance at 1 January 2025	**11,655**	**3,306**	**23,135**	**52,937**	**91,033**
Comprehensive income					
Profit for the period	0	0	0	5,263	5,263
Other comprehensive income	0	0	-113	204	91
Total comprehensive income	**0**	**0**	**-113**	**5,467**	**5,354**
Transactions with owners recognized directly in equity					
Share-based payments (Note 8,10)	0	0	13	0	13
Dividends	0	0	0	-2,775	-2,775
Total transactions with owners	**0**	**0**	**13**	**-2,775**	**-2,762**
Balance at 31 June 2025	**11,655**	**3,306**	**23,035**	**55,629**	**93,625**
Balance at 1 January 2026	**11,672**	**3,410**	**22,397**	**61,382**	**98,861**
Comprehensive income					
Profit for the period	0	0	0	291	**291**
Other comprehensive income	0	0	405	0	**405**
Total comprehensive income	**0**	**0**	**405**	**291**	**696**
Transactions with owners recognized directly in equity					
Share capital contribution	34	209	0	0	**243**
Share-based payments (Note 8,10)	0	0	-73	73	**0**
Dividends	0	0	0	-4,645	**-4,645**
Total transactions with owners	**34**	**209**	**-73**	**-4,572**	**-4,402**
Balance at 30 June 2026	**11,706**	**3,619**	**22,729**	**57,101**	**95,155**

Following the resolution of the Supervisory Board, AS Harju Elekter Group increased its share capital by 34,020 euros by issuing new ordinary shares in connection with the exercise of the option programme. Total proceeds from the share issue amounted to 243,000 euros, of which the share premium accounted for 208,980 euros. After the increase, the share capital amounted to 11,706 thousand euros, divided into 18,579,770 ordinary shares without nominal value.

The Annual General Meeting of Shareholders of AS Harju Elekter Group was held on 30 April 2026. The meeting resolved to appoint PricewaterhouseCoopers AS as the auditor for the financial years 2026 and 2027 and approved the annual report for 2025 as well as the proposal for profit distribution. The General Meeting also resolved to pay a dividend of 0.25 euros per share for the 2025 financial year, amounting to a total of 4.6 million euros. The dividends were paid to shareholders' bank accounts on 28 May 2026.

NOTES TO INTERIM FINANCIAL STATEMENT

Note 1 Accounting methods and valuation principles used in the consolidated interim report

AS Harju Elekter Group is a company registered in Estonia. The interim report prepared as of 30 June 2026 comprises AS Harju Elekter Group (the "Parent Company") and its subsidiaries AS Harju Elekter, Harju Elekter Oy, Harju Elekter Kiinteistöt Oy, Telesilta Oy, Harju Elekter AB, Harju Elekter Services AB and Harju Elekter UAB (the "Group"). AS Harju Elekter Group has been listed on Tallinn Stock Exchange since 30 September 1997; 29.97% of its shares are held by AS Harju KEK.

On 16 March 2026, the merger of AS Harju Elekter and Energo Veritas OÜ was entered into the commercial register. In accordance with the merger agreement signed on 1 October 2025, AS Harju Elekter became the legal successor of Energo Veritas OÜ, and all assets of Energo Veritas OÜ were transferred to AS Harju Elekter. The merger resolutions were adopted on 1 December 2025, and the balance sheet date of the merger was 1 January 2026. The merger of the subsidiaries has no impact on the figures presented in the Group's consolidated financial statements.

The consolidated interim financial statements of AS Harju Elekter Group and its subsidiaries have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union. This consolidated interim report is prepared in accordance with the requirements for international accounting standard IAS 34 "Interim Financial Reporting" on condensed interim financial statements. The interim report is prepared on the basis of the same accounting methods as used in the annual report concerning the period ending on 31 December 2025. The interim report should be read in conjunction with the Group's annual report of 2025, which is prepared in accordance with International Financial Reporting Standards (IFRS).

According to the assessment of the Management Board, the interim report for the second quarter and 6 months of 2026 of AS Harju Elekter Group presents a true and fair view of the financial result of the consolidation Group guided by the going-concern assumption. This interim report has been neither audited nor reviewed by auditors and only includes the consolidated reports of the Group.

The financial statements are presented in euros, which is the Group's functional and presentation currency. The consolidated interim financial statement has been drawn up in thousands of euros, and all the figures have been rounded to the nearest thousand, unless indicated otherwise.

Note 2 Financial investments

(EUR´000)	30.06.2026	31.12.2025	30.06.2025
Listed securities (fair value through other comprehensive income)	22	22	17
Other equity investments (fair value through other comprehensive income)	27,200	27,200	27,200
Other financial assets through profit or loss	1	3	4
Total	**27,223**	**27,225**	**27,221**
Changes	**6M 2026**	**12M 2025**	**6M 2025**
1. Financial assets at fair value through other comprehensive income			
Carrying amount at the beginning of the period	27,222	27,708	27,708
Additions	0	17	17
Sale of financial assets	0	-503	-503
Change in fair value through other comprehensive income	0	0	-5
Carrying amount at the end of the period	**27,222**	**27,222**	**27,217**
2. Financial assets at fair value through profit and loss			
Carrying amount at the beginning of the period	3	9	9
Change in fair value through profit and loss	-2	-6	-5
Carrying amount at the end of the period	**1**	**3**	**4**
Total carrying amount at the end of the period	**27,223**	**27,225**	**27,221**

As of 30 June 2026, other equity investments include an investment in the shares of OÜ Skeleton Technologies Group in the amount of 27.2 (31.12.25: 27.2) million euros. As of the reporting date, the registered ownership stake in OÜ Skeleton Technologies Group is 5.45%. The company is engaged in the development and production of supercapacitors and is gradually increasing production. The assessment of future cash flows of the OÜ Skeleton Technologies Group includes significant uncertainty. Measurement of fair value is a complex process in the absence of an active market and when this is the case, this kind of measurement involves making assumptions and decisions. In assessing the fair value of the company, the Group's management based the assessment on the issue price of the new shares used in the financing rounds, the economic indicators disclosed by OÜ Skeleton Technologies Group, the associated investment risk, and weighted the marketability of instrument.

Note 3 Investment properties

(EUR´000)	Note	6M 2026	12M 2025	6M 2025
Balance at the beginning of the period		28,228	29,432	29,432
Additions	7	40	339	259
Depreciation	7	-780	-1,543	-764
At the end of the period		**27,488**	**28,228**	**28,927**

Note 4 Property, plant and equipment and intangible assets

(EUR´000)	Note	6M 2026	12M 2025	6M 2025
1. Property, plant and equipment				
Balance at the beginning of the period		33,273	32,420	32,420
Additions	7	3,180	2,715	805
Addition of right-of-use assets and change of the contract		0	225	0
Disposals at book value		-164	-127	-45
Depreciation	7	-1,329	-2,593	-1,249
Impact of exchange rate changes		-264	633	307
At the end of the period		**34,696**	**33,273**	**32,238**
2. Intangible assets				
Balance at the beginning of the period		9,880	8,121	8,121
Additions	7	710	2,065	873
Amortization	7	-209	-306	-130
At the end of the period		**10,381**	**9,880**	**8,864**

Note 5 Borrowings

(EUR´000)	30.06.2026	31.12.2025	30.06.2025
Current borrowings			
Current bank loans and overdrafts	14,858	9,087	6,790
Current portion of non-current bank loans	3,126	4,888	1,646
Current portion of non-current lease liabilities	231	484	190
Factoring liability	1871	954	533
Interest payable	121	39	466
Total current borrowings	**20,207**	**15,452**	**9,625**
Non-current borrowings			
Non-current bank loans	14,332	14,144	19,042
Non-current lease liabilities	928	928	897
Total non-current borrowings	**15,260**	**15,072**	**19,939**
Total borrowings	**35,467**	**30,524**	**29,564**

Changes in borrowings	6M 2026	12M 2025	6M 2025
Loans and borrowings at the beginning of the period	**30,524**	**30,069**	**30,069**
Change in overdraft balances	5,771	4,003	1,706
Received non-current loans	1,969	248	0
Repayments of non-current loans	-3,543	-3,532	-1,628
Change in factoring liability	917	-398	-819
New lease liabilities	0	225	0
Repayments of non-current lease liabilities	-257	-113	-196
Impact of exchange rate changes	4	29	12
Change in interest payable	82	-7	420
Loans and borrowings at the end of the period	**35,467**	**30,524**	**29,564**

Note 6 Share capital

	30.06.2026	31.12.2025	30.06.2025
Share capital (thousand euros)	11,706	11,672	11,655
Number of shares (pcs)	18,579,770	18,525,770	18,498,770
Book value of a share (euros)	0.63	0.63	0.63

In January 2026, the Supervisory Board of AS Harju Elekter Group increased the company's share capital by 34,020 euros through the issuance of new ordinary shares in connection with the exercise of the option programme approved by the General Meeting in 2021. As part of the issue, 54,000 new ordinary shares were issued, with Management Board members subscribing for shares in the total amount of 243,000 euros. The issue price of one share was 4.50 euros. Following the increase, the share capital of AS Harju Elekter Group amounts to 11,705 thousand euros and is divided into 18,579,770 ordinary shares without nominal value. All shares were fully subscribed by 5 January 2026. The new shares entitle their holders to dividends for the financial year starting from 2025.

Note 7 Segment reporting

In the consolidated financial statements, two main segments are distinguished: Production and Real Estate. Non-segmented areas of activity are grouped under Other activities, where each area of activity does not have a large enough share to form a separately reported segment.

Production – manufacturing and sale of electricity distribution and control equipment as well as other associated activities. This segment includes the Group's companies AS Harju Elekter, Harju Elekter Oy, Harju Elekter UAB and Harju Elekter AB.

Real estate – real estate development, maintenance and leasing, services related to the maintenance of real estate and production capacity and intermediation of services. Real estate has been identified as a reportable segment because the carrying amount of its assets is more than 10% of the total result and assets of all segments. The Group's management monitors all real estate companies within the Real Estate segment, including those responsible for managing the Group's production facilities. This business line includes the parent company, Harju Elekter Kiinteistöt Oy and Harju Elekter Services AB.

Other activities – sales of the products of the Group and its related companies as well as products needed for electrical installation works; management services, project management for installation works and electrical engineering for shipbuilding. This segment includes the Parent Company and the Group's subsidiary Telesilta Oy. Other activities are of less importance to the Group and none of them constitutes a separate segment for reporting purposes.

The Group assesses the performance of its operating segments on the basis of revenue and operating profit. Based on the assessment of the Parent company's Management Board, inter-segment transactions are carried out on ordinary market terms that do not differ substantially from the terms agreed in transactions conducted with third parties. Unallocated assets comprise the Parent company's other receivables, prepayments, and other financial investments. Unallocated liabilities consist of the Parent company's (in Estonia) interest-bearing loans and borrowings (exc. borrowings for Real estate), tax liabilities and accrued expenses.

(EUR´000)	Note	**Production**	**Real Estate**	**Other activities**	**Elimi-nation**	**Consoli-dated**
6 months 2026						
Revenue from external customers		71,400	2,936	2,887	0	77,223
Inter-segment revenue		251	1,237	1,844	-3,332	0
Segment revenue		**71,651**	**4,173**	**4,731**	**-3,332**	**77,223**
Operating profit		**-207**	**2,295**	**-500**	**-1**	**1,587**
Segment assets		91,592	44,905	55,943	-57,094	135,346
Unallocated assets						27,421
incl. Financial investments						*27,222*
incl. Other receivables and prepayments						*199*
Total assets						**162,767**
Liabilities of the segment		74,043	12,633	2,108	-57,094	31,690
Unallocated liabilities						35,922
incl. borrowings						*35,266*
incl. accrued expenses						*393*
incl. other						*263*
Total liabilities						**67,612**
Capital expenditure	3,4	474	137	3,319	0	3,930
Depreciation and amortization	3,4	949	1,049	326	-6	2,318
6 months 2025						
Revenue from external customers		77,993	2,745	2,759	0	**83,497**
Inter-segment revenue		277	1,220	1,823	-3,320	0
Segment revenue		**78,270**	**3,965**	**4,582**	**-3,320**	**83,497**
Operating profit		**4,937**	**1,809**	**32**	**-398**	**6,380**
Segment assets		96,199	31,315	47,231	-31,608	143,137
Unallocated assets						27,346
incl. Financial investments						*27,216*
incl. Other receivables and prepayments						*130*
Total assets						**170,483**
Liabilities of the segment		78,317	-1,076	3,990	-31,608	49,623
Unallocated liabilities						27,235
incl. borrowings						*26,384*
incl. accrued expenses						*585*
incl. other						*266*
Total liabilities						**76,858**
Capital expenditure	3,4	917	303	717	0	1,937
Depreciation and amortization	3,4	838	1,029	283	-7	2,143

Revenue by geographic regions (customer location)

(EUR´000)	**6M 2026**	**6M 2025**
Estonia	10,084	11,813
Finland	31,046	26,683
Sweden	14,078	10,162
Norway	9,810	17,499
Germany	2,709	11,223
Netherlands	2,136	3,382
Denmark	4,591	1,810
Other	2,769	925
Total revenue	**77,223**	**83,497**

Revenue by business activities

(EUR´000)	6M 2026	6M 2025
Manufacturing and sale of electrical equipment	69,876	77,287
Lease income	2,416	2,323
Electrical works	2,875	2,759
Other services	2,056	1,128
Total revenue	**77,223**	**83,497**

Note 8 Basic and diluted earnings per share

Basic earnings per share are calculated by dividing the net profit for the reporting period by the weighted average number of shares issued during the period. Diluted earnings per share are calculated by taking into account potentially issuable shares.

Options granted in 2022 were exercised in January 2026. Five members of the Management Board of Harju Elekter Group participated in the share issue related to the exercise of the option programme, subscribing for a total of 54,000 shares for 243,000 euros.

As of 30 June 2026, the Group had no potentially issuable shares, and consequently diluted earnings per share for the reporting quarter were equal to basic earnings per share.

	Unit	Q2 2026	Q2 2025
Profit attributable to equity holders of the parent company	EUR ‘000	272	2,628
Average number of shares outstanding	Pc ’000	18,580	18,499
Basic earnings per share	EUR	0.01	0.14

	Unit	6M 2026	6M 2025
Profit attributable to equity holders of the parent company	EUR ‘000	291	5,263
Average number of shares outstanding	Pc ’000	18,566	18,499
Basic earnings per share	EUR	0.02	0.28

Note 9 Information on the statement of cash flows line items

(EUR´000)	Note	6M 2026	6M 2025
Corporate income tax			
Income tax expense in the statement of profit or loss		-127	-665
Decrease (+)/increase (-) in prepayment and in income tax liability		-154	-900
Deferred income tax expense/income		10	500
Impact of exchange rate changes		0	139
Corporate income tax paid		**-271**	**-926**
Paid for investment properties			
Acquisitions of investment properties	3	-40	-259
Liability decrease (-)/ increase (+) incurred by the acquisitions		-22	-82
Paid for investment properties		**-62**	**-341**
Paid for property, plant and equipment			
Acquisitions of property, plant and equipment	4	-3,180	-805
Liability decrease (-)/ increase (+) incurred by the acquisitions		499	6
Impact of exchange rate changes		0	0
Paid for property, plant and equipment		**-2,681**	**-799**
Paid for intangible assets			
Acquisitions of intangible assets	4	-710	-873
Liability decrease (-)/ increase (+) incurred by the acquisitions		-52	138
Impact of exchange rate changes		0	1
Paid for intangible assets		**-762**	**-734**

Note 10 Transactions with related parties

The related parties of AS Harju Elekter Group are Members of the Management Board and the Supervisory Board of the Group, their close associates, and companies significantly influenced or controlled by the aforementioned persons. Also, AS Harju KEK which owns 29.97% of the shares of AS Harju Elekter Group. The Group's management comprises members of the Parent company's Supervisory and Management Boards. During the reporting period, the Group has made transactions with related parties as follows:

(EUR´000)	30.06.26	31.12.25	30.06.25
Balances with related parties:			
- Payables for goods and services	66	65	62
- Payables to Management and Supervisory Boards	202	122	153
- Bonus reserve for Management board	0	270	123
	6M 2026	**12M 2025**	**6M 2025**
Purchase of goods and services from companies related to the Supervisory Board	441	755	387
Purchase of goods and services from owners	48	114	49
Sale of goods and services to companies related to the Supervisory Board	1	60	1
Remuneration of the Management and Supervisory Boards:			
- Salary, bonuses, additional other remuneration	873	922	505
- Social security tax	288	304	167

The members of the Management Board receive remuneration in accordance with the contract and are also entitled to receive a severance payment: up to 6 months of the remuneration of the Member of the Management Board. Members of the Management Board have no rights related to pension. During the reporting period, no other transactions were made with members of the Group's directing bodies and the persons connected with them.

Share-based payments

The option agreements concluded with Management Board members in 2022 were fully exercised in January of the current year. As a result of the exercise of the options, 54,000 new shares were issued, which were subscribed by five members of the Harju Elekter Group's Management Board for a total consideration of 243,000 euros. During the current reporting period, the Group did not recognise any share-based payment expense in connection with the option programme, as the costs related to the options had been fully recognised in previous periods and there were no outstanding option programmes.

THE MANAGEMENT BOARD DECLARATION FOR THE UNAUDITED INTERIM FINANCIAL STATEMENTS

The Management Board acknowledges its responsibility for the preparation, integrity and fair presentation of the consolidated interim financial statements for the second and 6 months of 2026 and confirms that to the best of its knowledge, information and belief that:

- the management report presents true and fair view of significant events that took place during the accounting period and their impact to financial statements; and includes the description of major risks and doubts for the Parent company and consolidated companies as a Group; and reflects significant transactions with related parties;
- the accounting principles and presentation of information used in preparing the interim financial statements are in compliance with the International Financial Reporting Standards as adopted by the European Union;
- the interim financial statements give a true and fair view of the assets, liabilities, financial position of the Group and of the results of its operations and its cash flows; and
- AS Harju Elekter Group and its subsidiaries are going concerns.

Tiit Atso	Chairman of the Management Board	21 July 2026	
Priit Treial	Member of the Management Board	21 July 2026	
Aron Kuhi-Thalfeldt	Member of the Management Board	21 July 2026	
Erko Lepa	Member of the Management Board	21 July 2026	
Tiit Luman	Member of the Management Board	21 July 2026	