J. MOLNER

ANNUAL REPORT 2025

General Information

J. Molner AS and its subsidiaries, also referred to as “J. Molner” or “Group”. The company is listed on the Nasdaq Baltic Alternative Market First North Tallinn.

Business Name:	J. Molner AS
Main Activity:	Pharmaceutical development and services
Commercial Registry Code:	16579077
Address:	Akadeemia tee, 21/5, 12618, Tallinn
Country	Estonia
Phone	+372 6150 576
E-mail:	jmolner@jmolner.com
Website:	https://www.jmolner.com/
Financial year:	01.01.2025 - 31.12.2025
Reporting period:	01.01.2025 - 31.12.2025
Auditor:	Grant Thornton Baltic OÜ
Advisor:	Ellex Raidla Advokaadibüroo OÜ

This document is the translation of the Estonian original.

Who we are

J. Molner is a specialty generic pharmaceutical company with Estonian roots, focused on the development and manufacturing of high-quality generic medicines. We are dedicated to advancing sterile injectable, ophthalmic, and dermatological products, with a primary focus on the U.S. and Canadian markets.

In addition to our own product development, we provide expert services in drug development, analytical chemistry, and stability testing, helping our clients bring their pharmaceutical products to market effectively and with confidence.

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Management Report

2025 Overview

In 2025, J. Molner strengthened its position in the U.S. generic pharmaceuticals market and implemented several strategic initiatives supporting the Company's long-term growth, portfolio expansion, and financial sustainability.

During the year, the Company expanded its product portfolio in the United States by launching two dermatology prescription products: Desoximetasone Ointment USP, 0.05%, and Clobetasol Propionate Cream USP, 0.05% (Emollient). As at year-end, the Company had a total of four products on the U.S. market.

The Company expanded its development activities through strategic collaboration agreements, continuing previously initiated projects and entering into new agreements with U.S.-based pharmaceutical partners, under which J. Molner leads the development of generic products for the U.S. market.

Due to the structure of these agreements, the Company recognizes part of the inflows from development contracts conservatively as advance payments until the partner's initial investment has been recovered. This differs from similar agreements in prior periods, where the developed assets were transferred to the partner and the related inflows were recognized as revenue. Under the current agreements, the Company develops assets that remain under its ownership. Accordingly, the difference in reported revenue is driven by the structure of the agreements rather than a change in the underlying business activity. To improve comparability, the Company also presents adjusted financial results reflecting development activity on a basis comparable with prior periods.

The Company continued to invest in the development of its internal and commercialization capabilities. During the year, two new wholesale customers were added, expanding access to a broader customer base and supporting future growth in sales volumes in the U.S. market.

In 2025, the Company carried out a restructuring of its capital structure. As part of this process, the share capital was increased and agreements were reached with a creditor, under which a portion of loan liabilities was converted into equity and part of the claims was waived.

Overall, 2025 was characterized by a strong focus on the U.S. market, continued portfolio expansion, advancement of development activities, and strengthening of the financial structure, providing a solid foundation for sustainable growth in the coming periods.

Significant Events After the Reporting Date

Following the reporting date of 31 December 2025, but before the signing of this report, J. Molner AS completed a significant acquisition transaction in the U.S. generic pharmaceutical market.

On 1 June 2026, the J. Molner AS Group completed a transaction involving the acquisition of a portfolio of generic and specialty pharmaceutical products marketed in the United States. The acquired portfolio significantly expands the Group's product portfolio and market position in the United States. The portfolio comprises 13 pharmaceutical registrations approved by the U.S. Food and Drug Administration (FDA) across four therapeutic areas: critical care, ophthalmology, specialty oral pharmaceuticals, and hematology/oncology.

The transaction has a significant impact on the asset base of the J. Molner AS Group and expands the revenue base generated from the Group's commercial operations in the United States. The transaction strengthens the Group's position in the U.S. hospital, specialty pharmacy, and retail pharmacy channels and supports the Company's vertically integrated business model.
The detailed financial terms of the transaction are commercially confidential, and its impact on the Group's future financial results cannot be reliably estimated as of the date of preparation of this report.
To finance the transaction, J. Molner AS entered into a USD 7 million loan agreement.

Financial Highlights

Revenue	EBITDA	Net Profit (Loss)
€1,146,602	€556,679	€132,092
(50%) 2024: €2,294,628	130% 2024: €(1,827,186)	105% 2024: €(2,438,621)
Adjusted Revenue	**Adjusted EBITDA**	**Adjusted Net Profit (Loss)**
€2,462,314	€1,872,391	€1,447,807
7% 2024: €2,294,628	202% 2024: €(1,827,186)	159% 2024: €(2,438,621)

* Adjusted figures are presented to provide a better understanding of the Company's underlying performance and do not represent measures defined under applicable accounting standards.

Founder's statement

Jason Grenfell-Gardner
Founder and CEO

> J. Molner's products now reach patients across the United States – from Alaska to Florida and Hawaii to Maine.

Letter to shareholders

In 2025, the J. Molner team continued to build on our platform and momentum for developing and launching generic drugs in the United States and Canada. Indeed, as we look back over the five years of building J. Molner together, we are proud of the solid, multi-functional platform we have been able to create. This platform allows us to identify market opportunities, develop or in-license drug targets, execute the necessary research and development work, transfer to contract manufacturing organizations, and complete the regulatory and product launch requirements to bring J. Molner's products to patients.

From a commercial perspective, 2025 saw us increase our on-market products in the United States to four launched products. While this may seem like just another incremental step, underneath this is the continued broadening of our market presence. J. Molner's products are now available for patients across the United States, from Alaska to Florida, and Hawaii to Maine. Our team executed the first national contracts for our products with national retail pharmacies, bringing J. Molner's products to almost every community in the United States.

Having built this channel, the next task is to continue to grow the number of product offerings we have. The J. Molner team has worked rigorously to move our pipeline forward; and it hasn't always been easy.

As a principle, we tend to choose products that are complex, with difficulties in chemistry, manufacturing, analysis, and stability as a way of finding higher value-added opportunities. With this complexity though also comes challenges in getting products across the finish line. I remain proud of our team's ability to identify these challenges, find solutions, and implement them to bring high-quality products to patients.

This skill has also been recognized by our partners. Over the course of 2025, J. Molner's scientific expertise has been leveraged by a number of our third-party service partners to help with interesting challenges involving semi-solid in-vitro release testing, formulation development, and analytical chemistry.

Looking ahead, J. Molner will continue to identify products and opportunities to grow our pipeline, launch new products for patients, and increase our scientific knowledge and capabilities both for ourselves as well as for our service partners. As ever, I remain grateful to our team members and our shareholders for their support as we continue to build this specialty generic pharmaceutical company with Estonian roots.

Thank you for your trust and being part of our journey.

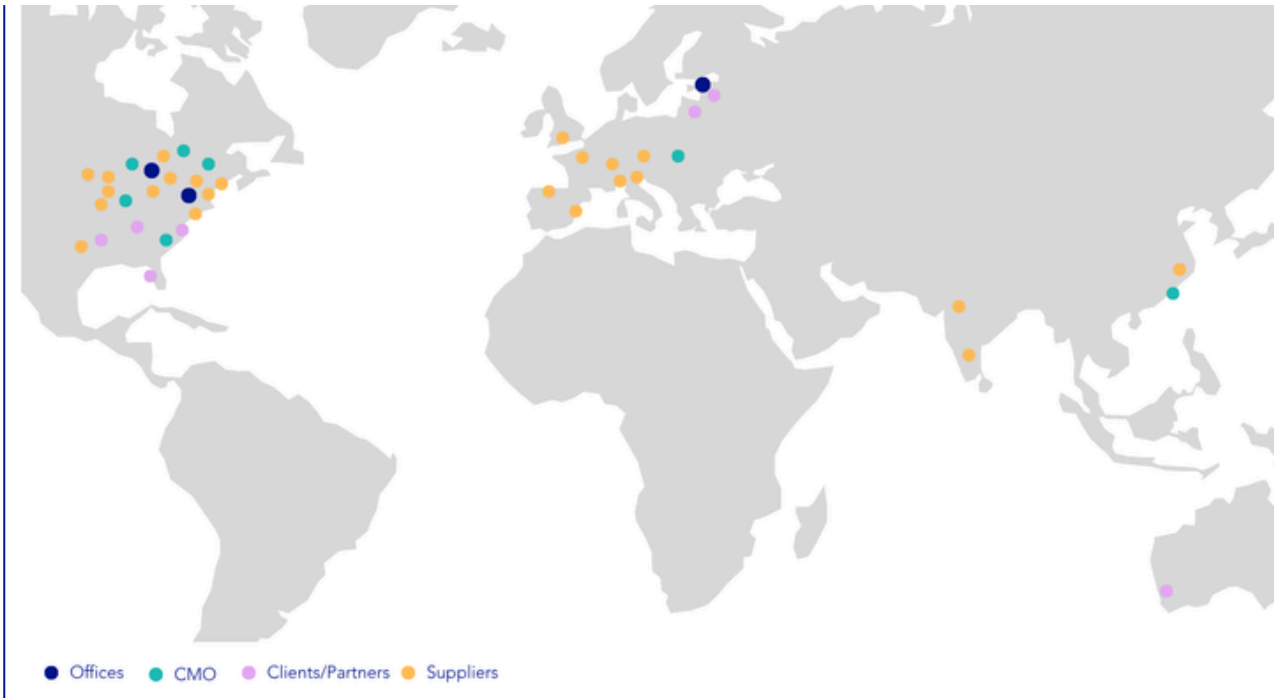
Jason Grenfell-Gardner
Founder and CEO

What we do

J. Molner operates through two complementary business units: our internal generic drug development and our specialized pharmaceutical services. On one side, we develop and commercialize high-quality sterile injectable, ophthalmic, and dermatology generic drugs, focusing on the U.S. and Canadian markets. This includes managing the entire lifecycle from formulation to regulatory approval and market launch. On the other side, we provide expert drug development services, analytical chemistry, and stability testing to pharmaceutical partners, helping them navigate complex regulatory pathways and ensure product quality. Together, these business units drive our mission to deliver reliable, accessible and cost-effective pharmaceutical solutions.

36	250,937	4	29
Employees	Units manufactured	Commercial products	Clients

Global reach



CMO - Contract manufacturing organization

Our business segments

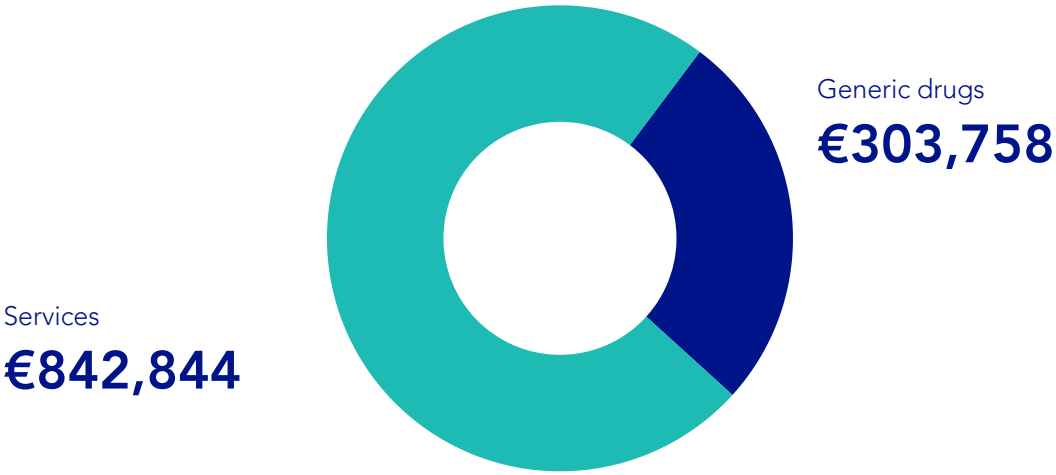
Generic drugs

J. Molner is developing a portfolio of generic drug products for both the United States and Canadian markets. The portfolio consists of both in-house developed medicines as well as acquired and in-licensed products.

Services

At J. Molner, our team is dedicated to providing services that help our clients accelerate development, strengthen internal capabilities, and achieve their goals. Our core services focus on drug development, analytical chemistry, and stability studies.

Segmental revenue



Our expertise

Injectables

Semi solids

Ophthalmic

Development philosophy

Market factors

Our market strategy is driven by proactive supply chain management and strategic partnerships. We anticipate and prepare for supply challenges, ensuring continuity in the availability of essential medicines. By working with contract manufacturing organization (CMO) partners capable of condensed batch timelines, we maintain agility in production and market responsiveness.
We continuously assess the market feasibility of emerging products, identifying opportunities that align with our expertise and long-tail strategy.

Long tail strategy

Our long-tail strategy focuses on established markets and niche pharmaceutical products, ensuring a reliable supply of essential medicines. We target drugs with declining sources of supply, addressing critical gaps in the market. With a focus on moderate-volume production, we offer cost-effective solutions that meet high quality and current regulatory standards.

Expertise and experience

Our expertise and experience span a wide range of pharmaceutical formulations, including semi-solids, liquids, sterile injectables, and sterile ophthalmic products. With deep industry knowledge and technical proficiency, we develop and manufacture complex dosage forms that meet stringent regulatory standards and patient needs.

Operations

J. Molner combines specialized in-house drug development with a flexible, high-quality manufacturing network. Our end-to-end operations cover in-house formulation, analytical development, validation, and complete ICH stability testing. We are EU-GMP (good manufacturing practice) release capable, hold an Establishment Drug License (DEL) in Canada, and benefit from a Mutual Recognition Agreement (MRA) with the FDA, ensuring smooth regulatory alignment and streamlined product release.
We ensure seamless technical transfer to vetted CMOs, conducting rigorous due diligence and maintaining long-term partnerships across a diversified manufacturing base. Our facilities are routinely inspected for quality, regulatory compliance, and operational readiness.
For distribution, we partner with a 3PL (Third Party Logistics) to manage order fulfillment, invoicing, and returns through a streamlined system. Our serialization process is fully enabled, ensuring full compliance with applicable regulations and complete traceability. By coupling in-house expertise with a scalable CMO network, J. Molner maintains efficiency, quality, and flexibility in delivering pharmaceutical solutions.

Services

Analytical development, remediation, and transfer

Ensure precise, compliant testing. We specialize in method scouting, de novo development, troubleshooting, remediation, validation, and transfer packages.

In vitro release testing

We support semi-solid bioequivalence studies following SUPAC-SS guidance. We utilize advanced techniques like vertical diffusion cell (Franz Cell) and immersion cell testing to ensure reliable release profiles.

Post Approval Change Management

We support our clients in efficiently implementing required post-approval changes. This includes conducting a thorough review of the existing ANDA and executing all necessary updates. In the case of manufacturing site changes, we perform due diligence on potential new manufacturers, select a suitable site, and complete its qualification.
We also lead the transfer of analytical methods and manufacturing processes, ensuring a smooth and compliant transition to the new site.

Formulation and development

This service includes physicochemical characterization of the reference product, formulation development, and stress testing conducted during the R&D phase to determine the optimal and stable drug composition.

ICH stability

This service covers stability studies, addressing global climatic conditions (Zones I–IV), and includes the generation of stability data such as stress testing, freeze-thaw cycles, in-use stability, comparative studies with the reference product, and forced degradation testing.

J. Molner shares

The shares of J. Molner AS have been listed on the Nasdaq Baltic Alternative Market First North Tallinn since November 10, 2022. As of December 31, 2025, a total of 1,686,001 shares have been issued with a nominal value of EUR 1 per share, resulting in a total share capital of EUR 1,686,001.
All shares are of the same class and have no ownership restrictions. The Articles of Association of the Company do not stipulate any limitations on the transfer of shares. To the best of J. Molner AS's knowledge, there are no shareholder agreements in place that would restrict the transfer of securities.

Only Jason Grenfell-Gardner, the company's CEO and a member of the board, has a significant shareholding (more than 5%).

	2025 €	2024 €
Average price	**26.42**	16.61
Maximum price	**32.6**	28.6
Minimum price	**10.0**	10.8
Closing price as of December 31	**27.8**	27.2
Number of shares as of December 31	**1,686,001**	1,686,001
Number of shareholders as of December 31	**483**	512
Market value of the company at December 31 (Closing price * number of shares)	**46,870,828**	45,859,227
Earnings per share (EPS) (Profit / number of shares)	**0.08**	(1.45)

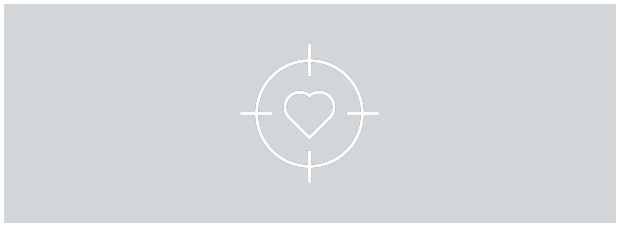
Mission, Vision, Purpose

Mission

We are dedicated to the high-quality development of generic drugs in the fields of sterile injectables, ophthalmic, and dermatological products, with a primary focus on the U.S. and Canadian markets. In addition, we offer our clients analytical chemistry services and cost-effective stability study solutions.

Vision

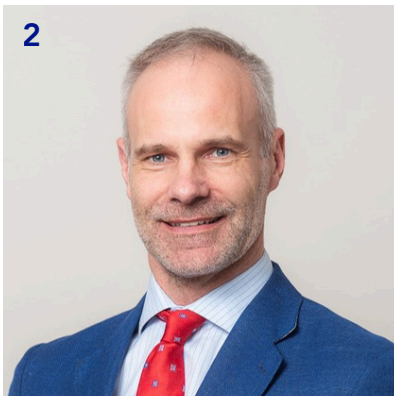
We are building a global pharmaceutical company with Estonian roots, focused on specialty medicines.



Purpose

We save lives by developing the drugs the pharmaceutical industry forgot.

Management Board

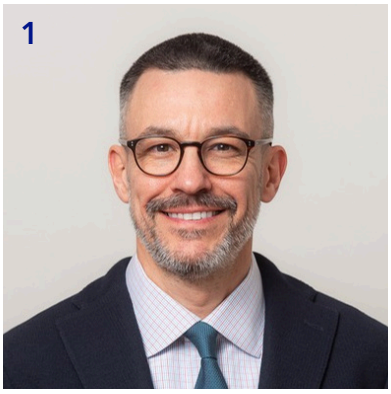


Our Management is the key to our success”

	Name	Role
1	Jason Grenfell-Gardner	Founder and CEO
2	Sten Akel	Chief Financial Officer
3	Erik Berlin	Laboratory Director
4	Ursula Noor	Director of QA & RA

Supervisory Board

1



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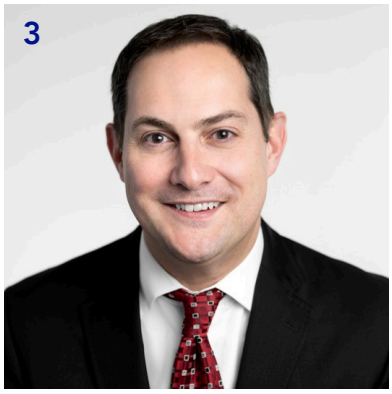


	Name	Role
1	Yoann John Ricau	Supervisory board member
2	Karita Sall	Supervisory board member
3	Martin Louis Wilson	Supervisory board member

Financial Statements


Acetonitrile
Dimethyl Sulfoxide, Dyclrol Ether

Financial Results

Revenue

The Group's consolidated revenue decreased by 50% year-on-year, reaching EUR 1,146,602 in 2025 (2024: EUR 2,294,628).

	2025 €	2024 €	Change %
Research and development in biotechnology	**842,844**	1,933,184	**(56%)**
Generic drugs	**303,758**	361,444	**(16%)**
Total Revenue	**1,146,602**	2,294,628	**(50%)**

Research and Development Service Revenue

Revenue from research and development activities decreased by 56% year-over-year, amounting to EUR 842,844 in 2025 (2024: EUR 1,933,184). This figure includes pass-through revenues of EUR 221,267 (2024: EUR 1,099,535).
The decrease reflects the Company's strategic focus on the development of its own products, which reduced the volume of external service revenue. Due to the structure of the product development agreement entered into in March 2025, EUR 1,315,712 was recognized as a prepayment rather than service revenue.
Adjusted for pass-through revenues and the accounting treatment of the above-mentioned receipts, revenue from research and development activities amounted to EUR 1,937,289 in 2025 (2024: EUR 833,649).

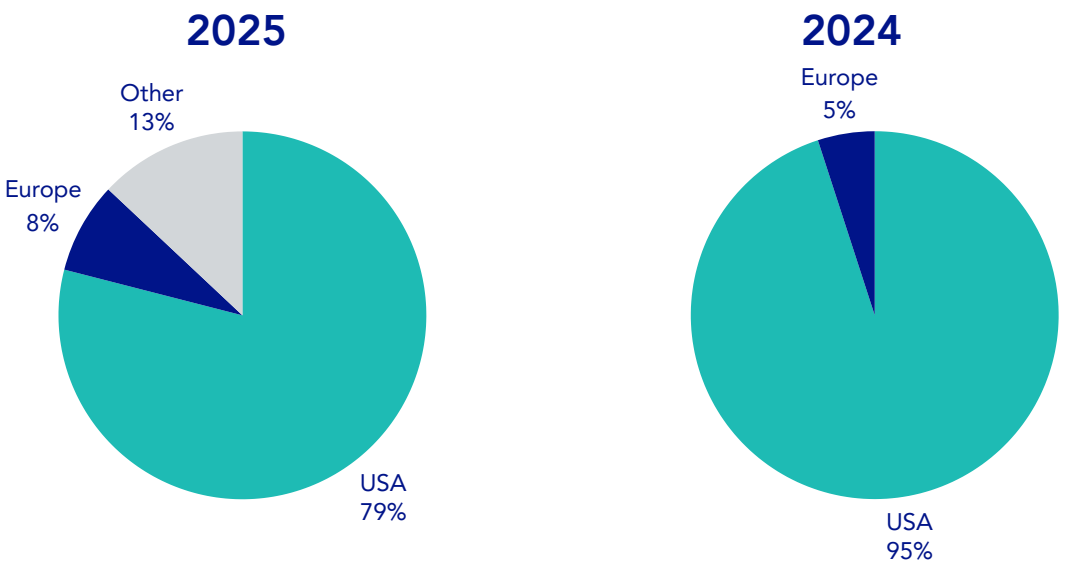
Generic drugs

Revenue from the sale of generic pharmaceuticals amounted to EUR 303,758 in 2025 (2024: EUR 361,444), representing a year-on-year decrease of 16%. As the products are sold in the United States, the decline in revenue was primarily driven by the weakening of the U.S. dollar against the euro.

Geographical distribution

Revenue breakdown by geography in 2025:

- United States: 79% of total revenue (2024: 95%), reflecting the impact of the accounting treatment described above.
- European Union: 8% of total revenue (2024: 5%).
- Other countries: 13% of total revenue (2024: 0%).



Direct costs

Direct costs amounted to EUR 1,009,140 in 2025, representing 88% of revenue (2024: EUR 1,848,721, 81% of revenue).
Direct costs include:

- cost of goods sold
- materials and services related to research and development
- services directly related to the generation of development service revenues, including pass-through costs

Pass-through costs amounted to EUR 246,917 in 2025 (2024: EUR 1,102,892). Excluding pass-through revenue and costs, the ratio of direct costs to revenue would have been 82% (2024: 62%).

Other operating expenses

Operating expenses remained broadly in line with the previous period in 2025, amounting to EUR 1,220,102 (2024: EUR 1,215,606). The slight increase was primarily driven by higher regulatory and licensing costs, including FDA fees and pharmacovigilance-related expenses.

Employee expense

The average number of employees at J. Molner increased to 36 in 2025 (2024: 33). As a result, personnel expenses increased to EUR 2,119,221 in 2025 (2024: EUR 1,614,070). The increase was primarily driven by the strategic expansion of the team, higher average salary levels, and an increase in expenses related to the share option program.
As investments in the development of the Company's own products, 27% of personnel expenses were capitalized in 2025 (EUR 567,403) (2024: 33%, i.e. EUR 533,051).

Interest expenses

The Company's interest expenses increased by 42% in 2025, amounting to EUR 482,947 (2024: EUR 339,729). The increase was primarily driven by higher loan liabilities, reflecting the need to finance the development of the Company's own products.

Other income and financial income and expenses

Other operating income primarily reflects the impact of the capital structure restructuring as well as foreign exchange movements. Other operating income amounted to EUR 3,355,326 in 2025 (2024: EUR 80,814), of which EUR 3,322,429 related to the write-down of loan liabilities resulting from the partial waiver of claims by creditors as part of the capital structure restructuring.
In 2025, the Company carried out a capital structure restructuring with the aim of strengthening its financial position and supporting further development. As part of this process, the Company increased its share capital and entered into agreements with creditors, under which a portion of loan liabilities was converted into equity and part of the claims was waived.
Other finance income and expenses amounted to EUR 315,890 in 2025 (2024: EUR (162,004)) and primarily consisted of the impact of foreign exchange fluctuations.

Cash flow

As at 31 December 2025, the Group's cash balance amounted to EUR 214,483 (31 December 2024: EUR 215,550). Overall, cash and cash equivalents remained stable year-on-year, with a net decrease of EUR 1,067.

Operating Cash Flow

The Company's cash flow from operating activities was EUR (1,508,756) in 2025 (2024: EUR (1,888,707)). The cash outflow primarily reflects increased payments to suppliers and continued investment in development activities, partially offset by other operating cash inflows. As the Company remains in a growth phase, it continues to require external funding and does not yet generate sufficient positive cash flow to finance its operations independently.

Investing Cash Flow

Cash flow from investing activities amounted to EUR (1,050,249) in 2025 (2024: EUR (749,529)) and mainly consisted of the capitalization of development costs into intangible assets, reflecting increased investment in the Company's product pipeline.

Financing Cash Flow

Cash flow from financing activities amounted to EUR 2,557,938 in 2025 (2024: EUR 2,761,264), providing funding for both operating and development activities. The cash inflow was primarily driven by loan agreements entered into at the end of 2024 and during 2025, partially offset by loan repayments.

Financial ratios

	2025 **€**	2024 €
Current ratio	**0.93**	0.68
Net Working Capital	**(75,516)**	(482,564)
EBITDA	**556,679**	(1,827,186)
Equity Ratio, %	**39.37**	20.35
Net profit margin, %	11.52	-106.28
Total Debt Ratio, %	0.61	0.80

Consolidated statement of financial position

	Note	31.12.2025 €	31.12.2024 €
Assets			
Current assets			
Cash and cash equivalents	2	**214,483**	215,550
Receivables and prepayments	3.4	**462,333**	587,347
Inventories	5	**272,858**	219,176
Total current assets		**949,674**	1,022,073
Non-current assets			
Investments in subsidiaries and associates		**0**	262
Receivables and prepayments	3	**9,415**	9,415
Property, plant, and equipment	7	**248,604**	285,792
Intangible assets	8	**4,162,413**	3,228,189
Total non-current assets		**4,420,432**	3,523,658
Total assets		**5,370,106**	4,545,731
Liabilities and equity			
Liabilities			
Current liabilities			
Loan liablities	9,18	**0**	264,128
Payables and prepayments	10,4	**1,025,190**	1,240,509
Total current liabilities		**1,025,190**	1,504,637
Non-current liabilities			
Loan liabilities	9	**744,218**	2,116,257
Payables and prepayments	10	**1,486,222**	0
Total non-current liabilities		**2,230,440**	2,116,257
Total liabilities		**3,255,630**	3,620,894
Equity			
Issued capital	12	**1,686,001**	1,686,001
Unregistered equity		**4,979,790**	0
Share premium		**612,327**	612,327
Other reserves		**1,014,757**	4,937,000
Retained earnings (loss)		**(6,310,491)**	(3,871,870)
Period profit (loss)		**132,092**	(2,438,621)
Total equity		**2,114,476**	924,837
Total liabilities and equity		**5,370,106**	4,545,731

Consolidated income statement

	Note	2025 €	2024 €
Revenue	13	**1,146,602**	2,294,628
Other income	17	**3,355,326**	80,814
Work performed by entity and capitalised		**567,403**	533,051
Raw materials and consumables used	14	**(1,009,140)**	(1,848,721)
Other operating expense	15	**(1,220,102)**	(1,215,606)
Employee expense	16	**(2,119,221)**	(1,614,070)
Depreciation and impairment loss (reversal)	7,8	**(257,530)**	(109,702)
Other expense		**(164,189)**	(57,282)
Operating profit (loss)		**299,149**	(1,936,888)
Interest expenses	9	**(482,947)**	(339,729)
Other financial income and expense	19	**315,890**	(162,004)
Profit (loss) before tax		**132,092**	(2,438,621)
Period profit (loss)		**132,092**	(2,438,621)
Profit (loss) attributable to owners of the parent company		**132,092**	(2,438,621)

Consolidated statement of cash flows

	Note	2025 €	2024 €
Cash flows from operating activities			
Receipts of sales of goods and rendering of services		**1,247,946**	1,844,412
Payments to suppliers for goods and services		**(2,521,881)**	(2,155,372)
Payments to employees		**(947,365)**	(779,805)
Other cash flows from operating activities		**712,544**	(797,942)
Total cash flows from operating activities		**(1,508,756)**	(1,888,707)
Cash flows from investing activities			
Purchase of property, plant and equipment and intangible assets		**(1,056,254)**	(749,635)
Interest received		**180**	106
Other payments to investing activities		**5,826**	0
Total cash flows from investing activities		**(1,050,249)**	(749,529)
Cash flows from financing activities			
Loans received		**2,802,087**	2,761,264
Repayments of loans received		**(256,583)**	0
Other cash inflows from financing activities		**12,434**	0
Total cash flows from financing activities		**2,557,938**	2,761,264
Total cash flows		**(1,067)**	123,028
Cash and cash equivalents at beginning of period	2	**215,550**	92,522
Change in cash and cash equivalents		**(1,067)**	123,028
Cash and cash equivalents at end of period	2	**214,483**	215,550

Consolidated statement of changes in equity

	Equity held by shareholders and partners in parent company					
	Issued capital €	Unregistered equity €	Share premium €	Other reserves €	Retained earnings (loss) €	Total €
31.12.2023	1,686,001	0	612,327	1,836,711	(3,871,870)	263,169
Period profit (loss)	0	0	0	0	(2,438,621)	(2,438,621)
Changes in reserves	0	0	0	3,100,289	0	3,100,289
31.12.2024	1,686,001	0	612,327	4,937,000	(6,310,491)	924,837
Period profit (loss)	0	0	0	0	132,092	132,092
Issue of equity shares	0	4,979,790	0	0	0	4,979,790
Changes in reserves	0	0	0	(3,922,243)	0	(3,922,243)
31.12.2025	**1,686,001**	**4,979,790**	**612,327**	**1,014,757**	**(6,178,399)**	**2,114,476**

In 2025, other reserves decreased by EUR 3,922,243. This change primarily reflects the reclassification of EUR 6,474,945 into subordinated loans in accordance with the capital restructuring process. At the same time, increases in the voluntary reserve of EUR 2,450,000 and the option reserve of EUR 102,702 were also recognized within other reserves.
In addition, unregistered equity includes EUR 4,979,790 related to the non-cash contribution made for the subscription of new shares as part of the capital restructuring process.

Notes to the consolidated financial statements

1. Accounting policies

General information

The consolidated annual financial statements of J. Molner AS for the financial year 2025 have been prepared in accordance with the Estonian financial reporting standard. The Estonian financial reporting standard is based on the Accounting Act of the Republic of Estonia and is supplemented by guidelines issued by the Accounting Standards Board.

These financial statements represent an audited consolidated annual report of a small-sized entity.

The financial statements have been prepared in euros.

The principal accounting policies applied in the preparation of these financial statements are set out below.

Changes in accounting policies or presentation of information

In 2025, the accounts Leases, Equipment rent and Utilities were reclassified from "Goods, raw materials, supplies and services" to "Other operating expenses".

The expense is reflected in the corresponding items in the note "Other operating expenses".

The comparative information for 2024 has been restated accordingly - the item "Goods, raw materials, materials and services" decreased by 87,047 euros, totaling 1,848,721 euros, and the item "Other operating expenses" increased by 87,047 euros, totaling 1,215,606 euros.

Preparation of consolidated statements

In the audited consolidated annual financial statements, all subsidiaries are consolidated on a line-by-line basis. All intra-group balances and transactions, as well as unrealized profits and losses arising from such transactions, have been eliminated.

Separate non-consolidated main statements of the consolidating entity (parent company) are published in the appendices to the audited consolidated annual financial statements. The parent company's basic reports have been prepared using the same accounting principles that have been applied in the preparation of the consolidated interim report, except for investments in subsidiaries and affiliates, which are reflected in the unconsolidated report using the acquisition cost method.

A subsidiary is an entity over which the parent company has control. Control exists when the parent company directly or indirectly holds more than 50% of the voting rights or is otherwise able to govern the financial and operating policies of the subsidiary.

Financial assets

The company has the following financial asset: cash. Financial assets are initially recognized at cost, this being the fair value of the consideration given. The acquisition cost includes all expenditures directly related to the purchase of the financial asset. All regular purchases and sales of financial assets in market value are recognized on the transaction date. Following initial recognition, financial assets are measured based on their type either at fair value, at acquisition cost or at amortized cost.

Financial assets are derecognized when the company loses the right to receive cash flows from the financial asset or it transfers the financial asset, the cash flows from the financial assets and the majority of risks and rewards to other parties.

Cash

Cash and cash equivalents in the balance sheet and in the cash flow statement include cash in bank accounts (except overdraft).

Foreign currency transactions and assets and liabilities denominated in a foreign currency

The company's functional currency is the Euro, all other currencies are deemed foreign currencies. Transactions denominated in foreign currencies are recorded on the basis of the foreign currency exchange rates of the European Central Bank officially valid on the transaction date. Monetary assets and liabilities (receivables paid in cash and loans) denominated in foreign currency are translated at balance sheet date into Euros based on the official foreign exchange rates of the European Central Bank. Gains and losses on foreign currency revaluations are recognized in the income statement in the corresponding accounting period. Non-monetary assets and liabilities denominated in foreign currencies, which are not carried at fair value (eg. prepayments, property, plant and equipment and intangible assets), are not revalued at balance sheet date, but instead are recorded with the exchange rate of the European Central Bank that was valid on the transaction date.

Shares of subsidiaries and associates

A company over which the parent company has a dominant influence is considered a subsidiary company. Dominant influence is assumed if the parent company directly or through subsidiaries owns more than 50% of the subsidiary's voting rights. Dominant influence also exists if the parent company owns 50% or less of the voting power in the subsidiary, but the parent company: (1) has actual controlling influence over more than 50% of the voting power by agreement with other investors; (2) has a dominant influence over the company's financial and operating policy based on the articles of association or contract; (3) can appoint or recall the majority of the members of the executive management and higher management bodies (e.g. the company's management board and supervisory board); or (4) can determine the decisions of executive management and senior management meetings.

Investments in subsidiaries are recorded on the balance sheet using the acquisition cost method.

Receivables and prepayments

Accounts receivable are receivables arising from ordinary business transactions of the company. Accounts receivables are recorded using the amortized cost method (i.e. nominal value less impairment loss).

The collectability of the accounts receivable is considered separately by each customer. Accounts receivable, which partly or fully are not expected to be collected, are expensed and reported in the income statement as “Other operating expense”. Receivables, collection of which is not feasible nor economically justified, are considered to be non-collectible and written-off from the balance sheet.

Receipt of doubtful receivables previously written down is recognized as a decrease in the expense of doubtful receivables.

Inventories

Inventories are initially recognized at cost which comprises costs of purchase, production costs and other costs incurred in bringing the inventories to their present location and condition.

Inventories are expensed using the FIFO method.

Inventories are measured in the balance sheet at the lower of cost or net realizable value. Net realizable value is the estimated selling price of a product in the ordinary course of business less the estimated costs of completion and those necessary to make the sale.

Plant, property and equipment and intangible assets

Property, plant and equipment are assets used in the company's own business activities with a useful life exceeding one year and the cost of at least EUR 1,350.

A property, plant and equipment are initially recorded at cost which comprises the purchase price and other costs directly attributable to the acquisition that are necessary for bringing the asset to its operating condition and location. Property, plant and equipment are carried in the balance sheet at acquisition cost, less accumulated depreciation and any accumulated impairment losses.

If the major components of an item of property, plant and equipment have significantly different useful lives, these components shall be recognized initially as separate items of property, plant and equipment and separate depreciation rates shall be assigned to them depending on their useful lives.

An intangible asset is initially recorded at a cost which comprises the purchase price and other costs directly attributable to the acquisition. An intangible asset is carried in the balance sheet at its cost, less accumulated amortization and any accumulated impairment losses.

Pharmaceutical products in development are recorded as unfinished projects. Once products in development are approved for sale, the amounts will be allocated to product rights and will be amortized. Unfinished projects include also product acquisition costs representing product rights obtained from third parties possessing regulatory approvals in respective markets, however, production of which has not yet started. Product acquisition costs are reclassified as intangible assets in use and will be amortized once products are commercialized.

Minimal acquisition cost: EUR 1,350

Useful life by assets group (years):

Assets group name	Useful life
Machinery and equipment	5-20
Other property, plant and equipment	2-10
Concessions, patents, licenses, trademarks	10
Other intangible assets	10

The company performs an impairment test at each balance sheet date on those assets where there is any indication of potential impairment.

An impairment test is performed to determine the recoverable amount of an asset, which is the higher of the two indicators – fair value of an asset (less costs to sell) and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the use of an asset and from the disposal at the end of its useful life.

When an impairment test is not feasible for an individual asset because the cash flows being generated by the asset are indistinguishable from the cash flows of the rest of the entity, an impairment test shall be performed for the cash-generating unit to which the asset belongs.

Assets are written down to their recoverable amount if the recoverable amount of the asset is lower than it carrying amount. The impairment loss is recognized on an accrual basis as an expense in the income statement under "Depreciation and impairment loss".

Products in development are subject to the annual impairment testing. These valuations reflect, among other things, the impact of changes to the development programs, the projected development and regulatory time frames and the current competitive environment.

Recording of property, plant and equipment and intangible assets is finished in case of disposal of the asset or in case the economic benefits are no longer expected from use or sale of the asset.

The straight-line method is used for depreciating property, plant and equipment. The depreciation rates are assigned to each item of property, plant and equipment or major component separately, based on the useful life of the specific item.

The straight-line method is used for amortizing intangible assets. The amortization rates are assigned to each item of intangible asset, based on the useful life of the specific item.

Leases

Lease transactions, where all material risks and rewards from the ownership of an asset are transferred to the lessee, are treated as finance lease. All other lease transactions are treated as operating leases.

Operating lease payments are recorded as expenses based on straight-line method over the entire lease period.

Financial liabilities

Financial liabilities (trade payables, received loans, accrued expenses) are initially measured at cost, which is the fair value of consideration received. The initial cost of financial liabilities includes all direct transaction costs. Subsequently the financial liabilities are recorded at amortized cost.

The amortized cost of short-term liabilities, in general, is equal to their nominal value. Therefore, they are recognized in the amount required to settle the liability. For calculating the amortized cost of long-term financial liabilities, the effective interest rate method is used.

A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expires.

A financial liability is classified as long-term in the balance sheet if it is due more than 12 months after the balance sheet date. All other liabilities are classified as short-term.

Government Grants

Grants related to operations are recognised as income when receipt of the grant is virtually certain and the substantive conditions attached to the grant have been met. Grants received for which the conditions for recognition as income have not been met are recognised in the statement
of financial position as a liability and classified as current or non-current depending on when the related grant conditions are expected to
be fulfilled.

The advance receipt or payment of a grant does not in itself provide evidence that all substantive conditions imposed by the grantor have
been or will be met. Such amounts are recognised as a liability until the conditions for recognising the grant as income have been fulfilled.

Revenue recognition

Revenue from the sale of goods is recognized when all significant risks related to ownership of goods are transferred to the buyer, the sales revenue and transaction costs can be reliably measured and the receipt of payment from the transaction is probable.

Revenue from services is recognized in the period the services are rendered, assuming that the receipt of payment from the transaction is probable and the sales
revenue and the expenses related to providing the services can be reliably measured.

Taxation

According to the Income Tax Act applicable in Estonia, the annual profit of a company is not taxed in Estonia. A company's income tax liability arises upon the distribution of dividends or other profit distributions. As of January 1, 2025, the personal and corporate income tax rate in Estonia increased from the current 20% to 22%, and the lower corporate income tax rate on regularly distributed profits has been cancelled. The general tax rate on distributed profits is 22/78.

Income tax is levied on profit distributions, fringe benefits, gifts, donations, reception expenses, expenses unrelated to business activities, and transfer pricing adjustments. The applicable tax rate is 22/78 of the taxable amount.

Due to the specifics of Estonia's taxation system, companies registered in Estonia do not have differences between the tax base and carrying values of assets, and therefore, no deferred tax assets or liabilities arise.

Updated Tax Rates
Effective from 1 July 2025, Estonia's standard Value Added Tax (VAT) rate increased from 22% to 24%. Reduced VAT rates remained unchanged (9% and 5%).

Related parties

The following are considered as related parties in the preparation of the annual report of J. Molner AS in 2025:

- owner
- members of management board
- companies under control or significant influence of aforementioned individuals or their close relatives.

2. Cash

	31.12.2025 €	31.12.2024 €
Cash	**214,483**	215,550
Total cash	**214,483**	215,550

3. Receivables and prepayment

		Allocation by remaining maturity	
	31.12.2025 €	Within 12 months €	1-5 years €
Accounts receivables	**160,518**	**160,518**	**0**
Tax prepayments and receivables	**21,704**	**21,704**	**0**
Prepayments			
Deferred expenses	**0**	**0**	**0**
Other paid prepayments	**289,526**	**280,111**	**9,415**
Total prepayments	**289,526**	**280,111**	**9,415**
Total receivables and prepayments	**471,748**	**462,333**	**9,415**

		Allocation by remaining maturity	
	31.12.2024 €	Within 12 months €	1-5 years €
Accounts receivables	292,416	292,416	0
Tax prepayments and receivables	16,181	16,181	0
Prepayments			
Deferred expenses	5,855	5,855	0
Other paid prepayments	282,310	272,895	9,415
Total prepayments	288,165	278,750	9,415
Total receivables and prepayments	596,762	587,347	9,415

4. Tax prepayments and liabilities

	31.12.2025 €		31.12.2024 €	
	Tax prepayments	Tax liabilities	Tax prepayments	Tax liabilities
Value added tax	**21,704**	**0**	16,181	0
Personal income tax	**0**	**39,581**	0	42,171
Fringe benefit income tax	**0**	**1,455**	0	985
Social tax	**0**	**77,028**	0	69,909
Contributions to mandatory funded pension	**0**	**6,860**	0	4,513
Unemployment insurance tax	**0**	**4,841**	0	5,057
Total tax prepayments and liabilities	**21,704**	**129,765**	16,181	122,635

5. Inventories

	31.12.2025 €	31.12.2024 €
Raw materials	**79,799**	14,512
Merchandise	**193,059**	204,664
Total Inventories	**272,858**	219,176

6. Shares of subsidiaries

				Share of subsidiaries, general information	
				Ownership interest (%)	
Subsidiary's registry code	Name of subsidiary	Country of incorporation	Principal activity	31.12.2024	31.12.2025
16049586	The J. Molner Company OÜ	Estonia	Research and development in the field of biotechnology	**100**	100
87-2118750	The J. Molner Company LLC	USA	Wholesale	**100**	100
99-4998744	Nordisk Element LLC	USA	Sale of cosmetic products	**100**	100
17251775	Nordisk Element OÜ	Estonia	Sale of cosmetic products	**0**	100

				Acquired ownership interest
Subsidiary's registry code	Name of subsidiary	Acquired ownership interest	Acquisition date	Cost of acquired ownership interest
16049586	The J. Molner Company OÜ	100	06.09.2022	1,600,000
87-2118750	The J. Molner Company LLC	100	09.01.2023	467
99-4998744	Nordisk Element LLC	100	06.09.2024	0
17251775	Nordisk Element OÜ	100	30.05.2025	0

7. Property, plant and equipment

	Computers and computer systems €	Other machinery and equipment €	Machinery and equipment €	Other property, plant and equipment €	Total €
31.12.2023					
Carried at cost	26,360	228,841	255,201	7,468	262,669
Accumulated depreciation	(4,079)	(44,939)	(49,018)	(249)	(49,267)
Residual cost	22,281	183,902	206,183	7,219	213,402
Acquisitions and additions	3,197	60,266	63,463	50,336	113,799
Depreciation	(5,540)	(31,184)	(36,724)	(4,685)	(41,409)
31.12.2024					
Carried at cost	29,557	289,107	318,664	57,804	376,468
Accumulated depreciation	(9,619)	(76,123)	(85,742)	(4,934)	(90,676)
Residual cost	19,938	212,984	232,922	52,870	285,792
Acquisitions and additions	0	9,105	9,105	2,248	11,353
Depreciation	(5,982)	(36,549)	(42,531)	(6,010)	(48,541)
31.12.2025					
Carried at cost	**29,557**	**298,212**	**327,769**	**60,052**	**387,821**
Accumulated depreciation	**(15,601)**	**(112,672)**	**(128,273)**	**(10,944)**	**(139,217)**
Residual cost	**13,956**	**185,540**	**199,496**	**49,108**	**248,604**

8. Intangible assets

	Computer software €	Concessions, patents, licenses, trademarks €	Other intangible assets €	Total €
31.12.2023				
Carried at cost	5,152	481,449	1,948,869	2,435,470
Accumulated depreciation	(1,288)	(7,875)	0	(9,163)
Residual cost	3,864	473,574	1,948,869	2,426,307
Acquisitions and additions	0	976,754	1,151,176	2,127,930
Depreciation	(515)	(67,777)	0	(68,292)
Reclassification	0	0	(1,257,756)	(1,257,756)
31.12.2024				
Carried at cost	5,152	1,458,203	1,842,289	3,305,644
Accumulated depreciation	(1,803)	(75,652)	0	(77,455)
Residual cost	3,349	1,382,551	1,842,289	3,228,189
Acquisitions and additions	3,000	2,796	1,137,417	1,143,213
Depreciation	(1,015)	(207,974)	0	(208,989)
Reclassification	46,931	681,477	(728,408)	0
31.12.2025				
Carried at cost	**55,083**	**2,142,476**	**2,251,297**	**4,448,856**
Accumulated depreciation	**(2,818)**	**(283,626)**	**0**	**(286,444)**
Residual cost	**52,265**	**1,858,851**	**2,251,297**	**4,162,413**

9. Loan commitments

		Allocation by remaining maturity					
	31.12.2025 €	Within 12 months €	1-5 years €	Over 5 years €	Interest rate	Base currencies	Due date
Current loans							
Short-term shareholder loan, EUR	**0**	**0**	**0**	**0**	**5%**	**EUR**	**31.12.2023**
Short-term shareholder loan, USD	**0**	**0**	**0**	**0**	**5%**	**USD**	**31.12.2023**
Current loans total	**0**	**0**	**0**	**0**			
Non-current loans							
Long-term loan	**0**	**0**	**0**	**0**	**5%**	**USD**	**20.09.2026**
Long-term loan, USD	**640,748**	**0**	**640,748**	**0**	**7%**	**USD**	**06.04.2028**
Long-term loan, USD	**103,470**	**0**	**103,470**	**0**	**7%**	**USD**	**06.04.2028**
Non-current loans total	**744,218**	**0**	**744,218**	**0**			
Loan commitments total	**744,218**	**0**	**744,218**	**0**			

		Allocation by remaining maturity					
	31.12.2024 €	Within 12 months €	1-5 years €	Over 5 years €	Interest rate	Base currencies	Due date
Current loans							
Short-term shareholder loan, EUR	92,169	92,169	0	0	5%	EUR	31.12.2023
Short-term shareholder loan, USD	171,959	171,959	0	0	5%	USD	31.12.2023
Current loans total	264,128	264,128	0	0			
Non-current loans							
Long-term loan, USD	120,517	0	120,517	0	5%	USD	20.09.2025
Long-term loan, USD	535,644	0	535,644	0	7%	USD	06.04.2028
Long-term loan, USD	1,460,096	0	1,460,096	0	7%	USD	06.04.2028
Non-current loans total	2,116,257	0	2,116,257	0			
Loan commitments total	2,380,385	264,128	2,116,257	0			

The Company's interest expenses arise from the loan liabilities disclosed in this note. Interest expense for 2025 amounted to EUR 482,947 (2024: EUR 339,729) and is related to loans obtained to finance the Company's operations and product development activities.

10. Payables and prepayments

	Note	31.12.2025 €	Within 12 months €	1-5 years €
Trade payables		**532,163**	**532,163**	**0**
Employee payables	10	**106,031**	**106,031**	**0**
Tax payables		**129,765**	**129,765**	**0**
Other payables		**253,973**	**253,973**	**0**
Other received prepayments		**3,258**	**3,258**	**0**
Other accrued expenses		**1,486,222**	**0**	**1,486,222**
Total payables and prepayments		**2,511,412**	**1,025,190**	**1,486,222**

	Note	31.12.2024 €	Within 12 months €	1-5 years €
Trade payables		560,721	560,721	0
Employee payables	10	92,881	92,881	0
Tax payables		122,635	122,635	0
Other payables		460,422	460,422	0
Other received prepayments		3,850	3,850	0
Other accrued expenses		0	0	0
Total payables and prepayments		1,240,509	1,240,509	0

In the US, labor taxes are paid quarterly, by the last day of the month following the end of the quarter.

11. Employee payables

	31.12.2025 €	31.12.2024 €
Remuneration liability	**82,877**	68,916
Vacation pay liability	**23,154**	23,965
Total employee payables	**106,031**	92,881

12. Share capital

	31.12.2025 €	31.12.2024 €
Share capital	**1,686,001**	1,686,001
Number of shares (pcs)	**1,686,001**	1,686,001
Nominal value of shares	**1**	1

13. Revenue

	31.12.2025 €	31.12.2024 €
Net sales by geographical location		
Net sales in European Union		
Estonia	**6,894**	51,440
Latvia	**51,984**	62,554
Greece	**34,515**	0
Total net sales in European Union	**93,393**	113,994
Net sales outside of European Union		
United States of America	**904,283**	2,173,227
Canada	**11,551**	7,407
Australia	**137,375**	0
Total net sales outside of European Union	**1,053,209**	2,180,634
Total net sales	**1,146,602**	2,294,628
Net sales by operating activities		
Research and development in the field of biotechnology	**842,844**	1,933,184
Sale of goods	**303,758**	361,444
Total net sales	**1,146,602**	2,294,628

14. Goods, raw materials, and services

	31.12.2025 €	31.12.2024 €
Raw materials	**188,341**	117,747
Inventory write-off	**227,870**	79,286
Goods purchased for resale	**(160,903)**	470,646
Services purchased for resale	**402,000**	783,474
Transportation expense	**4,025**	4,569
Other	**347,807**	392,999
Total goods, raw materials, and services	**1,009,140**	1,848,721

In 2025, expenses related to leases, equipment rent and utilities were reclassified from "Goods, raw materials, supplies and services" to "Other operating expenses". The comparative period has been restated accordingly.

15. Other operating expenses

	31.12.2025 €	31.12.2024 €
Leases	**121,402**	119,601
Energy		
Electricity	**24,544**	22,827
Heat energy	**5,055**	4,181
Total energy	**29,599**	27,008
Water supply services	**1,551**	1,862
Miscellaneous office expenses	**433,221**	511,194
Travel expense	**102,313**	157,843
Training expense	**26,538**	45,710
State and local taxes	**810**	500
Other	**504,670**	351,888
Total miscellaneous operating expenses	**1,220,102**	1,215,606

In 2025, expenses related to leases, equipment rent and utilities were reclassified from "Goods, raw materials, supplies and services" to "Other operating expenses". The comparative period has been restated accordingly.
During the reporting year, fees charged by the audit firm amounted to a total of EUR 20,681 (2024: EUR 23,542), of which audit fees accounted for EUR 19,181 (2024: EUR 23,542) and fees for other assurance services amounted to EUR 1,500 (2024: EUR 0).

16. Labor expense

	31.12.2025 €	31.12.2024 €
Wages and salary expense	**1,564,792**	1,225,904
Social security taxes	**451,727**	347,822
Option cost	**102,702**	40,344
Total labor expense	**2,119,221**	1,614,070
Average number of employees in full time equivalent units	**36**	33
Average number of employees by types of employment		
Person employed under employment contract	**36**	32
Person providing service under law of obligations, except for self-employed person	**0**	1

17. Other income

	31.12.2025 €	31.12.2024 €
Other income	**3,355,326**	80,814
Total other income	**3,355,326**	80,814

Other income in 2025 mainly consisted of the effects arising from the capital structure restructuring and foreign exchange movements.
In 2025, the Company carried out a capital structure restructuring, as part of which agreements were reached with creditors under which a portion of loan liabilities was converted into equity and creditors partially waived their claims. The effect of the waiver of claims was recognized in other income as a write-down of loan liabilities.
Other income amounted to EUR 3,355,326 in 2025 (2024: EUR 80,814), of which EUR 3,322,429 related to the write-down of loan liabilities resulting from the capital structure restructuring. The remaining other income primarily consisted of gains from foreign exchange movements.

18. Related parties

Related party balances according to groups - short term

	Note	31.12.2025 €	31.12.2024 €
Loan commitments			
Management and higher supervisory body and individuals with material ownership interest and material influence of management and higher	9	**0**	264,128
Total loan commitments		**0**	264,128

Loan commitments

	Note	31.12.2023 €	Loans received €	Loans repayments €	31.12.2024 €	Interest accrued for period €
Management and higher supervisory body and individuals with material ownership interest and material influence of management and higher	9	267,645	13,601		264,128	10,082
Total loan commitments		267,645	13,601		264,128	10,082

	Note	31.12.2024 €	Loans received €	Loans repayments €	31.12.2025 €	Interest accrued for period €
Management and higher supervisory body and individuals with material ownership interest and material influence of management and higher	9	264,128	264,128		**0**	**0**
Total loan commitments		264,128	264,128		**0**	**0**

Remuneration and other significant benefits calculated for members of management and highest supervisory body

	31.12.2025 €	31.12.2024 €
Remuneration	**190,698**	180,002

19. Other financial income and expense

	31.12.2025 €	31.12.2024 €
Foreign exchange gain (loss)	**315,710**	(166,077)
Interest income	**180**	106
Other	**0**	3,967
Total other financial income and expense	**315,890**	(162,004)

20. Significant Events After the Reporting Date

The following material events occurred after the reporting date of 31 December 2025 but before the approval of these financial statements.

Acquisition Transaction in the U.S. Generic Pharmaceuticals Market
Following the end of the 2025 reporting period, but before the approval of these financial statements, the J. Molner AS Group completed a significant acquisition transaction in the U.S. generic pharmaceuticals market on 1 June 2026. The Group acquired a portfolio of generic and specialty pharmaceutical products marketed in the United States, comprising 13 pharmaceutical registrations approved by the U.S. Food and Drug Administration (FDA) across four therapeutic areas: critical care, ophthalmology, specialty oral pharmaceuticals, and hematology/oncology.
The transaction represents a non-adjusting event after the reporting date and therefore does not require adjustment of the amounts reported in the 2025 financial statements. The transaction has a significant impact on the Group's asset base and will affect the Group's consolidated financial statements for 2026. The precise financial impact of the transaction on the 2026 consolidated financial statements cannot be reliably estimated as of the date of preparation of these financial statements, as it depends on the actual economic realization of the acquired assets.

Loan Agreement
Following the reporting period, J. Molner AS entered into a loan agreement with a principal amount of USD 7,000,000. The loan bears annual interest of 10% and has a term of three years.
The execution of the loan agreement represents a non-adjusting event after the reporting date and does not require adjustment of the amounts reported in the 2025 financial statements.

21. Non-consolidated statement of financial position

	31.12.2025 €	31.12.2024 €
Assets		
Current assets		
Cash and cash equivalents	**5**	0
Receivables and prepayments	**63**	6,497
Total current assets	**68**	6,497
Non-current assets		
Investments in subsidiaries and associates	**1,600,467**	1,600,467
Receivables and prepayments	**5,921,486**	2,030,149
Total non-current assets	**7,521,953**	3,630,616
Total assets	**7,522,021**	3,637,113
Liabilities and equity		
Liabilities		
Current liabilities		
Payables and prepayments	**144,386**	72,298
Total current liabilities	**144,386**	72,298
Non-current liabilities		
Loan liabilities	**640,748**	1,460,096
Total non-current liabilities	**640,748**	1,460,096
Total liabilities	**785,134**	1,532,394
Equity		
Issued capital	**1,686,001**	1,686,001
Unregistered equity	**4,979,790**	0
Share premium	**612,327**	612,327
Other reserves	**164,757**	62,055
Retained earnings (loss)	**(255,665)**	(173,471)
Period profit (loss)	**(450,323)**	(82,193)
Total equity	**6,736,887**	2,104,719
Total liabilities and equity	**7,522,021**	3,637,113

22. Non-consolidated income statement

	31.12.2025 €	31.12.2024 €
Other income	**296,411**	0
Other operating expense	**(78,558)**	(68,070)
Employee expense	**(102,702)**	(40,344)
Other expense	**(296,411)**	(40,344)
Total operating profit (loss)	**(181,260)**	(108,414)
Interest expenses	**(82,513)**	(88,058)
Other financial income and expense	**(186,550)**	114,279
Profit (loss) before tax	**(450,323)**	(82,193)
Annual period profit (loss)	**(450,323)**	(82,193)

23. Non-consolidated statement of cash flows

	31.12.2025 €	31.12.2024 €
Cash flows from operating activities		
Payments to suppliers for goods and services	**270**	(3,457)
Other cash flows from operating activities	**(265)**	0
Total cash flows from operating activities	**5**	(3,457)
Total cash flows	**5**	(3,457)
Cash and cash equivalents at beginning of period	**0**	3,457
Change in cash and cash equivalents	**5**	(3,457)
Cash and cash equivalents at end of period	**5**	0

24. Non-consolidated statement of changes in equity

	Equity held by shareholders and partners in parent company					
	Issued capital €	Unregistered equity €	Share premium €	Other reserves €	Retained earnings (loss) €	Total €
31.12.2023	1,686,001	0	612,327	21,711	(173,471)	2,146,568
Period profit (loss)	0	0	0	0	(82,194)	(82,194)
Changes in reserves	0	0	0	40,344	0	40,344
31.12.2024	1,686,001	0	612,327	62,055	(255,665)	2,104,718
Period profit (loss)	0	0	0	0	(450,323)	(450,323)
Issue of equity shares	0	4,979,790	0	0	0	4,979,790
Changes in reserves	0	0	0	102,702	0	102,702
31.12.2025	**1,686,001**	**4,979,790**	**612,327**	**164,757**	**(705,988)**	**6,736,887**
Governing and material influence ownership interest value of financial position	**(1,600,467)**	**0**	**0**	**0**	**0**	**(1,600,467)**
Governing and material influence on the value Of holdings under the equity method	**(634,071)**	**0**	**0**	**0**	**0**	**(634,071)**
Restated non consolidated equity 31.12.2025	**(548,537)**	**4,979,790**	**612,327**	**164,757**	**(705,988)**	**4 502 349**

25. Continuity of operations

The Company is in a growth phase and requires additional funding to support its operations. In 2025, the Company's cash flow from operating activities was negative and the Company does not yet generate sufficient positive cash flows to finance its operations independently.

As at 31 December 2025, the Company's current liabilities exceeded its current assets by EUR 75,516 (current assets EUR 949,674; current liabilities EUR 1,025,190), indicating a negative working capital position and increased pressure on the Company's liquidity.

Management has assessed the Company's ability to continue as a going concern for at least 12 months from the reporting date. The assessment is based on cash flow forecasts, existing cash balances and management's expectations regarding the availability of additional funding.

The Company's ability to continue as a going concern depends on securing additional financing and the realization of existing funding arrangements. Although management considers the raising of additional funding to be probable, not all future financing arrangements have been contractually agreed as at the date of these financial statements.

These conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

These financial statements have been prepared on a going concern basis.

26. Declaration of the Management Board

The Management Board has prepared the consolidated audited annual report of J. Molner, which covers the period ending on December 31, 2025 and confirms the accuracy of the data presented in the report.

Date of completion of the report: June 8, 2026

Jason Michael Atticus Grenfell-Gardner
Chairman of the Management Board

27. Independent Auditor's Report

To the Shareholders of J. Molner AS

Opinion

We have audited the consolidated financial statements of J.Molner AS and its subsidiaries (the Group), which comprise the consolidated balance sheet as at December 31, 2025, and the consolidated income statement, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.
In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Estonian financial reporting standard.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Estonia) (ISA (EE)s). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the International Code of Ethics for Professional Accountants (Estonia) (including International Independence Standards), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information comprises the Management report but does not include the consolidated financial statements and our auditor's report thereon.
Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.
In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation of the consolidated financial statements in accordance with Estonian financial reporting standard, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.
Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA (EE)s will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISA (EE)s, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal Control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Tarmo Rahkama
Sworn Auditor
License number 614

Grant Thornton Baltic OÜ
License number 3
Pärnu mnt 22, 10141 Tallinn
June 8, 2026

28. Loss Coverage Proposal

The Management Board of J. Molner proposes to cover the loss for the financial year ended 31 December 2025 in the amount of €6,178,399 as follows:

	31.12.2025 €
Retained earnings (loss)	**(6,310,491)**
Annual period profit (loss)	**132,092**
Total uncovered loss	**(6,178,399)**
To be covered from profit of future periods	**6,178,399**
Retained earnings after loss coverage	**0**

29. Distribution of the Sales Revenue of the Parent Company

	EMTAK code	Revenue
Business consulting and other management consultancy services	70221	0

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