

SAF Tehnika A/S
Consolidated Interim Report
for Q1 of financial year 2024/2025
(July 1, 2024 – September 30, 2024)

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KEY DATA

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

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

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

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

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

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

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

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Beginning of financial year:	01.07.2024
End of financial year:	30.06.2025
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Share and Shareholdings

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

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

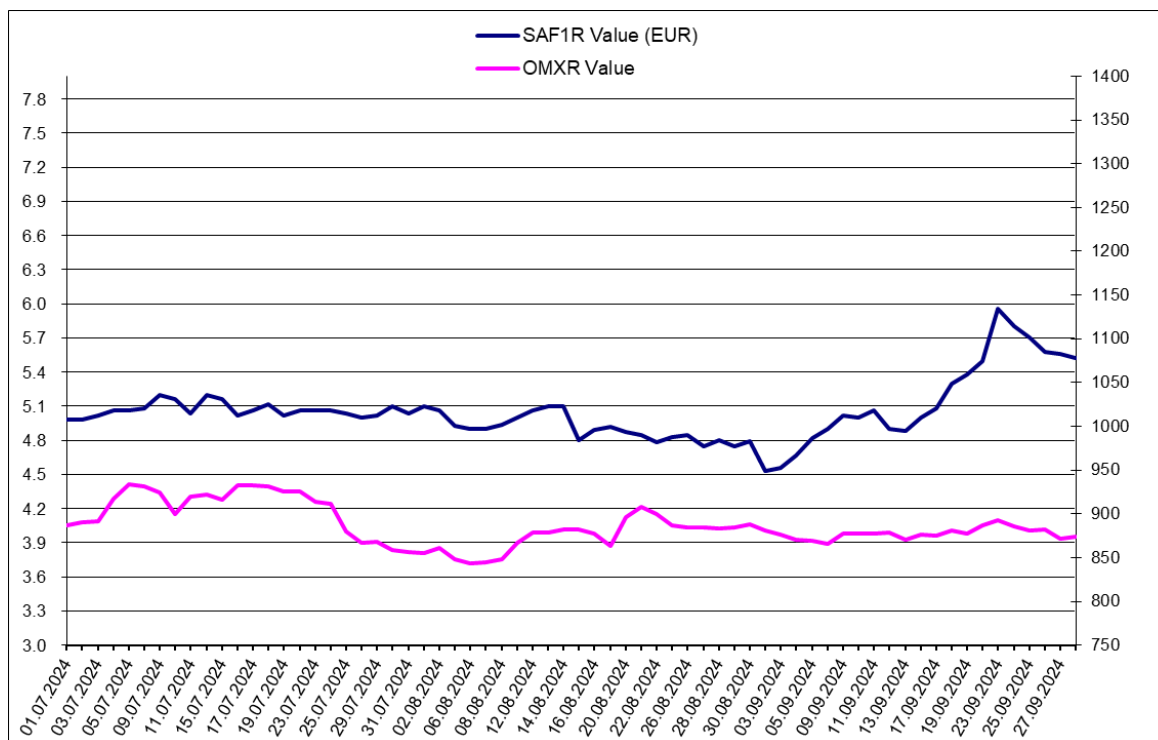
SAF Tehnika share price and OMX Riga index development for the reporting period

SAF Tehnika (SAF1R)

Period: July 1, 2024 – September 30, 2024

Currency: EUR

Marketplace: Nasdaq Riga



Information on Management and Supervisory Board members

SAF Tehnika Management Board:

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

SAF Tehnika Supervisory Board:

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

Information on professional and educational background of the management board members

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

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

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

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

as well as giving lectures in business studies in Riga Business School. Mr.Bergs has graduated Riga Technical University as radio engineer and has an MBA degree from Riga Business School.

Information on professional and educational background of the supervisory council members

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

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

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

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

1988 and holds Masters degree in Mathematics and MBA from Salford University, GB, obtained in 2009.

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

Statement of Board's Responsibilities

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


The consolidated financial statements are prepared in accordance with the source documents and present fairly the consolidated financial position of the Group as of 30 September, 2024 and the consolidated results of its financial performance and cash flows for the quarter then ended.

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

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

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

The interim financial statements have been prepared in Euro.



Zane Jozepa
CFO, Member of the Management Board

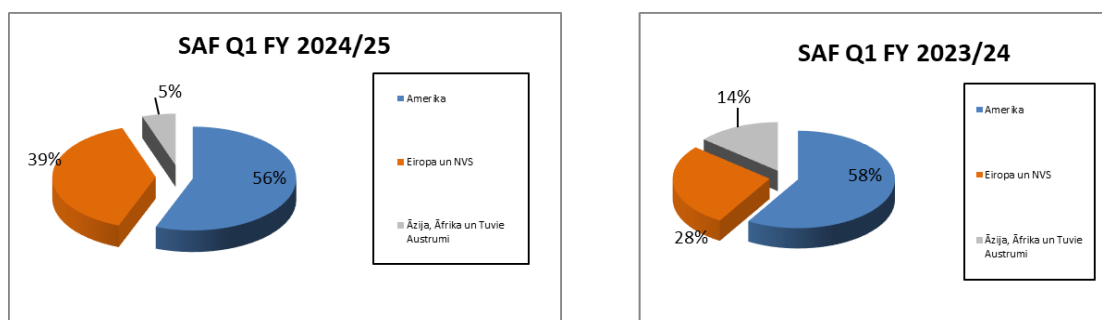
Management Report

The Group's unaudited consolidated net turnover for the first quarter (Q1) of the 2024/2025 financial year (FY) was EUR 8.53 million, marking a 58% increase compared to the first quarter of FY 2023/2024.

The turnover of the North America and Latin America region amounted to 56%, or EUR 4.7 million. Compared to the same quarter of the previous financial year, the turnover has increased by 51%.

The European region accounted for 39% of the turnover, or EUR 3.3 million, which is 1.2 times higher than in the first quarter of the previous financial year. Turnover in the Asia, Africa, and Middle East region has decreased compared to the corresponding quarter of the previous financial year, accounting for 5% of the total quarterly turnover (or EUR 447 thousand). During the reporting quarter, several projects were completed, the implementation of which had previously been temporarily suspended.

Comparative charts of Q1 sales volumes by region:



In the reporting quarter, the Group's products were sold in 65 countries.

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

The Group ended the first quarter of the 2024/2025 financial year with a profit of EUR 814 thousand (unaudited). The result of Q1 of the previous year was a loss of EUR 1.47 million.

The Group's operations were affected by the global shortage of various electronic components. During the previous period, the company accumulated material reserves to be able to fulfill the majority of orders, ensuring short, or customer-expected, delivery times. Recently, there has been an improvement in delivery times.

The Group's net cash flow during the quarter was EUR 1.75 million. The Group's cash balance in the balance sheet at the end of the period was EUR 3.97 million.

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

In the first quarter of the 2024/2025 financial year, EUR 293 thousand were invested in the purchase of fixed assets – primarily to support production and testing processes, as well as for the acquisition of office equipment.

Market Overview

During the quarter, there were no major changes in the microwave radio market. We believe that significant and rapid changes in the microwave radio market are not expected in the near future. SAF regularly collaborates and works with all clients and partners to proactively identify and mitigate risks, as well as explore new opportunities.

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

Guidelines

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

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

Even with the modernization of the telecommunications market toward fiber optic communications, there is still a strong demand for radio systems that provide enhanced data rates. Therefore, the Group continues to actively research the market and identify key issues in order to propose necessary product modifications and develop prototypes for next-generation technologies.

At the same time, the Group develops IoT solutions for both business and consumer segments, diversifying its product line, creating higher added value for SAF Tehnika product offerings, and increasing the Group's revenue.

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

As of September 30, 2024, the Group had 260 employees (267 employees as of September 30, 2023).

KEY indicators

	Q1 2024/25	Q1 2023/24	Q1 2022/23
	EUR	EUR	EUR
Net Sales	8 529 370	5 385 244	11 415 883
Earnings before interest, taxes and depreciation (EBITDA)	1 302 902	-1 107 392	2 970 215
<i>(EBITDA %)</i>	15%	-21%	26.0%
Profit/loss before interest and taxes (EBIT)	900 338	-1 472 285	2 700 148
<i>(EBIT %)</i>	11%	-27%	24%
Net Profit	813 903	-1 473 477	2 561 918
<i>share of the turnover %</i>	10%	-27%	22%
Total assets	24 245 624	26 005 758	29 969 721
Total Owners equity	17 229 029	16 403 075	20 050 647
Return on equity (ROE) %	3.45%	-5.42%	8.95%
Return on assets (ROA) %	4.84%	-8.39%	13.73%
Liquidity ratio			
Quick ratio %	79%	35%	43%
Current ratio %	131%	49%	106%
Earnings per share	0.27	-0.50	0.86
Last share price at the end of period	5.52	10.90	11.00
P/E	-184.00	-49.55	4.66
Number of employees at the end of reporting period	260	267	255

Consolidated Statement of Financial Position

	Note	30.09.2024	30.09.2023
CURRENT ASSETS		EUR	EUR
Cash and bank		3 966 142	2 552 178
Customer receivables	1		
Accounts receivable		2 450 146	1 042 549
Allowance for uncollectible receivables		-1 962	-67 509
Total		2 448 183	975 039
Other receivables			
Other current receivables	2	118 089	20 223
Total		118 089	20 223
Prepaid expenses			
Prepaid taxes		161 533	65 106
Other prepaid expenses		303 372	292 461
Total		464 905	357 567
Inventories	3		
Raw materials		2 230 498	4 870 850
Work-in-progress		2 933 062	3 592 948
Finished goods		6 668 916	7 558 152
Prepayments to suppliers		47 486	38 133
Total		11 879 962	16 060 083
TOTAL CURRENT ASSETS		18 877 281	19 965 090
NON-CURRENT ASSETS			
Long-term financial assets			
Investments in other companies		209 183	209 328
Deffered income tax		157 591	140 761
Long-term loans		7 488	0
Total		374 262	350 089
NON-CURRENT physical assets	4		
Plant and equipment		5 720 214	5 547 255
Other equipment and fixtures		3 721 021	3 440 318
Accumulated depreciation		-6 575 034	-5 778 803
Prepayments for noncurrent physical assets		16 720	33 323
Unfinished renovation works		32 212	27 650
Long-term investment - lease		1 490 259	1 881 519
Total		4 405 393	5 151 262
Intangible assets	4		
Purchased licenses, trademarks etc.		546 542	506 280
Other long-term intangible assets		42 146	33 038
Total		588 688	539 318
TOTAL NON-CURRENT ASSETS		5 368 343	6 040 668
TOTAL ASSETS		24 245 624	26 005 758

LIABILITIES AND OWNERS' EQUITY	Note	30.09.2024	30.09.2023
CURRENT LIABILITIES		EUR	EUR
Debt obligations			
Short-term loans from financial institutions	5	22 750	1 918 691
Customer prepayments for goods and services		584 057	1 217 282
Accounts payable		881 300	1 125 000
Accrued short-term operating lease liabilities	6	364 213	389 895
Tax liabilities		476 703	472 632
Salary-related accrued expenses	7	2 121 202	1 710 738
Provisions for guarantees		55 658	55 658
Deffered income		492 480	416 706
TOTAL CURRENT LIABILITIES		4 998 361	7 306 604
NON-CURRENT LIABILITIES			
Long-term liabilities			
Long-term deffered income		762 812	716 777
Accrues long-term operating lease liabilities	6	1 255 422	1 579 302
TOTAL LONG-TERM LIABILITIES		2 018 234	2 296 079
TOTAL LIABILITIES		7 016 595	9 602 683
OWNERS' EQUITY			
Share capital		4 158 252	4 158 252
Paid in capital over par		2 851 726	2 851 726
Other reserves		8 530	8 530
Retained earnings		9 378 876	10 754 629
Net profit for the financial year		813 903	-1 473 477
Currency translation reserve		17 742	103 415
TOTAL OWNERS' EQUITY		17 229 029	16 403 075
TOTAL LIABILITIES AND OWNERS' EQUITY		24 245 624	26 005 758

Consolidated Statement of Profit or Loss for 3 month of the financial year 2024/2025

	Note	30.09.2024	30.09.2023
		EUR	EUR
Net sales	8	8 529 370	5 385 244
Other operating income		45 093	928 359
Total income		8 574 463	6 313 603
Direct cost of goods sold or services rendered		-2 995 349	-3 639 186
Marketing, advertising and public relations expenses		-339 766	-357 929
Bad receivables	9	13 613	-49 696
Operating expenses		-512 594	-485 082
Salaries and social expenses	10	-2 430 465	-2 521 059
Bonuses and social expenses	10	-986 610	-333 163
Depreciation expense		-305 539	-267 757
Amortization of operating lease		-97 024	-97 136
Other expenses		-20 390	-34 878
Operating expenses		-7 674 125	-7 785 887
EBIT		900 338	-1 472 284
Financial income (except ForEx rate difference)		4 652	2 622
Financial costs (except ForEx rate difference)		-16 851	-43 617
Foreign exchange +gain/(loss)		-74 235	39 802
Financial items		-86 435	-1 193
EBT		813 903	-1 473 477
Profit after taxes		813 903	-1 473 477
Net profit/(loss)		813 903	-1 473 477

*Earnings per share

EPS 30.09.2024. = 0.27 EUR

EPS 30.09.2023. = - 0.50 EUR

Consolidated cash flow statement for 3 months of the financial year 2024/2025

	30.09.2024	30.09.2023
	EUR	EUR
CASH GENERATED FROM OPERATIONS (of which)	1 606 836	-933 099
Cash received from customers	7 449 635	6 297 045
Cash paid to suppliers and employees	-5 960 642	-7 416 258
Paid/Received VAT	117 843	186 114
NET CASH USED IN INVESTING ACTIVITIES (of which)	-288 871	-685 872
Cash paid for purchasing shares in subsidiary	145	0
Cash paid for purchasing non-current physical assets	-293 237	-688 388
Interest received	4 221	2 516
NET CASH USED IN FINANCING ACTIVITIES (of which)	445 481	721 126
Repayment of short-term loans	-3 189	710 718
Paid interest	-1 368	-28 123
Cash received from EU funds	450 038	38 531
Dividends paid	0	0
Effects of exchange rate changes	-10 501	-14 416
TOTAL CASH FLOW:	1 752 945	-912 261
Cash and cash equivalents as at the beginning of period	2 213 197	3 464 439
Cash and cash equivalents as at the end of period	3 966 142	2 552 178
NET INCREASE / DECREASE IN CASH AND CASH EQUIVALENTS	1 752 945	-912 261

Statement of changes in consolidated equity for the 3 month period ended September 30, 2024

	Share capital	Share premium	Other reserves	Currency translation reserve	Retained earnings	Total
	EUR	EUR	EUR	EUR	EUR	EUR
As at 30 June 2023	4 158 252	2 851 726	8 530	76 791	11 748 240	18 843 539
Currency translation difference	-	-	-	-38 224	-	-38 224
Loss for the year	-	-	-	-	-2 369 364	-2 369 364
As at 30 June 2024	4 158 252	2 851 726	8 530	38 567	9 378 876	16 435 951
Currency translation difference	-	-	-	-20 825	-	-20 825
Profit for the year	-	-	-	-	813 903	813 903
As at 30 September 2024	4 158 252	2 851 726	8 530	17 742	10 192 779	17 229 029

Notes for interim report

Note 1 Customer receivables

	30.09.2024	30.09.2023
	EUR	EUR
Accounts receivable	2 450 146	1 042 549
Provisions for bad and doubtful accounts receivable	(1 962)	(67 509)
Total receivables	2 448 183	975 039

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

Note 2 Other current receivables

	30.09.2024	30.09.2023
	EUR	EUR
Other current receivables	118 089	20 223

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

Note 3 Inventories

	30.09.2024	30.09.2023
	EUR	EUR
Raw materials	7 143 196	9 543 733
Allowance for slow-moving items	(4 912 698)	(4 672 883)
Work-in-progress	2 933 062	3 592 948
Finished goods	6 668 916	7 558 152
Prepayments to suppliers	47 486	38 133
	11 879 962	16 060 083

Compared to September 30, 2023, total inventory volumes decreased by 26%.

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

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

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

Note 4 Non-current, intangible assets

	30.09.2024	30.09.2023
	EUR	EUR
Plant and equipment	5 720 214	5 547 255
Other equipment and fixtures	3 721 021	3 440 318
Accumulated depreciation	(6 575 034)	(5 778 803)
Prepayments for noncurrent physical assets	16 720	33 323
Unfinished renovation works	32 212	27 650
Long-term investment lease*	1 490 259	1 881 519
	4 405 393	5 151 262
Purchased licenses, trademarks etc.	546 542	506 280
Other long-term intangible assets	42 146	33 038
	588 688	539 318
Total non-current, intangible assets	4 994 081	5 690 580

*See Note 6 Operating lease liabilities

During Q1, the Group acquired fixed assets and intangible assets in the amount of 293 thousand euros – mainly, in order to ensure production and testing processes, as well as to acquire office equipment.

Note 5 Short-term loans from financial institutions

	30.09.2024	30.09.2023
	EUR	EUR
Short-term loans from financial institutions	22 750	1 918 691

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

Note 6 Operating lease liabilities

	30.09.2024	30.09.2023
	EUR	EUR
Accrued short-term operating lease liabilities	364 213	389 895
Accrued long-term operating lease liabilities	1 255 422	1 579 302
	1 619 635	1 969 197

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

Note 7 Salary-related accrued expenses

30.09.2024	30.09.2023
EUR	EUR

Salary-related accrued expenses

2 121 202	1 710 738
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The increase in the balance sheet is due to fluctuations in the amounts of vacation accruals and bonuses between periods.

Note 8 Segment information

a) The Group's (Parent company's) operations are divided into two major structural units:

- SAF branded equipment designed and produced in-house - as one of the structural units containing CFIP, Integra (Integrated carrier-grade Ethernet microwave radio), Spectrum Compact (measurement tools for radio engineers) and Aranet (environmental monitoring solutions).

CFIP – product line is represented by:

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

All CFIP radios are offered in most widely used frequency bands from 1.4GHz to 38 GHz, thus enabling the use of CFIP radios all across the globe.

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

Spectrum Compact is the latest product line in SAF's portfolio, it is a measurement tool for field engineers for telecom, broadcasting and other industries using radio technologies. It comprises of a number of units covering several frequency bands and proving various functionality.

Aranet- the latest SAF product line for environmental monitoring, consisting of various wireless sensors, base stations and Aranet cloud solution for data collection, aggregation and analysis.

- operations related to sales of products purchased from other suppliers, like antennas, cables, SAF renamed (OEMed) products and different accessories - as the second unit.

b) This note provides information about division of the Group's turnover and balance items by structural units by product type for 3 month of the financial year 2024/25 and financial year 2023/24.

	CFIP, Integra, Spectrum		Other		Total	
	Compact, Aranet					
	2024/25	2023/24	2024/25	2023/24	2024/25	2023/24
	EUR	EUR	EUR	EUR	EUR	EUR
Segment assets	13 696 768	21 300 855	1 871 339	1 686 128	15 568 107	22 986 983
Undivided assets					8 677 517	3 018 775
Total assets					24 245 624	26 005 758
Segment liabilities	1 971 963	2 848 817	73 774	89 874	2 045 737	2 938 691
Undivided liabilities					4 970 858	6 663 992
Total liabilities					7 016 595	9 602 683
Net sales	7 409 148	4 848 710	1 120 222	536 534	8 529 370	5 385 244
Segment results	2 895 694	326 891	1 224 641	286 740	4 120 335	613 631
Undivided expenses					-3 265 091	-3 014 274
Profit from operations					855 244	-2 400 643
Other income					45 093	928 359
Financial income (except ForEx rate difference)					4 652	2 622
Financial costs (except ForEx rate difference)					-16 851	-43 617
Foreign exchange +gain/(loss)					-74 235	39 802
Profit before taxes					813 903	-1 473 477
Corporate income tax					0	0
Profit after taxes					813 903	-1 473 477
Net profit					813 903	-1 473 477
Other information						
Additions of property plant and equipment and intangible assets	41 001	143 351	0	0	41 001	143 351
Undivided additions					190 710	221 541
Total additions of property plant and equipment and intangible assets					231 711	364 892
Depreciation and amortization	189 500	178 025	0	0	189 500	178 025
Undivided depreciation					213 064	495 079
Total depreciation and amortization					402 564	673 104

c) This note provides information about division of the Group's turnover and assets by geographical regions (customer location) for 3 month of the financial year 2024/25 compared to the same period of financial year 2023/24.

	Net sales		Assets	
	2023/24	2022/23	30.06.2024	30.06.2023
	EUR	EUR	EUR	EUR
Americas	16 603 698	26 750 640	1 045 976	850 342
Europe, CIS	8 616 334	8 054 323	330 239	367 877
Asia, Africa, Middle East	1 872 500	2 458 927	123 596	71 127
	27 092 532	37 263 890	1 499 811	1 289 346
Unallocated assets	-	-	21 497 489	27 218 498
	27 092 532	37 263 890	22 997 300	28 507 844

Note 9 Bad receivables

	30.09.2024	30.09.2023
	EUR	EUR
Bad receivables	13 613	(49 696)

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

Note 10 Salaries, bonuses and social expenses

	30.09.2024	30.09.2023
	EUR	EUR
Salaries and social expenses	2 430 465	2 521 059
Bonuses and social expenses	986 610	333 163
	3 417 075	2 854 222

Compared to the first three months of the previous 2023/2024 financial year, the amount of wages and relevant social costs has increased by 19%. It reflects the change in the amount of accruals for performance bonuses.