TKM Grupp AS
Consolidated Interim Report for the Second quarter and first 6 months of 2026

(unaudited)

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COMPANY PROFILE AND CONTACT DETAILS

The primary areas of activity of the companies of the TKM Grupp AS (hereinafter referred to as the 'TKM Group' or 'the Group') include retail and wholesale trade. The Group employs more than 4,700 employees.

The Company is listed on the Nasdaq Tallinn Stock Exchange.

Registered office:	Kaubamaja 1
	10143 Tallinn
	Republic of Estonia
Registry code:	10223439
Beginning of financial year:	1 January 2026
End of financial year:	31 December 2026
Beginning of interim report period:	1 January 2026
End of interim report period:	30 June 2026
Auditor:	PricewaterhouseCoopers AS
Telephone:	372 667 3300
E-mail:	info@tkmgrupp.ee

MANAGEMENT REPORT

Management

In order to manage the Group, the general meeting of the shareholders, held at least once in a year, elects supervisory board, which according to the articles of association may have 3 to 6 members. Members of Group supervisory board are elected for three years. Members of the Group supervisory board are Jüri Käo (chairman of the supervisory board), Enn Kunila, Kristo Anton, Gunnar Kraft and Meelis Milder. The mandates of supervisory board will expire on 19 May 2027. During the period between the general meetings the supervisory board plans actions of the company, organises management and accomplishes supervision over management actions. Regular supervisory board meetings are held at least 10 times in a year. In order to manage daily activities, the supervisory board appoints member(s) of the management board of the TKM Group in accordance with the Commercial Code. In order to elect a member of the management board, his or her consent is required. By the articles of association, a member of the management board shall be elected for a specified term of three years. Extension of the term of office of a member of the management board shall not be decided earlier than one year before the planned date of expiry of the term of office, and not for a period longer than the maximum term of office prescribed by the articles of association. Currently the management board of Group has one member. The term of office of the management board member Raul Puusepp was extended on 13 February 2026 and his term of office expires on 5 March 2029.

The law, the articles of association, decisions and goals stated by the shareholders and supervisory board are followed for managing the company. By Commercial Code a resolution on amendment of the articles of association shall be adopted, if at least two-third of the votes represented at a general meeting is in favour. A resolution on amendment of the articles of association shall enter into force as of making of a corresponding entry in the commercial register. The Group does not possess several classes of shares.

Structure of the company

The Group is reporting its economic activities under five operating segments as follows.

1. The operating segment of supermarkets is focused on the retail sales of food products and convenience goods.
2. The main area of activity of the department store segment is the retail sales of beauty and fashion products. The segment includes the retail sales of the department stores, as well as the beauty store chain.
3. The car trade segment is focused on the import and sale of cars and car spare parts, as well as sales and after-sales service.
4. The real estate segment is involved with the development, management and maintenance of the real estate owned by the Group and with rental of retail premises.
5. The principal activity of the security segment is the provision of security solutions.

The following companies belong to the Group as of June 30, 2026:

Selver supermarkets	Location	Shareholding as of 30.06.2026	Shareholding as of 31.12.2025
Selver AS	Estonia	100%	100%
Kulinaaria OÜ	Estonia	100%	100%
Department stores			
Kaubamaja AS	Estonia	100%	100%
TKM Finants AS	Estonia	100%	100%
OÜ TKM Beauty	Estonia	100%	100%
OÜ TKM Beauty Eesti	Estonia	0%	100%
Rävala Parkla AS	Estonia	50%	50%

Car trade	Location	Shareholding as of 30.06.2026	Shareholding as of 31.12.2025
TKM Auto OÜ	Estonia	100%	100%
KIA Auto AS	Estonia	100%	100%
AS Viking Motors	Estonia	100%	100%
SIA Forum Auto	Latvia	100%	100%
Verte Auto SIA	Latvia	100%	100%
UAB Motus auto	Lithuania	100%	100%
UAB KIA Auto (former UAB Motus auto)	Lithuania	100%	100%
Rohe Auto AS	Estonia	100%	0%
SKO Motors OÜ	Estonia	100%	0%
SKO Motors Kinnisvara OÜ	Estonia	100%	0%
Security segment			
Viking Security AS	Estonia	100%	100%
Walde AS	Estonia	100%	100%
Real estate			
TKM Kinnisvara AS	Estonia	100%	100%
OÜ TKM Kinnisvara Tartu	Estonia	100%	100%
SIA TKM Latvija	Latvia	100%	100%
TKM Lietuva UAB	Lithuania	100%	100%

Changes in structure

In February, a merger agreement was concluded between TKM Beauty OÜ and TKM Beauty Eesti OÜ, and the merger was registered in the Commercial Register on 1 April 2026. As a result of the merger, the operations, assets and all related rights and obligations of TKM Beauty Eesti OÜ were transferred to TKM Beauty OÜ. The merger supports the consolidation of retail and wholesale activities in the beauty segment, enabling a simplified structure, more efficient management, and the creation of prerequisites for improved cost efficiency and further development of business operations.

Following the acquisition of shares in Rohe Auto AS and ownership in SKO Motors OÜ and SKO Motors Kinnisvara OÜ on 11 March 2026, additional structural changes are planned within the Group. Under the proposed changes, Rohe Auto AS and SKO Motors OÜ are planned to be demerged, with real estate–related building rights transferred to SKO Motors Kinnisvara OÜ, followed by the merger of SKO Motors Kinnisvara OÜ into TKM Kinnisvara AS. The objective of the structural changes is to consolidate the Group's real estate–related activities under unified management and to support the Group's long-term strategy of clearer separation between core business activities and support functions.

In management's assessment, the structural changes do not have a material impact on the Group's financial position or financial performance.

Share market

Since 19 August 1997, the shares of the Group have been listed in the Baltic main list of the Nasdaq Tallinn Stock Exchange and is today the oldest listed company in the Baltics. The Group has issued 40,729,200 registered shares, each with the nominal value of 0.40 euros. The shares are freely transferable, no statutory restrictions apply. There are no restrictions on transfer of securities to the company as provided by contracts between the company and its shareholders. We do not have information about contracts between the shareholders restricting the transfer of securities. NG Investeeringud OÜ has direct significant participation. Shares granting special rights to their owners have not been issued.

The council of the Group have no right to issue or buy back shares. In addition, there are no commitments between the company and its employees providing for compensation in mergers and acquisitions under article 19' of Stock

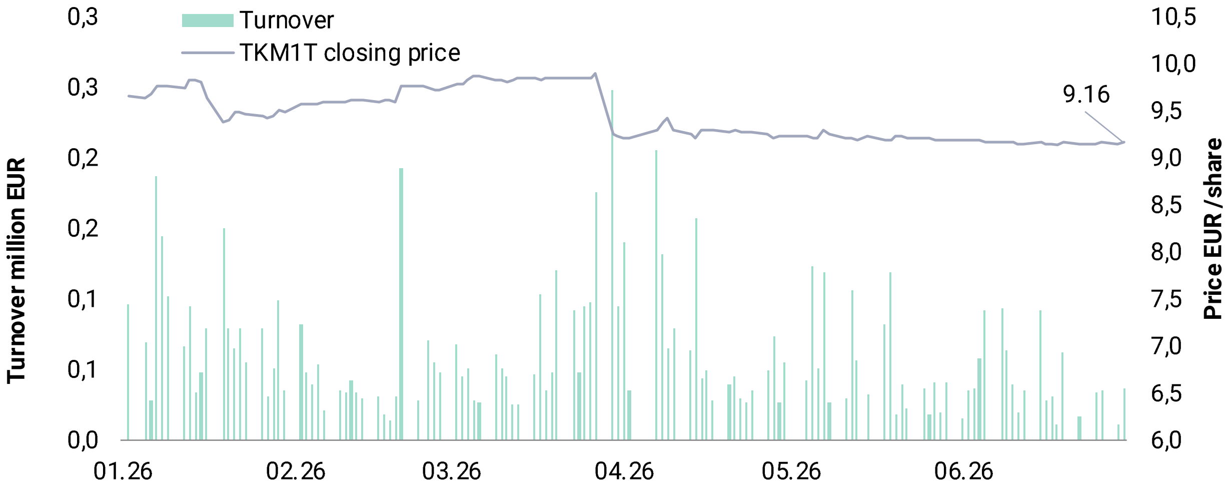
Market Trade Act.

The share with a price of 9.50 euros at the end of 2025 was closed in the end of June 2026 at the level of 9.16 euros, decreased by 3.6% over the six months.

According to the notice of regular annual general meeting of the shareholders published on 19 February 2026, the management board proposed to pay dividends 0.60 euros per share. The general meeting of shareholders approved it.

Share price and trading statistics on the Nasdaq Tallinn Stock Exchange from 01.01.2026 to 30.06.2026.

In euros



SHARE	Q2/26	Q2/25	H1/26	H1/25
Average number of shares (1000 pcs)	40,729.2	40,729.2	40,729.2	40,729.2
Equity capital per share (EUR/share)	5.91	5.77	5.91	5.77
Share's closing price (EUR/share)	9.16	9.43	9.16	9.43
Earnings per share (EUR/share)	0.15	0.16	0.04	0.00

Risks

The weak economic environment and consumers' continued cautious purchasing behaviour will also pose a risk to the Group's sales performance in 2026. Although there have been moderate positive signs regarding the recovery of the economy, consumption and consumer confidence continue to be constrained by geopolitical tensions and rising interest rates. Investments in the expansion of the sales network continue in the Estonian grocery retail market, further intensifying competition. To reduce this risk, the Group has a strong loyalty programme and an efficient supply chain, while the Selver supermarkets segment holds a strong position in e-commerce. The store network is being optimised and operational efficiency is being improved on an ongoing basis.

The motor vehicle tax in force since 2025 has caused a significant downturn in the Estonian car market. In connection with the 2027 Riigikogu elections, public discussion has included speculation about the possible abolition of the motor vehicle tax. Such uncertainty may lead to the continued postponement of purchasing decisions by consumers and businesses during the current financial year, slowing the recovery of the car market and adversely affecting the financial performance of the Group's car segment. The risks to the financial performance of the Group's car segment arising from Estonia's motor vehicle tax are mitigated by the car segment's pan-Baltic business model.

Sustainable entrepreneurship

An employee satisfaction survey was conducted in most TKM Group companies, with sustainability-related questions included for the first time. The responses showed that, among sustainability topics, employees consider ethical and law-abiding business conduct to be the most important. This is followed by practical day-to-day environmental activities, such as reducing food waste, using water and electricity sparingly, and sorting waste by type.

Kulinaaria successfully passed the ISO 22000 food safety audit. In addition, the use of additional lids on Selver

Kitchen salad boxes was discontinued, reducing plastic use by 5.9 tonnes per year.

The Selver store in Laulasmaa was reopened after reconstruction and expansion works. The store's entire refrigeration technology was converted to a CO_2-based system, and residual heat from the refrigeration equipment is used to heat the building and domestic hot water. Ceiling fans improve air circulation in the sales area, LED lighting operates using motion sensors, and a device based on electrolytic treatment is used for water purification. In addition, electronic price labels are in use in the fruit and vegetable department and at the bakery point. Energy efficiency and process improvement initiatives were also continued in other stores. In the Kohtla-Järve store, the lighting in the publicly accessible area in front of the checkouts was replaced, and motion sensor lighting was installed in the public restrooms of the Hiiumaa store to help reduce energy consumption. In addition, various cleaning robots were tested in several stores to improve the efficiency of internal cleaning processes, and by the end of the year the selected solution will be rolled out in nine stores.

Benefits supporting employee wellbeing and development continued to be offered. Employees in various subsidiaries can use the opportunities provided by the Sports Society, a discounted massage service and/or a dental care allowance. At Selver, managers received training on communicating with victims of domestic violence. In addition to regular job-related training, employees were able to participate in training sessions on artificial intelligence. Kaubamaja employees took part in the "Sammusõber 2026" movement challenge, training on motivation and changing habits, and, as part of Diversity Day, mindfulness skills training in cooperation with Peaasi.ee. In addition, first-aider training was held and certificates were renewed. Kaubamaja successfully extended its family-friendly employer silver label.

Economic environment

According to Statistics Estonia, gross domestic product grew by 2.4% in the first quarter of 2026 compared with the same period of the previous year. This marked the fourth consecutive quarter of growth for the Estonian economy, with the pace of growth exceeding that of previous quarters. Growth was supported primarily by a strengthening of manufacturing, an increase in value added in most areas of activity and a recovery in private consumption. At the same time, investment remained modest and the contribution of foreign trade to economic growth was limited. According to Eesti Pank's latest economic forecast, the Estonian economy will grow by 2.4% in 2026, with economic growth remaining at around 2.5% over the following two years. The forecast assumes that the situation in the Middle East will gradually stabilise.

Price growth is largely related to developments in the energy market. According to Statistics Estonia, Estonia's consumer price index fell by 0.5% in June 2026 compared with May and rose by 2.3% year on year. Compared with June of the previous year, goods were 1.0% and services 4.2% more expensive. The largest contribution to annual price growth came from housing-related costs, which rose by 7.6%, and transport, where price growth reached 7.5%. The increase in housing costs was driven by an 18.7% rise in electricity prices and a 30.8% rise in natural gas prices. The rise in transport prices was mainly affected by higher petrol and diesel prices, up 6.4% and 17.3%, respectively. At the same time, food and non-alcoholic beverages were 1.5% cheaper, while clothing and footwear prices fell by 6.3%. According to Eesti Pank's latest forecast, the average growth of the consumer price index in 2026 will be 3.4%, with inflation potentially slowing further during the summer months. Price growth will be held back by the fading impact of the VAT increase that took effect in July last year and by a slowdown in food price growth, supported by the earlier decline in import prices on the global market. At the same time, energy is the main source of price growth this year, and in the second half of the year the rise in energy prices may pass through to the prices of other goods and services.

According to Statistics Estonia, the average monthly gross wage was 2,135 euros in the first quarter of 2026, up 6.2% year on year. Eesti Pank forecasts that the average gross wage will grow by approximately 5.9% this year, but that wage growth will slow to a range of 4–5% in the following years. Wage growth this year is being affected, among other factors, by changes to the tax system, which brought some wage payments forward to the beginning of 2026. The introduction of a uniform basic exemption of 700 euros increases people's net income, improving purchasing power and supporting the recovery of private consumption.

According to Statistics Estonia, the sales revenue of trade enterprises in current prices increased by 9.4% in the first five months of 2026. The strongest growth was recorded in the wholesale and retail sale and repair of motor vehicles, where sales revenue increased by 14.8%. According to AMTEL, 9,979 new passenger cars were sold in Estonia in the first six months of this year, 62.1% more than a year earlier, indicating a market recovery after last year's downturn following the introduction of the motor vehicle tax. In June, 1,932 new passenger cars were sold, 24.7% more than in the same month of the previous year. It should be noted that sales in June last year were supported by purchases brought forward ahead of the VAT increase that took effect on 1 July, making this year's growth all the more notable. Sales of food products, beverages and tobacco products grew by 2.6%, while sales of manufactured goods increased by 6.7%.

Economic results

Financial ratios

In million euros EUR	Q2/26	Q2/25	Change %	H1/26	H1/25	Change %
Revenue	**255.2**	**232.8**	**9.6%**	**483.6**	**447.8**	**8.0%**
Selver supermarkets	147.0	155.7	-5.6%	289.4	304.0	-4.8%
Department stores	24.9	25.7	-3.0%	47.8	48.4	-1.4%
Car trade	76.2	45.1	68.8%	132.0	82.5	60.1%
Security	5.2	4.4	20.2%	10.8	9.0	20.0%
Real estate	1.9	1.9	-3.4%	3.7	3.9	-4.8%
Gross profit margin%	*25.92%*	*27.58%*	*-6.0%*	*26.24%*	*27.41%*	*-4.3%*
EBITDA	**19.9**	**20.0**	***-0.5%***	**35.1**	**34.4**	***1.9%***
Selver supermarkets	4.7	6.4	*-26.7%*	7.4	10.2	*-27.0%*
Department stores	1.0	1.1	*-3.6%*	0.3	0.3	*-14.7%*
Car trade	3.6	2.2	*60.3%*	6.3	3.5	*81.8%*
Security	-0.1	-0.1	*-16.7%*	0.1	0.0	*-263.3%*
Real estate	4.6	4.4	*5.0%*	8.8	8.5	*3.4%*
IFRS 16	6.0	6.0	*1.0%*	12.1	12.0	*1.5%*
margin	*7.79%*	*8.58%*	*-9.2%*	*7.25%*	*7.68%*	*-5.6%*
Operating profit	**9.2**	**9.4**	***-2.4%***	**13.7**	**13.0**	***5.2%***
margin	*3.59%*	*4.03%*	*-10.9%*	*2.84%*	*2.91%*	*-2.6%*
Net profit	**6.2**	**6.6**	***-7.3%***	**1.4**	**0.1**	***1531.8%***
margin	*2.41%*	*2.85%*	*-15.4%*	*0.30%*	*0.02%*	*1411.1%*
Earnings per share (EUR)	**0.15**	**0.16**	***-7.3%***	**0.04**	**0.00**	***1531.8%***

Key ratios	**Q2/26**	**Q2/25**	**H1/26**	**H1/25**
Return on equity (ROE)	2.6%	2.9%	0.6%	0.0%
Return on assets (ROA)	0.9%	1.0%	0.2%	0.0%
Quick ratio	1.17	1.10	1.17	1.10
Debt ratio	0.66	0.65	0.66	0.65
Inventory turnover (multiplier)	1.75	1.72	3.30	3.31
Sales revenue per employee (in million euros euros)	0.053	0.049	0.101	0.094
Average number of employees	4,799	4,768	4,774	4,768

Return on equity (ROE) = *Net profit / Average owners' equity * 100%*
Return on assets (ROA) = *Net profit / Average total assets * 100%*
Quick ratio = *Current assets / Current liabilities*
Debt ratio = *Total liabilities / Balance sheet total*
Inventory turnover (multiplier) = *Cost of goods sold / inventories*
Sales revenue per employee = *Sales revenue / Average number of employees*

The Group's unaudited consolidated sales revenue for the second quarter of 2026 amounted to 255.2 million euros, representing a year-on-year increase of 9.6%. The sales revenue for the first half of the year totalled 483.6 million euros, increasing by 8.0% compared to 447.8 million euros in the first half of 2025. The Group's unaudited consolidated profit before tax for the second quarter of 2026 was 6.2 million euros, which was 7.2% lower than in the comparative period of the previous year. The Group's profit before tax for the first six months of 2026 amounted to 8.2 million euros, exceeding the result for the comparable period of the previous year by 3.4%. Net profit for the first half of the year amounted to 1.4 million euros, compared to 0.1 million euros in the same period last year. Compared to the same period last year, the result was positively affected by a 1.1 million euro decrease in income tax expense.

The improvement in net incomes resulting from the tax-free income reform has, based on trade statistics, primarily been channelled into covering higher fuel costs and car sales, while sales volumes of food products have continued to decline. In such conditions, the Group's car segment became the main growth driver, demonstrating the fastest growth in both sales revenue and profit among the business segments. The growth of the car segment was also supported by the operating performance of AS Rohe Auto and OÜ SKO Motors acquired at the beginning of March, which have been consolidated into the Group's accounts since their acquisition. The security segment achieved strong growth in sales revenue; however, the increase in labour and fuel costs limited the improvement in profitability. Nevertheless, the segment succeeded in reducing its loss compared to the same period last year. In the Selver supermarkets segment, both sales revenue and profit declined, in line with the general market development. The growth in sales volumes among market participants has been supported by the expansion of store networks, while the Group's Selver supermarkets segment did not open new stores during the reporting period. A new Selver store in Loo, near Tallinn, is scheduled to be added in the second half of the year. The results of the department stores segment remained similar to the previous year, although extensive traffic restrictions in the vicinity of the Kaubamaja Tallinn department store significantly limited customer access. The Group's gross margin decreased somewhat, driven by sales in the car segment under conditions of pricing pressure. In the Group's other retail segments, the gross margin did not decline. Labour costs increased by 6.7%, while the total number of employees under employment contracts grew by 0.7%. Finance costs increased by 7.5% in the second quarter compared to the previous year, which is related to the addition of several new buildings constructed in the real estate segment.

At the beginning of the second quarter, a new body repair workshop of Viking Motors, the largest and most technologically advanced in the region, was opened in Estonia. The investment significantly increases the service capacity of the Group's car segment and supports the further growth of after-sales business in Estonia. In the Selver supermarkets segment, the Laulasmaa Selver store was renovated and expanded. The store, now operating on a surface twice the previous size, was converted to energy-efficient solutions that reduce the building's environmental footprint by approximately one third. Earlier in the reporting year, a significant strategic investment was made in the acquisition of shares in AS Rohe Auto and holdings in OÜ SKO Motors and OÜ SKO Motors Kinnisvara. With this investment, the Group strengthens its position in the car segment in Estonia and the Baltics, creates synergies and adds resilience to the Group's brand portfolio. In the second half of the year, investments will continue in the Selver supermarkets segment both in improving operational efficiency and in developing the sales network. It is planned to convert the refrigeration equipment of one store to CO_2 technology and to open new Selver supermarkets in Loo alevik in Jõelähtme municipality and in the Papiniidu area of Pärnu. At the same time, due to the expiry of the lease agreement, the Pärnu Mai Selver will close.

At the end of the reporting period, the number of loyal customers exceeded 754 thousand, having increased by 0.7% year-on-year. The share of loyal customers in the Group's revenue was 86.3% (in the first half of 2025, it was 86.6%).

As at 30 June 2026, the total assets of the Group amounted to 704.0 million euros, increasing by 2.7% compared to the end of 2025, excluding the impact of IFRS 16.

<u>Selver supermarkets</u>

The Selver supermarkets segment's consolidated sales revenue for the second quarter of 2026 amounted to 147.0 million euros, decreasing by 5.6% compared to the same period last year. The consolidated sales revenue for the first half of the year was 289.4 million euros, declining by 4.8% year-on-year. A total of 21.1 million purchases were made in stores during the first half of 2026, representing a decrease of 4.3% compared to the previous year. In the second quarter of 2026, profit before tax and net profit both amounted to 1.9 million euros, which was 1.5 million euros lower compared to the base period. The consolidated profit before tax of the Selver supermarkets segment for the first half of the year was 1.9 million euros, falling short of the comparison base by 2.2 million euros. Net profit for the first half of 2026 amounted to 0.9 million euros, decreasing by 2.6 million euros compared to the previous year. The difference between net profit and profit before income tax is due to income tax paid on dividends, which was 0.4 million euros higher than in the previous year.

Selver's sales performance has been affected by weakened consumer purchasing power and intensified competition. Over the past four years, food price inflation has outpaced average wage growth, meaning that consumers' purchasing power in food products has not yet recovered to the level prior to the rapid price increases. Compared to the base period, Selver did not open new stores and closed one store. The 2026 revenue performance has been affected by a significant decline in the sale of non-food goods. Revenue from food products remained at a level close to the previous year, while volume sales, in line with the market segment, were below the prior year. Sales revenue in electronic channels increased by approximately 8%. According to data from Statistics Estonia, the sales revenue of grocery stores in the first five months of 2026 increased by 2.6% at current prices, while volume sales declined by approximately 1.5%.

The economic performance of the second quarter of 2026 was primarily affected by a decline in sales volumes. Operating expenses have been managed in the face of rising input costs across nearly all services and procurements, supported by cost optimisation measures, while maintaining operational efficiency at the level of the base year. Increases in energy prices (electricity, heating, fuel) due to various factors have had a negative impact, raising the company's operating expenses by a few hundred thousand euros and slightly reducing the efficiency ratio of operating expenses. Continuous improvement of work processes has enabled labour costs to be kept 1.4% lower than the base year despite pressure from rising wage rates.

The Selver supermarkets segment continues its strategic focus on developing sustainable and customer-centric solutions. In Kulinaaria, steps have been taken to reduce packaging costs by removing lids from salad containers and introducing meal boxes made of thinner material. To support healthier customer choices, the campaign promoting the sale of fruit and vegetables was continued, offering a 15% discount on these products every Friday.

In 2026, Selver renovated and expanded the Laulasmaa Selver store. The store, now operating on a surface twice the previous size, has been converted to energy-efficient solutions that reduce the store's environmental footprint by approximately one third. In the second half of the year, plans include converting the refrigeration systems of one store to a CO_2 system to increase cost efficiency; opening the Loo Selver in Jõelähtme Parish and the Papiniidu Selver in Pärnu. At the same time, operations at the Pärnu Mai Selver will be discontinued due to the expiry of the lease agreement. The focus is on improving supply chain efficiency, preparing for the implementation of the Relex inventory management solution, and increasing operational volumes on the Bolt Market and Wolt platforms. In the first quarter of 2027, Selver will close the Põlva Selver and the Männimäe Selver in Viljandi due to the expiry of lease agreements.

As at the end of the June, the Selver supermarkets segment comprises 72 Selver stores, 2 Delice stores, a mobile store and a café, with a total sales area of 124.8 thousand m². In addition, the segment includes e-Selver, the e-store with the largest service area in Estonia, and the central kitchen Kulinaaria OÜ.

Department stores

The department stores segment's sales revenue for the second quarter of 2026 amounted to 24.9 million euros, which was 3.0% lower than in the previous period. The pre-tax loss was 0.1 million euros, which was 0.05 million euros higher than the loss in the previous period. Sales revenue for the six months totalled 47.8 million euros, which was 1.4% lower than in the comparable period of the previous year. The department stores segment's pre-tax loss for the first six months of 2026 amounted to 1.8 million euros, which was 0.1 million euros weaker than the result a year earlier.

The average sales revenue per square metre of selling space of the department store for the six months was 0.30 thousand euros per month, which was 1.2% lower than in the same period last year. The second quarter sales performance was negatively affected by extensive excavation works on Laikmaa Street and Rävala Boulevard in Tallinn, which significantly complicated access to the Tallinn department store building. Although the summer discount campaign started with strong sales growth, performance weakened towards the end of the quarter due to cooler summer weather. The Children's World department of the Tallinn store, which was renovated in March last year, and the updated assortment in both department store buildings have been well received by customers, supporting improved sales both in-store and in the e-shop. With its distinctive assortment, the Food Department has continued on a growth trajectory, steadily increasing both customer numbers and sales volumes despite the challenging conditions in the Estonian grocery retail market.

The sales revenue of OÜ TKM Beauty, which operates I.L.U. cosmetics stores and is engaged in cosmetics wholesale, amounted to 2.0 million euros in the second quarter of 2026, decreasing by 3.8% compared to the same period in 2025. The segment reported a loss of 0.2 million euros in the second quarter, which was 0.1 million euros higher than in the comparable period of 2025. Sales revenue for the first half of 2026 totalled 4.1 million euros, which is 2.5% lower than in the same period of 2025. The loss for the first half of 2026 amounted to 0.2 million euros, which was 0.1 million euros higher than the result for the comparable period of 2025. As of 1 April, the former retail company TKM Beauty Eesti OÜ was merged with the wholesale company TKM Beauty OÜ, which allows for better organisation of commercial management and more efficient implementation of necessary IT investments for the company's development in the future. Customer confidence remains low; however, promotional campaigns dedicated to spring seasonal events in I.L.U. stores were well received by loyal customers. Another key development in the second quarter was the launch of the renewed I.L.U. e-store.

Car trade

The car segment's sales revenue of 76.2 million euros in the second quarter of 2026 increased by 68.8% compared to the same period last year. The pre-tax profit for the second quarter of 2026 amounted to 2.7 million euros, which was 1.1 million euros higher than in the same period a year earlier. The segment's sales revenue for the first six months was 132.0 million euros, increasing by 60.1% compared to the same period last year. The pre-tax profit for the first half of the year amounted to 4.8 million euros, exceeding the result of the previous year by 2.5 million euros. In the second quarter, 2,107 new vehicles were sold. In the first half of the year, a total of 3,606 new vehicles were sold, which was 48.2% more than a year earlier.

The financial results of the car segment improved significantly, supported by market growth in Estonia and Lithuania. The Estonian market grew by 62% over the six-month period, driven by a still low comparison base and a pricing pressure environment. In Latvia, growth remained at around 1%, while in Lithuania the market expanded by 16%. Although growth in the Estonian market remained very strong, it does not yet indicate a full recovery.

In the second quarter, AS Rohe Auto and OÜ SKO Motors acquired in Tallinn were integrated into the Group's car segment. The acquired companies strengthened the Group's position in the Estonian car market and made the Group the largest Škoda dealer in the Baltics. In Lithuania, the Vilnius KIA Škoda multi-brand dealership continued its strong development, with its modern infrastructure supporting the segment's long-term growth potential in the largest Baltic market and its sales and service volumes growing in line with expectations. In Estonia, a new Viking Motors body repair workshop was opened at the beginning of the quarter, which is the largest and most technologically advanced in the region. The new workshop significantly increases the Group's service capacity and allows faster and higher-quality service to be provided to customers.

In the second quarter, the car segment focused on cooperation with key customers, improving sales processes and targeted marketing campaigns. Attention was also given to increasing the share of electric vehicles and strengthening the compact SUV segment. The expanded KIA model range supported the Group's strategy to increase its presence in the affordable electric vehicle segment, where demand remains strong. In the coming quarters, the car segment will focus on the efficient management of dealerships and deepening cooperation with key customers. The focus will be on developing strategic customer relationships, harmonising service capacity and optimising operational volumes across the Baltic-wide sales and service network.

In the third quarter, the model range will be supplemented with the KIA PV5 electric van passenger version, the electric city car EV2 and the all-new compact SUV KIA Seltos. New Škoda models are expected to arrive towards the end of the year.

Security segment

The security segment's external sales revenue for the second quarter of 2026 amounted to 5.2 million euros, increasing by 20.2% compared to the same period last year. The segment reported a pre-tax loss of 0.3 million euros for the second quarter, remaining at the same level compared to the previous period. The security segment's external sales revenue for the first six months of 2026 amounted to 10.8 million euros, increasing by 20.0% compared to the same period last year. The pre-tax loss for the first half of the year amounted to 0.3 million euros. The loss was 0.2 million euros lower compared to the same period last year.

Sales revenue growth remained strong in the second quarter. Faster growth in revenue and profitability was seen in the security technology projects and maintenance areas. In both the security systems and guarding services segments, the Group succeeded in securing several significant contracts, the impact of which will be reflected in future periods. The largest decline occurred in the cash-in-transit services segment. The overall result of the company was negatively affected by the high level of fuel prices. The economic environment continues to present both challenges and opportunities. Clients are actively seeking more efficient and cost-effective security solutions and are open to new developments. The growing recognition of the Viking Security brand is increasing the number of enquiries and new contracts in both business and private customer services.

Real estate

The real estate segment's external sales revenue in the second quarter of 2026 amounted to 1.9 million euros, decreasing by 3.4% compared to the same period last year. The external sales revenue for the first half of the year totalled 3.7 million euros, declining by 4.8% compared to the same period of the previous year. In the second quarter, the real estate segment earned a pre-tax profit of 2.4 million euros, which was 0.8% lower than a year earlier. The pre-tax profit for the first half of the year was 4.5 million euros, remaining 1.3% below the comparative period.

The decrease in external sales revenue was primarily affected by changes in the composition of leased premises at the Tartu Kaubamaja centre and by ongoing reconstruction works at the centre. In autumn, a MyFitness sports club, operating on an area of over 1,500 square metres on the second floor of the centre, will be opened and will be one of the most modern in Estonia.

The modest decline in the real estate segment's profit was mainly due to increased depreciation costs associated with the addition of new buildings. The largest impact comes from the new KIA and Škoda dealership and service building completed in Vilnius at the end of last year. In addition, the real estate segment acquired the Ülemiste Autokeskus property at the end of last year, and in April this year a body repair workshop building began operations next to the KIA sales and service centre in Peetri, near Tallinn. The newly added buildings support growth in intra-group sales revenue. In connection with new developments, the segment's loan volume has increased, resulting in a certain rise in interest expenses.

During the preparation of the detailed spatial plan for the Kaubamaja quarter located in central Tallinn, an extensive mobility study has been commissioned, with expected completion by the end of the current year. Preparations are underway for façade renovation works at the Selver stores in Kohtla-Järve, Põltsamaa and Paide. In addition, development of building automation systems continues in the Kolde and Merimetsa Selver buildings.

Personnel

In the second quarter of 2026, the Group employed on average 4,799 employees under employment contracts, representing an increase of 0.7% compared to the same period in 2025. The average number of employees in the first half of the year was likewise 4,774, increasing by 0.1% compared to the previous year. Total labour costs (wages and social security expenses) amounted to 31.2 million euros in the second quarter of 2026, increasing by 6.7% year-on-year. Labour costs for the first half of the year totalled 60.6 million euros, increasing by 5.3% compared to the same period of the previous year.

Approval of the chairman of the management board and signature to the report

The chairman of the management board confirms that the management report gives a true and fair overview of the most important events during the reporting period and their effects on the accounting report; it includes a description of the main risks and uncertainties during the remaining financial year and reflects transactions with related parties.

Raul Puusepp
Chairman of the Management Board

Tallinn, 10 July 2026

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

MANAGEMENT BOARD'S CONFIRMATION TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

The Chairman of the Management Board confirms the correctness and completeness of TKM Grupp AS condensed consolidated interim financial statements (unaudited) for the period of second quarter and first 6 months of 2026 as set out on pages 14 - 37.

The Chairman of the Management Board confirms that:

1. the accounting policies used in preparing the interim financial statements are in compliance with International Financial Reporting Standard as adopted in the European Union;
2. the interim financial statements give a true and fair view of the financial position. the results of the operations and the cash flows of the Parent and the Group;
3. TKM Grupp AS and its subsidiaries are going concerns.

____
Raul Puusepp
Chairman of the Management Board

Tallinn, 10 July 2026

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

In thousands of euros

	Note	30.06.2026	31.12.2025
ASSETS			
Current assets			
Cash and cash equivalents	2	21,626	29,516
Trade and other receivables	3	23,800	23,628
Inventories	5	107,990	101,186
Total current assets		**153,416**	**154,330**
Non-current assets			
Long-term receivables and prepayments	8	221	217
Investments in associates	7	1,860	1,860
Investment property	9	76,191	76,162
Property, plant and equipment	10	442,820	438,977
Intangible assets	11	29,521	26,429
Total non-current assets		**550,613**	**543,645**
TOTAL ASSETS		**704,029**	**697,975**

	Note	30.06.2026	31.12.2025
LIABILITIES AND EQUITY			
Current liabilities			
Borrowings	12	27,658	63,536
Trade and other payables	13	103,532	104,955
Total current liabilities		**131,190**	**168,491**
Non-current liabilities			
Borrowings	12	323,065	256,942
Trade and other payables	13	1,479	1,386
Deferred tax liabilities	14	6,908	6,893
Provisions for other liabilities and charges		636	510
Total non-current liabilities		**332,088**	**265,731**
TOTAL LIABILITIES		**463,278**	**434,222**
Equity			
Share capital	15	16,292	16,292
Statutory reserve capital		2,603	2,603
Revaluation reserve		119,094	120,630
Retained earnings		102,762	124,228
TOTAL EQUITY		**240,751**	**263,753**
TOTAL LIABILITIES AND EQUITY		**704,029**	**697,975**

The notes presented on pages 19 to 37 form an integral part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

In thousands of euros

	Note	II quarter 2026	II quarter 2025	6 months 2026	6 months 2025
Revenue	16	255,162	232,846	483,555	447,780
Other operating income		328	292	942	621
Cost of merchandise	5	-189,022	-168,625	-356,676	-325,049
Service expenses	17	-15,147	-15,102	-31,493	-30,853
Staff costs	18	-31,186	-29,218	-60,592	-57,521
Depreciation, amortisation and impairment losses	10,11	-10,724	-10,607	-21,346	-21,373
Other expenses		-257	-208	-679	-576
Operating profit		**9,154**	**9,378**	**13,711**	**13,029**
Finance income		35	75	154	354
Finance costs		-3,093	-2,877	-5,781	-5,586
Finance income on shares of associates accounted for using the equity method	7	66	62	100	118
Profit before tax		**6,162**	**6,638**	**8,184**	**7,915**
Income tax expense	15	-12	-1	-6,748	-7,827
NET PROFIT FOR THE FINANCIAL YEAR		**6,150**	**6,637**	**1,436**	**88**
Other comprehensive income:					
Items that will not be subsequently reclassified to profit or loss					
Other comprehensive income for the financial year		**0**	**0**	**0**	**0**
TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR		**6,150**	**6,637**	**1,436**	**88**
Basic and diluted earnings per share (euros)	19	0.15	0,16	0.04	0,00

Net profit and total comprehensive income are attributable to the owners of the parent.

The notes presented on pages 19 to 37 form an integral part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

In thousands of euros

	Note	6 months 2026	6 months 2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit		1,436	88
Adjustments:			
Income tax on dividends	15	6,730	7,824
Interest expense		5,781	5,586
Interest income		-154	-354
Depreciation, amortisation	10, 11	21,333	21,345
Loss on write-off property, plant and equipment	10	13	28
Profit/loss on sale of property, plant and equipment	10	-45	-21
Effect of equity method	7	-100	-118
Interest paid on lease liabilities	12	-3,016	-2,721
Change in inventories		-4,072	-2,225
Change in receivables and prepayments related to operating activities		2,214	10,081
Change in liabilities and prepayments related to operating activities		-5,723	-9,533
TOTAL CASH FLOWS FROM OPERATING ACTIVITIES		**24,397**	**29,980**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	10	-6,671	-8,513
Proceeds from sale of property, plant and equipment	10	790	357
Purchase of investment property	9	-29	-425
Proceeds from sale of investment property	9	0	5,080
Purchase of intangible assets	11	-480	-797
Business combination	6	-25,500	0
Cash acquired from business combination	6	4,623	0
Dividends received	7	100	0
Interest received		154	354
TOTAL CASH FLOWS USED IN INVESTING ACTIVITIES		**-27,013**	**-3,944**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings	12	66,191	7,371
Repayments of borrowings	12	-31,320	-10,923
Change in overdraft balance	12	3,009	-545
Payments of principal or leases	12	-9,127	-9,244
Dividends paid	15	-24,437	-26,473
Income tax on dividends paid	15	-6,730	-7,824
Interest paid		-2,860	-3,032
TOTAL CASH FLOWS USED IN FINANCING ACTIVITIES		**-5,274**	**-50,670**
TOTAL CASH FLOWS		**-7,890**	**-24,634**
Cash and cash equivalents at the beginning of the period	2	29,516	45,454
Cash and cash equivalents at the end of the period	2	21,626	20,820
Net change in cash and cash equivalents		**-7,890**	**-24,634**

The notes presented on pages 19 to 37 form an integral part of these condensed consolidated interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN OWNERS' EQUITY

In thousands of euros

	Share capital	Statutory reserve capital	Revaluation reserve	Retained earnings	Total
Balance as of 31.12.2024	**16,292**	**2,603**	**112,167**	**130,466**	**261,528**
Net profit for the reporting period	0	0	0	88	88
Total comprehensive loss for the reporting period	**0**	**0**	**0**	**88**	**88**
Reclassification of depreciation of revalued land and buildings	0	0	-1,355	1,355	0
Dividends paid	0	0	0	-26,474	-26,474
Total transactions with owners	**0**	**0**	**0**	**-26,474**	**-26,474**
Balance as of 30.06.2025	**16,292**	**2,603**	**110,812**	**105,435**	**235,142**
Net profit for the reporting period	0	0	0	17,527	17,527
Revaluation of land and buildings	0	0	11,172	0	11,172
Total comprehensive income for the reporting period	**0**	**0**	**11,172**	**17,527**	**28,699**
Reclassification of depreciation of revalued land and buildings	0	0	-2,709	2,709	0
Dividends paid	0	0	0	-26,474	-26,474
Total transactions with owners	**0**	**0**	**0**	**-26,474**	**-26,474**
Balance as of 31.12.2025	**16,292**	**2,603**	**120,630**	**124,228**	**263,753**
Net profit for the reporting period	0	0	0	1,436	1,436
Total comprehensive loss for the reporting period	**0**	**0**	**0**	**1,436**	**1,436**
Reclassification of depreciation of revalued land and buildings	0	0	-1,536	1,536	0
Dividends paid	0	0	0	-24,438	-24,438
Total transactions with owners	**0**	**0**	**0**	**-24,438**	**-24,438**
Balance as of 30.06.2026	**16,292**	**2,603**	**119,094**	**102,762**	**240,751**

Additional information on share capital and changes in equity is provided in Note 15.

The notes presented on pages 19 to 37 form an integral part of these consolidated interim financial statements.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM ACCOUNTS

Note 1. Accounting Principles Followed upon Preparation of the Condensed consolidated Interim Accounts

General Information

TKM Grupp AS ('the Company') and its subsidiaries (jointly 'TKM Group' or 'the Group') are companies engaged in rendering services related to retail sale and rental activities in Estonia, Latvia and Lithuania. TKM Grupp AS is a company registered on 18 October 1994 in the Republic of Estonia with the legal address of Kaubamaja 1, Tallinn. The shares of TKM Grupp AS are listed on the NASDAQ Tallinn Stock Exchange. The majority shareholder of TKM Grupp AS is OÜ NG Investeeringud, the majority owner of which is NG Kapital OÜ. NG Kapital OÜ is an entity with ultimate control over TKM Grupp AS.

Basis for Preparation

The Condensed Consolidated Interim Accounts of TKM Group has been prepared in accordance with the International Financial Reporting Standard IAS 34 Interim Financial Reporting as adopted by the European Union. The condensed consolidated interim financial statements do not contain all the information that has to be presented in the annual financial statements, and they should be read in conjunction with the Group's consolidated financial statements as at and for the year ended 31 December 2025. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

The presentation currency of TKM Group is euro. Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The functional currency of each of the Group's entities is euro. All amounts disclosed in the financial statements have been rounded to the nearest thousand unless referred to otherwise.

The Manager is of the opinion that the Condensed Consolidated Interim Report of TKM Group for the second quarter and first 6 months of 2026 gives a true and fair view of the Company's performance in accordance with the going-concern concept.

This Condensed Consolidated Interim Report has not been audited or otherwise reviewed by auditors.

Note 2. Cash and cash equivalents

in thousands of euros

	30.06.2026	31.12.2025
Cash on hand	1,040	1,224
Bank accounts	19,675	1,665
Overnight deposit	0	25,666
Cash in transit	911	961
Total cash and cash equivalents	**21,626**	**29,516**

Note 3. Trade and other receivables

in thousands of euros

	30.06.2026	31.12.2025
Trade receivables (Note 4)	18,903	20,133
Other short-term receivables	1,175	941
Total financial assets from balance sheet line "Trade and other receivables"	**20,078**	**21,074**
Prepayment for goods	241	203
Other prepaid expenses	3,137	2,098
Prepaid rental expenses	21	15
Prepaid taxes (Note 14)	323	238
Total trade and other receivables	**23,800**	**23,628**

Note 4. Trade receivables

in thousands of euros

	30.06.2026	31.12.2025
Trade receivables	17,017	16,437
Allowance for doubtful receivables	-82	-79
Receivables from related parties (Note 20)	317	368
Credit card payments (receivables)	1,651	3,407
Total trade receivables	**18,903**	**20,133**

Note 5. Inventories

in thousands of euros

	30.06.2026	31.12.2025
Goods purchased for resale	107,310	100,466
Tare and materials	680	720
Total inventories	**107,990**	**101,186**

The income statement line “Cost of merchandise” includes the allowances and write-off expenses of inventories and inventory stocktaking deficit as follows:

in thousands of euros

	II quarter 2026	II quarter 2025	6 months 2026	6 months 2025
Write-down and write-off of inventories	3,359	3,181	6,749	6,759
Inventory stocktaking deficit	979	1,011	1,786	1,772
Total materials and consumables used	**4,338**	**4,192**	**8,535**	**8,531**

Aging of inventory and seasonal nature of fashion items is used as basis for write down of inventories.

Note 6. Subsidiaries

TKM Group consists of:

Name	Location	Area of activity	Ownership 30.06.2026	Year of acquisition or foundation
Selver AS	Estonia, Tallinn	Retail trade	100%	1995
TKM Kinnisvara AS	Estonia, Tallinn	Real estate management	100%	1999
TKM Kinnisvara Tartu OÜ	Estonia, Tartu	Real estate management	100%	2004
SIA TKM Latvija	Latvia, Riga	Real estate management	100%	2006
TKM Auto OÜ	Estonia, Tallinn	Commercial and finance activities	100%	2007
KIA Auto AS	Estonia, Tallinn	Wholesale trade	100%	2007
Forum Auto SIA	Latvia, Riga	Retail trade	100%	2007
KIA Auto UAB	Lithuania, Vilnius	Retail trade	100%	2007
TKM Beauty OÜ	Estonia, Tallinn	Retail trade	100%	2007
Kaubamaja AS	Estonia, Tallinn	Retail trade	100%	2012
Kulinaaria OÜ	Estonia, Tallinn	Centre kitchen activities	100%	2012
Viking Motors AS	Estonia, Tallinn	Retail trade	100%	2012
Viking Security AS	Estonia, Tallinn	Security activities	100%	2014
UAB TKM Lietuva	Lithuania, Vilnius	Real estate management	100%	2017
Verte Auto SIA	Latvia, Riga	Retail trade	100%	2017
TKM Finants AS	Estonia, Tallinn	Commercial and finance activities	100%	2020
Walde AS	Estonia, Tallinn	Security activities	100%	2023
Motus Auto UAB	Lithuania, Vilnius	Retail trade	100%	2025
Rohe Auto AS	Estonia, Tallinn	Retail trade	100%	2026
SKO Motors OÜ	Estonia, Tallinn	Retail Trade	100%	2026
SKO Motors Kinnisvara OÜ	Estonia, Tallinn	Real estate management	100%	2026

Business combinations in 2026:

Name	Location	Area of activity	Acquisition date	Ownership %
Rohe Auto AS	Estonia	Retail trade	11.03.2026	100%
SKO Motors OÜ	Estonia	Retail Trade	11.03.2026	100%
SKO Motors Kinnisvara OÜ	Estonia	Real estate management	11.03.2026	100%

On 11 March 2026, the subsidiary TKM Auto OÜ of TKM Grupp AS acquired:

-100% of the shares of Rohe Auto AS

-100% of the shares of SKO Motors OÜ

-100% of the shares of SKO Motors Kinnisvara OÜ

The main activities of Rohe Auto AS and SKO Motors OÜ are the sale of vehicles under the Škoda brand, retail and wholesale of spare parts and accessories, and the provision of maintenance and repair services in the Tallinn and Harju County region. They also engage in the sale of used cars and offer consignment sales services to customers.

The activity of SKO Motors Kinnisvara OÜ is real estate management, and it owns a property located at Pärnu mnt 543, Jälgimäe village, Saku municipality, Harju County.

The objective of TKM Grupp AS has been to expand its operations in the automotive trade sector, which has consistently been one of the Group's strategic business segments since 2007. The Group's automotive segment consists of the independent KIA importer for the Baltic countries and a total of six car sales and service centres operating in Estonia, Latvia and Lithuania. The Group sells KIAs in Estonia, Latvia and Lithuania, and Škodas previously already in Latvia and Lithuania, and is also a Peugeot dealer in Estonia and Latvia. Acquiring the Škoda dealership rights is a logical step in expanding and aligning the Group's brand portfolio, enabling it to offer customers a broader selection.

The table below provides an overview of acquired identifiable assets and liabilities of Rohe Auto AS at the time of acquisition.

in thousands of euros	**Fair value**
Cash and cash equivalents	2,923
Trade receivables	1,134
Other receivables	5,517
Inventories	1,433
Property, plant and equipment	9,116
Goodwill (Note 11)	2,645
Liabilities	-2,966
Total identifiable net assets	**19,802**
Consideration of ownership interest	19,802
Paid for ownership interest in cash	**19,802**
Cash and cash equivalents in the acquired entity	**-2,923**
Net outflow of cash – investing activities	**16,879**

Goodwill 2,645 thousand euros was acquired (Note 11).

The table below provides an overview of acquired identifiable assets and liabilities of SKO Motors OÜ at the time of acquisition.

in thousands of euros	**Fair value**
Cash and cash equivalents	1,700
Trade receivables	570
Other receivables	170
Inventories	3,528
Property, plant and equipment	3,966
Goodwill (Note 11)	530
Liabilities	-6,495
Total identifiable net assets	**3,969**
Consideration of ownership interest	3,969
Paid for ownership interest in cash	**3,969**
Cash and cash equivalents in the acquired entity	**-1,700**
Net outflow of cash – investing activities	**2,269**

Goodwill 530 thousand euros was acquired (Note 11).

The table below provides an overview of acquired identifiable assets and liabilities of SKO Motors Kinnisvara OÜ at the time of acquisition.

in thousands of euros	**Fair value**
Property, plant and equipment	1,729
Total identifiable net assets	**1,729**
Consideration of ownership interest	1,729
Paid for ownership interest in cash	**1,729**
Cash and cash equivalents in the acquired entity	**0**
Net outflow of cash – investing activities	**1,729**

According to the demerger approval signed on 22.05.2025, UAB KIA Auto (the dividing company), which resumed using its previously used business name after the division, transferred the Škoda business line to the acquiring company, which is the company established on 28th of May 2025 during the division and named Motus Auto UAB. The division was entered in the Lithuanian Commercial Register on 28th of May 2025.

In 2025, there were no business combinations.

Note 7. Investments in associates

in thousands of euros

TKM Grupp AS has ownership of 50% (2025: 50%) interest in the entity AS Rävala Parkla which provides the services of a parking house in Tallinn. The investment has been classified as associated company because the other owner has the power to appoint the members of supervisory board.

	30.06.2026	**31.12.2025**
Investment in the associate at the beginning of the year	**1,860**	**1,733**
Profit for the reporting period under equity method	100	297
Dividends received	-100	-170
Investment in the associate at the end of the accounting period	**1,860**	**1,860**

Financial information about the associate Rävala Parkla AS (reflecting 100% of the associate):

	30.06.2026	**31.12.2025**
Current assets	459	447
Property, plant and equipment	3,325	3,344
Current liabilities	64	65
Owners' equity	3,720	3,726

	II quarter 2026	**II quarter 2025**	**6 months 2026**	**6 months 2025**
Revenue	150	145	300	290
Net profit	132	125	194	241

Note 8. Long-term receivables and prepayments

in thousands of euros

	30.06.2026	31.12.2025
Prepaid rental expenses	183	183
Deferred tax asset	27	27
Other long-term receivables	11	7
Total long-term trade and other receivables	**221**	**217**

Note 9. Investment property

in thousands of euros

Carrying value as at 31.12.2024	**81,284**
Purchases and improvements	569
Reclassification from property, plant and equipment (Note 10)	-1,051
Proceeds from sale	-5,080
Net profit from fair value adjustment	440
Carrying value as at 31.12.2025	**76,162**
Purchases and improvements	29
Carrying value as at 30.06.2026	**76,191**

Investment properties comprise with commercial buildings, logistic centre and constructions in progress in Estonia and Latvia, which the Group maintains predominantly for earning rental income and which are partially classified as investment properties and partially as property, plant and equipment.

The cost of investments for the 6 months of 2026 amounted to 29 thousand euros (2025: 569 thousand euros).

During the reporting period, construction work was carried out in Tartu in the amount of 29 thousand euros.

In 2025, construction work was carried out on real estate objects in Estonia in the logistics centre in the amount of 154 thousand euros, construction work was carried out in the Viimsi centre in the amount of 305 thousand euros, and renovation work was carried out in the Tartu Kaubamaja centre in the amount of 110 thousand euros.

In 2025, a property located at Veesaare tee 3, Peetri, Rae Rural Municipality, was reclassified from investment property to property, plant and equipment. Viking Motors AS, which is primarily engaged in the sale and servicing of Kia and Peugeot vehicles, will receive a new 3,600-square-metre body and paint workshop building in Peetri in the first half of 2026. Viking Motors AS is a wholly owned subsidiary of TKM Auto AS.

In 2025, SIA TKM Latvija sold investment properties in Salaspils and Kuldiga in Latvia for a total of 5,080 thousand euros.

No fair value change of investment property was identified in 2026.

Note 10. Property, plant and equipment

in thousands of euros

	Land and buildings	Right-of use-as-sets: retail properties	Machinery and equip-ment	Other fix-tures and fittings	Construction and projects in progress	Total
31.12.2024						
Cost or revalued amount	211,854	268,307	78,660	65,007	23,137	646,965
Accumulated depreciation and impairment	-7,118	-109,903	-49,404	-46,483	-9,263	-222,171
Carrying value	**204,736**	**158,404**	**29,256**	**18,524**	**13,874**	**424,794**
Changes occurred in 2025						
Purchases and improvements	1,098	0	1,697	5,089	15,591	23,475
Other reclassifications	9,188	0	257	192	-9,166	471
Reclassification from investment property (Note 12)	1,051	0	0	0	0	1,051
Reclassification to inventory	0	0	-457	-17	0	-474
Reclassification to property, plant and equip-ment from inventory	0	0	2,114	0	29	2,143
Disposals	0	0	-814	0	0	-814
Write-offs	-5	0	-12	-16	0	-33
Decrease/increase in value through profit or loss	-132	0	0	0	-4	-136
Increase in value through revaluation reserve	11,172	0	0	0	0	11,172
Adjustment to right-of use assets	0	18,823	0	0	0	18,823
Depreciation	-7,486	-20,259	-7,717	-6,033	0	-41,495
31.12.2025						
Cost or revalued amount	219,622	284,433	79,354	63,777	29,591	676,777
Accumulated depreciation and impairment	0	-127,465	-55,030	-46,038	-9,267	-237,800
Carrying value	**219,622**	**156,968**	**24,324**	**17,739**	**20,324**	**438,977**
Changes occurred in 2026						
Purchases and improvements	5,824	0	1,192	2,276	-2,621	6,671
Acquired through business combinations (Note 6)	11,154	0	3,079	544	20	14,797
Other reclassifications	4	0	167	-4	0	167
Reclassification to inventory	0	0	-939	0	0	-939
Reclassification to property, plant and equip-ment from inventory	0	0	2,958	206	4	3,168
Disposals	-59	0	-667	-19	0	-745
Write-offs	0	0	-8	-5	0	-13
Adjustment to right-of use assets	0	1,492	0	0	0	1,492
Depreciation	-3,993	-10,064	-3,791	-2,907	0	-20,755
30.06.2026						
Cost or revalued amount	237,257	285,926	85,505	67,166	26,994	702,848
Accumulated depreciation and impairment	-4,705	-137,530	-59,190	-49,336	-9,267	-260,028
Carrying value	**232,552**	**148,396**	**26,315**	**17,830**	**17,727**	**442,820**

The cost of investments for the 6 months of 2026 amounted to 7,151 thousand euros (including purchases of property, plant and equipment in the amount of 6,671 thousand euros and purchases of intangible assets amounted to 480 thousand euros).

The cost of purchases of property, plant and equipment made in reporting period in the supermarkets business segment was 2,344 thousand euros. During the reporting period, renovation and expansion work was carried out at Selver in Laulasmaa and Jõgeva, computers and related equipment continued to be purchased, and the interior and security devices of Selver stores were updated.

The cost of purchases of property, plant and equipment in the business segment of department stores amounted to 690 thousand euros. During the reporting period, Men's World underwent a renovation in Kaubamaja in Tallinn.

The cost of purchases of property, plant and equipment in the reporting period was 1,121 thousand euros in the car trade business segment.

The cost of purchases of property, plant and equipment in the reporting period was 506 thousand euros in the security business segment.

The cost of purchases of property, plant and equipment in the real estate business segment amounted to 2,010 thousand euros. During the reporting period, construction of the bodywork workshop next to the Viking Motors Peetri car dealership was finished. During the reporting period, several store building renovation projects are also ongoing, with the aim of modernising the buildings and bringing them into line with current business needs. As part of the renovation works, the energy efficiency of the buildings will be improved. Construction works are underway to expand Laulasmaa Selver and Keila Selver.

The companies in the consolidated TKM Group did not have any binding obligations for the purchase of tangible assets.

Note 11. Intangible assets

in thousands of euros

	Goodwill	Trade-mark	Beneficial agreements	Capitalised development expenditure	Total
31.12.2024					
Cost	19,049	2,243	120	7,984	29,396
Accumulated amortisation and impairment	0	-1,448	-66	-2,097	-3,611
Carrying value	**19,049**	**795**	**54**	**5,887**	**25,785**
Changes occurred in 2025					
Purchases and improvements	0	0	0	1,475	1,475
Amortisation	0	-295	-17	-519	-831
31.12.2025					
Cost	19,049	2,243	120	9,459	30,871
Accumulated amortisation and impairment	0	-1,743	-83	-2,616	-4,442
Carrying value	**19,049**	**500**	**37**	**6,843**	**26,429**
Changes occurred in 2026					
Purchases and improvements	0	0	0	480	480
Acquired through business combinations (Note 6)	3,175	0	0	15	3,190
Amortisation	0	-147	-8	-423	-578
30.06.2026					
Cost	22,224	2,243	120	10,035	34,622
Accumulated amortisation and impairment	0	-1,890	-91	-3,120	-5,101
Carrying value	**22,224**	**353**	**29**	**6,915**	**29,521**

In the reporting period, the Group capitalised costs of a web page update, loyalty card web page update, loyalty card - Monthly Card, e-shop as development expenditure and development of services were in the amount of 480 thousand euros (2025: 1,475 thousand euros).

Trademark at value of 180 thousand euros was acquired in 2014 through purchase of Viking Security AS shares. Trademark will be amortised during 7 years. Trademark has been fully amortised in 2021, but its use will continue.

Trademark at value of 1,911 thousand euros was acquired in 2020 through purchase of ABC Supermarkets AS shares. Trademark will be amortised during 7 years.

In 2021, Viking Security AS acquired from P.Dussmann Eesti OÜ its security services business in Estonia together with the assets and agreements belonging to it. Beneficial agreements at value of 120 thousand euros was acquired together with security services business. Beneficial agreements will be amortised during 7 years.

Trademark at value of 153 thousand euros was acquired in 2023 through purchase of AS Walde shares. Trademark will be amortised during 7 years.

Goodwill is allocated to cash generating units of the Group by the following segments:

in thousands of euros	30.06.2026	31.12.2025
Supermarkets	13,609	13,609
Car trade	6,331	3,156
Security	2,284	2,284
Total	**22,224**	**19,049**

The recoverable amount (based on value in use) was determined based on future cash flows for the next five years. In all units, it was evident that the present value of cash flows covers the value of goodwill and trademark as well as beneficial lease agreements and other assets related to the unit.

Note 12. Borrowings

in thousands of euros

	30.06.2026	31.12.2025
Short-term borrowings		
Overdraft	7,093	4,084
Bank loans	6,298	32,129
Lease liabilities	9,161	18,554
Other borrowings	5,106	8,769
Total short-term borrowings	**27,658**	**63,536**

in thousands of euros

	30.06.2026	31.12.2025
Long-term borrowings		
Bank loans	153,271	92,424
Lease liabilities	156,616	154,858
Other borrowings	13,178	9,660
Total long-term borrowings	**323,065**	**256,942**
Total borrowings	**350,723**	**320,478**

Borrowings received

in thousands of euros

	II quarter 2026	II quarter 2025	6 months 2026	6 months 2025
Overdraft	19	196	3,009	0
Bank loans	33,865	4,670	60,615	4,670
Other borrowings	3,391	1,432	5,576	2,701
Total borrowings received	**37,275**	**6,298**	**69,200**	**7,371**

Borrowings paid

in thousands of euros

	II quarter 2026	II quarter 2025	6 months 2026	6 months 2025
Overdraft	0	0	0	545
Bank loans	22,342	2,556	25,599	5,551
Lease liabilities	4,522	4,561	9,127	9,244
Other borrowings	3,033	2,566	5,721	5,372
Total borrowings paid	**29,897**	**9,683**	**40,447**	**20,712**

Bank loans are denominated in euros. Management estimates that the carrying amount of the Group's financial liabilities does not significantly differ from their fair value.

As of 30.06.2026, the repayment dates of bank loans are between 06.07.2026 and 07.05.2039 (2025: between 02.01.2026 and 07.05.2039), interest is tied both to 3-month and 6-month EURIBOR. Weighted average interest rate was 3.43% (2025: 3,22%).

Lease agreements that form lease liabilities have been concluded for the term until 01.09.2045. Lease liability recorded in the balance sheet is recognised as a result of adoption of IFRS 16. In discounting, an alternative loan interest rate has been used in concluding the contract or upon initial application of IFRS 16. Weighted average interest rate used was 3.1% (31.12.2025: 2.97%).

Net debt reconciliation
in thousands of euros

	30.06.2026	31.12.2025
Cash and cash equivalents (Note 2)	21,626	29,516
Short-term borrowings	-27,658	-63,536
Long-term borrowings	-323,065	-256,942
Net debt	**-329,097**	**-290,962**
Cash and cash equivalents (Note 2)	21,626	29,516
Gross debt – fixed interest rates	-165,777	-173,412
Gross debt – variable interest rates	-184,946	-147,066
Net debt	**-329,097**	**-290,962**

	Cash and cash equiva-lents	Overdraft	Borrowings	Lease liabilities	Total
Net debt 31.12.2024	**45,454**	**-4,797**	**-146,820**	**-172,777**	**-278,940**
Cash flow (principal and interest)	-15,938	713	9,438	23,970	18,183
Interest accrued	0	0	-5,600	-5,782	-11,382
Revaluation of lease liabilities	0	0	0	-18,823	-18,823
Net debt 31.12.2025	**29,516**	**-4,084**	**-142,982**	**-173,412**	**-290,962**
Cash flow (principal and interest)	-7,890	-3,009	-32,011	12,143	-28,065
Interest accrued	0	0	-2,860	-3,016	-8,578
Revaluation of lease liabilities	0	0	0	-1,492	-1,492
Net debt 30.06.2026	**21,626**	**-7,093**	**-177,853**	**-165,777**	**-329,097**

Note 13. Trade and other payables

in thousands of euros

	30.06.2026	31.12.2025
Trade payables	69,598	69,365
Payables to related parties (Note 20)	3,572	4,292
Other accrued expenses	670	315
Prepayments by tenants	2,238	2,109
Total financial liabilities from balance sheet line “Trade and other payables”	**76,078**	**76,081**
Taxes payable (Note 14)	12,460	13,102
Employee payables	10,618	11,097
Prepayments	4,315	4,540
Provisions for other liabilities and charges	61	135
Total trade and other payables	**103,532**	**104,955**
Long-term tenant security deposits	1,431	1,338
Other long-term liabilities	48	48
Total long-term trade and other payables	**1,479**	**1,386**

Note 14. Taxes

in thousands of euros

	30.06.2026		31.12.2025	
	Prepaid taxes	Taxes payable	Prepaid taxes	Taxes payable
Prepaid taxes	323	0	238	0
Value added tax	0	5,240	0	6,164
Personal income tax	0	2,006	0	1,962
Social security taxes	0	4,679	0	4,388
Corporate income tax	0	37	0	135
Unemployment insurance	0	302	0	281
Mandatory funded pension	0	196	0	172
Total taxes	**323**	**12,460**	**238**	**13,102**

As of 30.06.2026 deferred tax liability on dividends in the amount of 6,801 thousand euros (31.12.2025: 6,801 thousand euros) and deferred income tax liability arising from temporary differences in Lithuania in the amount of 107 thousand euros (31.12.2025: 92 thousand euros) is recorded in the balance sheet

Note 15. Share capital

As of 30.06.2026 and 31.12.2025, the share capital in the amount of 16,292 thousand euros consisted of 40,729,200 ordinary shares with the nominal value of 0.40 euros per share. All shares issued have been paid for. According to the articles of association, the maximum allowed number of shares is 100,000,000 shares.

In 2026, dividends were paid to the shareholders in the amount of 24,437 thousand euros, or 0.60 euros per share. Related income tax expense on dividends amounted to 6,730 thousand euros.

In 2025, dividends were paid to the shareholders in the amount of 26,474 thousand euros, or 0.65 euros per share. Related income tax expense on dividends amounted to 7,824 thousand euros.

Note 16. Segment reporting

The Group has defined the business segments based on the reports used regularly by the supervisory board to make strategic decisions.

The chief operating decision maker monitors the Group's operations by activities. By areas of activity, the operating activities are monitored in the department stores, supermarkets, real estate, car trade, beauty products (I.L.U.) and security segments. The measures of I.L.U. are below the quantitative criteria of the reporting segment specified in IFRS 8; these have been aggregated with the department stores segment because they have similar economic characteristics and are similar in other respects specified in IFRS 8.

The main area of activity of department stores, supermarkets and car trade is retail trade. Supermarkets focus on the sale of food products and convenience goods, the department stores on the sale of beauty and fashion products, the car trade on the sale of cars and spare parts. Among the others, in the car trade segment, cars are sold at wholesale prices to authorised car dealers. The share of wholesale trade in other segments is insignificant. The security segment main activity is providing security services solutions. The real estate segment deals with the development, management and maintenance of real estate owned by the Group, and with the rental of commercial premises.

The activities of the Group are carried out in Estonia, Latvia and Lithuania. The Group operates in all the five operating segments in Estonia. The Group is engaged in car trade and real estate development in Latvia and in Lithuania.

The disclosures of financial information correspond to the information that is periodically reported to the Supervisory Board. Measures of profit or loss, segment assets and liabilities have been measured in accordance with accounting policies used in the preparation of the financial statements, except for IFRS 16 measurement and recognition of right of use assets and lease liabilities which are shown in a separate sector. Main measures that Supervisory Board monitors are segment revenue (external segment and inter-segment revenue), EBITDA (earnings before interest, taxes, depreciation and amortisation) and net profit or loss.

in thousands of euros

II quarter 2026	Super-markets	Depart-ment store	Car trade	Securi-ty	Real estate	Inter-segment transact-ions	Impact of lease accounting	Total seg-ments
External revenue	**146,961**	**24,923**	**76,180**	**5,241**	**1,857**	**0**	**0**	**255,162**
Inter-segment revenue	225	1,321	99	1,606	4,158	-7,409	0	0
Total revenue	147,186	26,244	76,279	6,847	6,015	-7,409	0	255,162
EBITDA	**4,694**	**1,015**	**3,564**	**-85**	**4,647**	**0**	**6,043**	**19,878**
Segment depreciation and impairment losses	-2,700	-803	-657	-155	-1,395	0	-5,014	-10,724
Operating profit	**1,994**	**212**	**2,907**	**-240**	**3,252**	**0**	**1,029**	**9,154**
Finance income	208	195	27	1	260	-656	0	35
Finance income on shares of associates (Note 7)	0	66	0	0	0	0	0	66
Finance costs	-306	-526	-252	-27	-1,118	656	-1,520	-3,093
Income tax	0	0	-1	0	-11	0	0	-12
Net profit/(-loss)	**1,896**	**-53**	**2,681**	**-266**	**2,383**	**0**	**-491**	**6,150**
incl. in Estonia	1,896	-53	2,239	-266	2,226	0	-491	5,551
incl. in Latvia	0	0	137	0	113	0	0	250
incl. in Lithuania	0	0	305	0	44	0	0	349
Segment assets	**143,842**	**91,487**	**89,416**	**9,372**	**325,286**	**-103,770**	**148,396**	**704,029**
Segment liabilities	**107,760**	**66,010**	**49,496**	**7,101**	**140,141**	**-73,007**	**165,777**	**463,278**
Segment investments in property, plant and equipment	1,237	179	105	236	1,069	0	0	2,826
Segment investments in intangible assets	0	245	5	0	0	0	0	250

in thousands of euros

II quarter 2025	Super-markets	Depart-ment store	Car trade	Securi-ty	Real estate	Inter-segment transact-ions	Impact of lease accounting	Total seg-ments
External revenue	**155,737**	**25,695**	**45,131**	**4,361**	**1,922**	**0**	**0**	**232,846**
Inter-segment revenue	221	1,272	74	1,692	3,697	-6,956	0	0
Total revenue	155,958	26,967	45,205	6,053	5,619	-6,956	0	232,846
EBITDA	**6,406**	**1,053**	**2,223**	**-102**	**4,424**	**0**	**5,981**	**19,985**
Segment depreciation and impairment losses	-2,947	-812	-435	-151	-1,203	0	-5,059	-10,607
Operating profit	**3,459**	**241**	**1,788**	**-253**	**3,221**	**0**	**922**	**9,378**
Finance income	200	233	9	0	294	-661	0	75
Finance income on shares of associates (Note 7)	0	62	0	0	0	0	0	62
Finance costs	-297	-536	-166	-19	-1,101	661	-1,419	-2,877
Income tax	0	0	0	0	-1	0	0	-1
Net profit/(-loss)	**3,362**	**0**	**1,631**	**-272**	**2,413**	**0**	**-497**	**6,637**
incl. in Estonia	3,362	0	1,412	-272	2,355	0	-497	6,360
incl. in Latvia	0	0	139	0	115	0	0	254
incl. in Lithuania	0	0	80	0	-57	0	0	23
Segment assets	**145,415**	**87,059**	**51,991**	**7,806**	**309,506**	**-92,603**	**158,650**	**667,824**
Segment liabilities	**97,924**	**60,955**	**28,285**	**5,649**	**126,734**	**-60,841**	**173,976**	**432,682**
Segment investments in property, plant and equipment	759	260	133	96	3,779	0	0	5,027
Segment investments in intangible assets	89	449	2	2	0	0	0	542

in thousands of euros

6 months 2026	Super-markets	Depart-ment store	Car trade	Security	Real estate	Inter-segment transact-ions	Impact of lease accounting	Total seg-ments
External revenue	**289,353**	**47,760**	**131,994**	**10,753**	**3,695**	**0**	**0**	**483,555**
Inter-segment revenue	608	2,632	191	3,353	8,114	-14,898	0	0
Total revenue	289,961	50,392	132,185	14,106	11,809	-14,898	0	483,555
EBITDA	**7,427**	**256**	**6,328**	**80**	**8,822**	**0**	**12,144**	**35,057**
Segment depreciation and impairment losses	-5,455	-1,589	-1,181	-282	-2,775	0	-10,064	-21,346
Operating profit	**1,972**	**-1,333**	**5,147**	**-202**	**6,047**	**0**	**2,080**	**13,711**
Finance income	422	385	35	1	495	-1,184	0	154
Finance income on shares of associates (Note 7)	0	100	0	0	0	0	0	100
Finance costs	-541	-962	-399	-51	-1,996	1,184	-3,016	-5,781
Income tax	-948	0	-1,385	0	-4,415	0	0	-6,748
Net profit/(-loss)	**905**	**-1,810**	**3,398**	**-252**	**131**	**0**	**-936**	**1,436**
incl. in Estonia	905	-1,810	3,152	-252	-96	0	-936	963
incl. in Latvia	0	0	113	0	165	0	0	278
incl. in Lithuania	0	0	133	0	62	0	0	195
Segment assets	**143,842**	**91,487**	**89,416**	**9,372**	**325,286**	**-103,770**	**148,396**	**704,029**
Segment liabilities	**107,760**	**66,010**	**49,496**	**7,101**	**140,141**	**-73,007**	**165,777**	**463,278**
Segment investments in property, plant and equipment (Note 10)	2,344	690	1,121	506	2,010	0	0	6,671
Segment investments in intangible assets (Note 11)	2	472	6	0	0	0	0	480

in thousands of euros

6 months 2025	Super-markets	Depart-ment store	Car trade	Security	Real estate	Inter-segment transact-ions	Impact of lease accounting	Total seg-ments
External revenue	**304,046**	**48,443**	**82,450**	**8,959**	**3,882**	**0**	**0**	**447,780**
Inter-segment revenue	449	2,541	169	3,240	7,387	-13,786	0	0
Total revenue	304,495	50,984	82,619	12,199	11,269	-13,786	0	447,780
EBITDA	**10,171**	**300**	**3,480**	**-49**	**8,534**	**0**	**11,966**	**34,402**
Segment depreciation and impairment losses	-5,990	-1,609	-847	-320	-2,410	0	-10,197	-21,373
Operating profit	**4,181**	**-1,309**	**2,633**	**-369**	**6,124**	**0**	**1,769**	**13,029**
Finance income	416	561	43	0	606	-1,272	0	354
Finance income on shares of associates (Note 7)	0	118	0	0	0	0	0	118
Finance costs	-576	-1,056	-345	-38	-2,122	1,272	-2,721	-5,586
Income tax	-564	0	-2,259	0	-5,004	0	0	-7,827
Net profit/(-loss)	**3,457**	**-1,686**	**72**	**-407**	**-396**	**0**	**-952**	**88**
incl. in Estonia	3,457	-1,686	-155	-407	-40	0	-952	217
incl. in Latvia	0	0	144	0	-263	0	0	-119
incl. in Lithuania	0	0	83	0	-93	0	0	-10
Segment assets	**145,415**	**87,059**	**51,991**	**7,806**	**309,506**	**-92,603**	**158,650**	**667,824**
Segment liabilities	**97,924**	**60,955**	**28,285**	**5,649**	**126,734**	**-60,841**	**173,976**	**432,682**
Segment investments in property, plant and equipment (Note 10)	1,656	741	417	176	5,523	0	0	8,513
Segment investments in intangible assets (Note 11)	89	700	6	2	0	0	0	797

External revenue according to types of goods and services sold

in thousands of euros

	II quarter 2026	II quarter 2025	6 months 2026	6 months 2025
Retail revenue	230,813	207,454	431,808	399,249
Wholesale revenue	8,081	11,524	20,722	21,466
Rental income	2,945	3,007	5,813	5,999
Revenue for rendering services	13,323	10,861	25,212	21,066
Total revenue	**255,162**	**232,846**	**483,555**	**447,780**

External revenue by client location

in thousands of euros

	II quarter 2026	II quarter 2025	6 months 2026	6 months 2025
Estonia	233,321	214,981	446,340	415,413
Latvia	7,149	8,320	14,391	14,808
Lithuania	14,692	9,545	22,824	17,559
Total	**255,162**	**232,846**	**483,555**	**447,780**

Distribution of non-current assets* by location of assets

in thousands of euros

	30.06.2026	31.12.2025
Estonia	515,171	507,895
Latvia	20,073	20,354
Lithuania	13,509	13,536
Total	**548,753**	**541,785**

* Non-current assets, other than financial assets and investment in associate.

In the reporting period and comparable period, the Group did not have any clients whose revenue would exceed 10% of the Group’s revenue.

Note 17. Services expenses

in thousands of euros

	II quarter 2026	II quarter 2025	6 months 2026	6 months 2025
Rental expenses	170	183	320	388
Heat and electricity expenses	2,943	2,899	6,771	6,320
Expenses related to premises	2,556	2,983	5,307	5,844
Cost of services and materials related to sales	1,877	1,886	3,869	3,752
Marketing expenses	2,512	2,661	4,821	5,202
Other operating expenses	1,195	987	2,712	2,488
Computer and communication costs	2,490	2,294	4,964	4,384
Expenses related to personnel	1,404	1,209	2,729	2,475
Total services expenses	**15,147**	**15,102**	**31,493**	**30,853**

Note 18. Staff costs

in thousands of euros

	II quarter 2026	II quarter 2025	6 months 2026	6 months 2025
Wages and salaries	23,731	22,216	46,152	43,739
Social security taxes	7,455	7,002	14,440	13,782
Total staff costs	**31,186**	**29,218**	**60,592**	**57,521**
Average number of employees converted to full-time equivalents	5,106	5,056	5,066	5,052
Average number of employees by type of employment:				
Person employed under an employment contract	*4,799*	*4,768*	*4,774*	*4,768*
Person providing services under a contract under the law of obligations, excluding a self-employed person	*300*	*281*	*285*	*277*
Member of the management or supervisory body of a legal entity	*7*	*7*	*7*	*7*

Note 19. Earnings per share

For calculating the basic earnings per share, the net profit to be distributed to the Parent's shareholders is divided by the weighted average number of ordinary shares in circulation. As the Company does not have potential ordinary shares, the diluted earnings per share equal basic earnings per share.

	II quarter 2026	II quarter 2025	6 months 2026	6 months 2025
Net profit (in thousands of euros)	6,150	6,637	1,436	88
Weighted average number of shares	40,729,200	40,729,200	40,729,200	40,729,200
Basic and diluted earnings per share (euros)	0.15	0.16	0.04	0.00

Note 20. Related party transactions

in thousands of euros

In preparing the consolidated interim report of TKM Grupp AS, the following parties have been considered as related parties:

a. owners (Parent and the persons controlling or having significant influence over the Parent);
b. associates;
c. other entities in the Parent's consolidation group;
d. management and supervisory boards of the Group companies;
e. close relatives of the persons described above and the entities under their control or significant influence.

Parent company of TKM Grupp AS is OÜ NG Investeeringud (Parent company), operating in Estonia. Majority shareholder of OÜ NG Investeeringud is NG Kapital OÜ, operating in Estonia. NG Kapital OÜ is the ultimate controlling party of TKM Grupp AS.

The TKM Group has purchased and sold goods, services and non-current assets as follows:

	Purchases 6 months 2026	Sales 6 months 2026	Purchases 6 months 2025	Sales 6 months 2025
Parent	137	93	137	279
Entities in the Parent's consolidation group	15,937	2,306	15,058	2,432
Members of management and supervisory boards	0	74	0	14
Other related parties	54	5	28	4
Total	**16,128**	**2,478**	**15,223**	**2,729**

A major part of the purchases from the entities in the Parent's consolidation group is made up of goods purchased for sale. Purchases from the Parent are mostly made up of management fees. Sales to related parties are mostly made up of services provided.

Balances with related parties:

	30.06.2026	31.12.2025
Receivables from entities in the in the Parent's consolidation group	317	368
Total receivables from related parties (Note 4)	**317**	**368**

	30.06.2026	31.12.2025
Parent	28	41
Entities in the Parent's consolidation group	3,543	4,249
Other related parties	1	2
Total liabilities to related parties (Note 13)	**3,572**	**4,292**

Receivables from and liabilities to related parties, arisen in the normal course of business, are unsecured and carry no interest because they have regular payment terms.

Entities in the Parent company consolidation group are important suppliers for the Group.

For arranging funding for its subsidiaries, the Group uses the group account, the members of which are most of the Group's entities. In its turn, the Group as a subgroup is a member of the group account of NG Investeeringud OÜ (hereinafter head group). From 2001, TKM Grupp AS has been keeping its available funds at the head group account, earning interest income on its deposits. In 2026, the Group has earned interest income on its deposits of available funds in the amount of 92 thousand euros, interest rate 0.94% (2025: 367 thousand euros, interest rate 1.26%). As at 30 June 2026 and 31 December 2025, TKM Grupp AS had not deposited any funds through head group and had not used available funds of head group. According to the group account contract, the Group's members are jointly responsible for the unpaid amount to the bank.

Remuneration paid to the members of the Management and Supervisory Board

Short term benefits to the management boards' members of the TKM Group for the reporting period including wages, social security taxes, bonuses, and car expenses, amounted to 2,429 thousand euros (2025 6 months: 2,339 thousand euros), including termination benefits in the amount of 40 thousand euros. Short-term benefits to supervisory boards' members of the Group in reporting period including social taxes amounted to 526 thousand euros (2025 6 months: 497 thousand euros).

The termination benefits for the members of the Management Board are limited to 3 to 6 month's salary expense.