

TELESTE CORPORATION: ORDERS RECEIVED AND NET SALES INCREASED. PROFIT IMPROVED SIGNIFICANTLY.

Unless otherwise specified, the figures in parentheses refer to the year-on-year comparison period.

APRIL-JUNE 2025 IN BRIEF

- Net sales were EUR 35.9 (29.5) million, representing increase of 21,5%.
- Adjusted EBITDA was EUR 3.4 (1.6) million, representing increase of 116%.
- The adjusted operating profit was EUR 2.2 (0.4) million, representing increase of 384.4%.
- The operating profit was EUR 2.0 (-0.5) million, an increase of EUR 2.5 million.
- Earnings per share were EUR 0.02 (-0.06), representing increase of EUR 0.08.
- Cash flow from operations was EUR 4.9 (-0.2) million, representing increase of EUR 5.1 million.
- Orders received increased by 47.7% to EUR 39.5 (26.7) million.

JANUARY-JUNE 2025 IN BRIEF

- Net sales were EUR 68.0 (66.1) million, representing increase of 2.9%.
- Adjusted EBITDA was EUR 6.1 (4.6) million, representing increase of 31.7%.
- The adjusted operating profit was EUR 3.6 (2.0) million, representing increase of 81.2%.
- The operating profit was EUR 3.5 (-0.9) million, an increase of EUR 4.4 million.
- Earnings per share were EUR 0.06 (-0.08), representing an increase of EUR 0.14.
- Cash flow from operations was EUR 6.4 (7.1) million, representing a decrease of EUR 0,7 million.
- Orders received were EUR 76.5 (57.2) million, representing increase of 33.7%.

OUTLOOK FOR 2025

Teleste estimates revenue for 2025 to be between 135 and 150 million euros, with adjusted operating profit in the range of 4 to 7 million euros.

Import tariffs in the United States continue to create uncertainty and may impact profitability in the short term.



EUR million	4-6 2025	4-6 2024	Change	1-6 2025	1-6 2024	Change	1-12 2024
Net sales	35.9	29.5	21.5 %	68.0	66.1	2.9 %	132.5
Adjusted EBITDA ¹⁾	3.4	1.6	116.0 %	6.1	4.6	31.7 %	9.3
Adjusted EBITDA, % 1)	9.4 %	5.3 %	4.1 ppt	8.9 %	7.0 %	2.0 ppt	7.0 %
Adjusted Operating profit ¹⁾	2.2	0.4	384.4 %	3.6	2.0	81.2 %	4.2
Adjusted Operating profit, % 1)	6.0 %	1.5 %	4.5 ppt	5.3 %	3.0 %	2.3 ppt	3.2 %
Operating profit	2.0	-0.5	n/a	3.5	-0.9	n/a	-5.4
Operating profit, %	5.6 %	-1.7 %	7.3 ppt	5.1 %	-1.3 %	6.4 ppt	-4.1 %
Net result for the period	0.3	-1.1	n/a	0.9	-1.6	n/a	-5.9
Earnings per share, EUR	0.02	-0.06	n/a	0.06	-0.08	n/a	-0.32
Cash flow from operations	4.9	-0.2	n/a	6.4	7.1	-9.2 %	12.4
Orders received	39.5	26.7	47.7 %	76.5	57.2	33.7 %	124.9
Order backlog				126.8	117.1	8.3 %	118.3
Net gearing, %				40 %	47 %	-6.6 ppt	46 %
Equity ratio, %				46 %	48 %	-1.3 ppt	45 %
Personnel at period-end				635	699	-7.1 %	630

¹⁾ An alternative performance measure defined in the tables section of the report.





The business performance in the first half of the year has been strong and supports our long-term strategic objectives for growth and profitability"

Esa Harju, President & CEO

COMMENTS BY ESA HARJU, PRESIDENT & CEO

"The second quarter of 2025 demonstrated strong performance across the entire organization. Orders received and net sales grew significantly, compared with both the same period last year and the first quarter of 2025. Profit increased substantially, and operating cash flow remained positive.

In the **Broadband Networks** segment, intelligent network deliveries to customers in North America continued at a solid pace, increasing from earlier in the year. We also received additional orders for 1.8 GHz intelligent network products in Europe, with deliveries beginning already during the second quarter. We announced our related agreement with VodafoneZiggo at the beginning of July, and we believe other European operators will also adopt 1.8 GHz intelligent network technology in their networks in the future.

In the **Public Safety and Mobility** segment, the year progressed according to plan with the execution of several project deliveries. Orders received rose sharply, and profitability improved compared with the same period last year. We expanded our customer base among train manufacturers by signing, in early July, an agreement with new customer Hitachi Rail for the delivery of train systems.

Changes in U.S. government import tariffs are affecting global markets and the operating environment. We have taken several measures to adapt to these developments. As a result, tariffs had only a limited impact on second-quarter results, although the outlook for the remainder of the year remains uncertain. We are prepared to continue adjusting our operations should the business environment change further.

On April 22, 2025, we announced, in a separate stock exchange release, our long-term strategic growth targets through 2030. Our objectives are to achieve average annual net sales growth of 10% by 2030 and an adjusted operating margin of 7% to 12% by that time. We have updated our strategy and action plans so that all businesses are expected to contribute to the company's long-term strategic We see multiple growth goals. opportunities in our target markets and intend to leverage our strong expertise to capture them. In the Broadband Networks segment, North America will serve as the growth engine, while in Europe we aim for clear market leadership. In the Public Safety and Mobility segment, we are focused on expanding our market share across all product lines."



Group Summary

ORDERS RECEIVED AND ORDER BOOK

EUR million	4-6 2025	4-6 2024	Change	1-6 2025	1-6 2024	Change	1-12 2024
Orders received	39.5	26.7	47.7 %	76.5	57.2	33.7 %	124.9
Order book				126.8	117.1	8.3 %	118.3

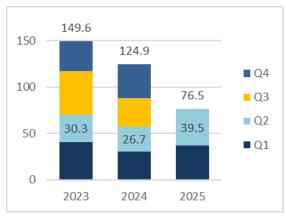
Orders received

April-June: Orders received by the Group amounted to EUR 39.5 (26.7) million in the second quarter, representing a year-on-year increase of 47.7%. Orders received by the Broadband Networks segment totaled EUR 23.6 (17.3) million, representing a year-on-year increase of 36.9%. Orders received by the Public Safety and Mobility segment totaled EUR 15.8 (9.5) million, representing a year-on-year increase of 67.3%.

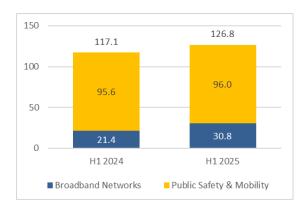
January-June: Orders received by the Group amounted to EUR 76.5 (57.2) million in the first half of the year, representing a year-on-year increase of 33.7%. Orders received by the Broadband Networks segment totaled EUR 47.8 (33.2) million, representing a year-on-year increase of 44.3%. A significant share of the orders during the period came from North America, but also from the recovering European markets. Orders received by the Public Safety and Mobility segment totaled EUR 28.7 (24.1) million. The 19.2% year-on-year increase in orders was mainly due to a significantly stronger order intake in the rail business.

Order book

The order book at the end of the Group's reporting period amounted to EUR 126.8 (117.1) million, representing a year-on-year increase of 8.3%. Approximately 38% of the deliveries in the order book are scheduled to take place during the 2025



Orders received, EUR million



Order book at period-end, EUR million

financial period. Orders in the Broadband Networks segment accounted for approximately 24% of the order book, while orders in the Public Safety and Mobility segment represented 76%. The order book increased by 44% year-on-year in the Broadband Networks segment and remained at the same level in the Public Safety and Mobility segment.



NET SALES

EUR million	4-6 2025	4-6 2024	Change	1-6 2025	1-6 2024	Change	1-12 2024
Broadband Networks	22.6	17.0	33.4 %	42.0	40.1	4.9 %	78.2
Public Safety and Mobility	13.2	12.6	5.4 %	26.0	26.0	-0.1 %	54.3
Total	35.9	29.5	21.5 %	68.0	66.1	2.9 %	132.5

April-June

The net sales of the Group amounted to EUR 35.9 (29.5) million, representing an increase of 21.5% in both segments.

The net sales of the Broadband Networks segment totaled EUR 22.6 (17.0) million. The 33.4% increase in net sales was driven by more than a three-fold increase in deliveries to North America.

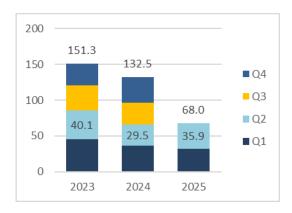
The net sales of the Public Safety and Mobility segment totaled EUR 13.2 (12.6) million, representing a year-on-year increase of EUR 0.6 million (5.4%). The growth was driven by favorable development in video security customer deliveries, offsetting lower project deliveries to train manufacturers.

January-June

The net sales of the Group amounted to EUR 68.0 (66.1) million, representing a 2.9% increase, primarily driven by growth in the Broadband Networks segment.

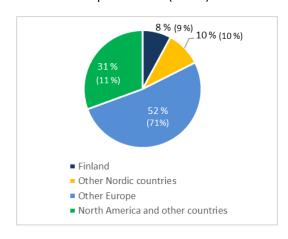
The net sales of the Broadband Networks segment totaled EUR 42.0 (40.1) million, representing year-on-year bases of EUR 2.0 million (4.9%). The growth was driven by increased volumes of intelligent amplifiers to the North American market, offsetting the strong European deliveries recorded in the first quarter of the comparison period.

The net sales of the Public Safety and Mobility segment totaled EUR 26.0 (26.0) million, remaining at the same level as in the comparison period. Performance varied across business areas, with fluctuations balancing each other out.



Net sales, EUR million

In terms of the geographical distribution of net sales, the share of "North America and the rest of the world" increased to 30.6% (10.8), which was particularly due to significant growth in the North American market for the Broadband Networks segment, and the Public Safety and Mobility segment's strategic project deliveries outside Europe. Finland accounted for 7.9% (8.9%) of net sales, the other Nordic countries for 9.7% (9.8%), and other Europe for 51.8% (70.5%).



Net sales H1 2025 by market area, percent



PROFITABILITY

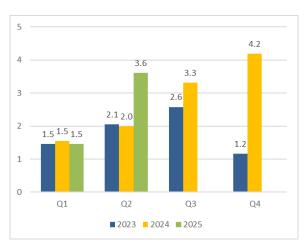
Group	4–6 2025	4–6 2024	Change	1-6 2025	1-6 2024	Change	1–12 2024
Adjusted EBITDA, EUR 1,000	3,368	1,559	116.0 %	6,079	4,616	31.7 %	9,339
Adjusted EBITDA margin, %	9.4 %	5.3 %	4.1 ppt	8.9 %	7.0 %	2.0 ppt	7.0 %
Adjustment items, EUR 1,000	-150	-952	n/a	-150	-2,272	n/a	-2,906
EBITDA, EUR 1,000	3,218	607	430.0 %	5,930	2,344	153.0 %	6,433
EBITDA margin, %	9.0 %	2.1 %	6.9 ppt	8.7 %	3.5 %	5.2 ppt	4.9 %
Adjusted Operating profit, EUR 1,000	2,153	444	384.4 %	3,610	1,992	81.2 %	4,184
Adjusted Operating profit margin, %	6.0 %	1.5 %	4.5 ppt	5.3 %	3.0 %	2.3 ppt	3.2 %
Adjustment items, EUR 1,000	-150	-952	n/a	-150	-2,851	n/a	-9,559
Operating profit, EUR 1,000	2,004	-507	n/a	3,461	-858	n/a	-5,375
Operating profit, %	5.6 %	-1.7 %	7.3 ppt	5.1 %	-1.3 %	6.4 ppt	-4.1 %

April-June

The Group's adjusted EBITDA was EUR 3.4 (1.6) million, representing an increase of EUR 1.8 million, or 116%. The Group's adjusted EBITDA margin was 9.4% (5.3), representing a year-on-year increase of 4.1%. The share of net sales represented by the Group's expenses for material and manufacturing services was 45.8% (46.5%). The decrease of 0.7 percentage points was due to a different product and market mix, savings in material expenses, and improvements in production efficiency. Personnel expenses amounted to EUR 11.3 (10.5) million increasing by 7.6% due to the temporary cost-saving measures during the comparison period, and moderate investments in the North America during the reporting period.

The Group's EBITDA was EUR 3.2 (0.6) million, representing an increase of EUR 2.6 million. The adjusted items in the comparison period were related to restructuring costs and strategic development projects.

The EBITDA margin was 9.0% (2.1%).



Adjusted cumulative EBIT, EUR million

The Group's adjusted operating profit was EUR 2.2 (0.4) million, and the adjusted operating profit margin increased to 6.0% from 1.5% in the comparison period. The adjusted operating profit margin was minimally affected by depreciations increasing to EUR 1.2 million from EUR 1.1 million in the comparison period.

Operating profit increased to EUR 2.0 (-0.5) million, or 5.6% (-1.7%) of net sales. The increase in operating profit was affected by EUR 1.0 million in



restructuring costs classified as adjustment items in the comparable period.

The Group's net financial expenses were EUR -1.9 (-0.5) million, representing an increase of EUR 1.4 million. The increase was mainly due to unrealized foreign exchange differences of EUR 0.8 million, a negative change in interest rate hedges amounting to EUR 0.2 million, the effective cost impact of refinancing arrangement fees and higher interest expenses totaling EUR 0.2 million and realized foreign exchange losses of EUR 0.2 million.

In addition, according to the company's hedge accounting policy, the fair value of USD currency hedges recognized in other comprehensive income increased by EUR 0.3 million during the period and realized hedges improved operating profit by EUR 0.1 million.

Direct taxes for the reporting period amounted to EUR 0.2 (-0.1) million of tax assets. Driven by strengthening profitability and an improved outlook, the Group companies have recognized previously unrecorded deferred tax assets in their financial results. The result for the review period was EUR 0.3 (-1.1) million.

Earnings per share were EUR 0.02 (-0.06).

January-June

The Group's adjusted EBITDA was EUR 6.1 (4.6) million, representing an increase of EUR 1.5 million, or 31.7%. The Group's adjusted EBITDA margin was 8.9% (7.0), representing a year-on-year increase of 2.0 percentage points. The share of net sales represented by the Group's expenses for material and manufacturing services was 45.3% (48.2%). The decrease of 2.9 percentage points was due to a different product and market mix, savings in material expenses, and improvements in production efficiency. Personnel expenses decreased by 1.1%, and amounted to EUR 22.1 (22.4) million.

The Group's EBITDA was EUR 5.9 (2.3) million, representing an increase of EUR 3.6 million. The adjusted items in the comparison period were related to restructuring costs and strategic development projects.

The EBITDA margin was 8.7% (3.5%).

The Group's adjusted operating profit was EUR 3.6 (2.0) million, and the adjusted operating profit margin increased to 5.3% from 3.0% in the comparison period.

Operating profit increased to EUR 3.5 (-0.9) million, or 5.1% (-1.3%) of net sales. The increase in operating profit was partly due to the restructuring costs of EUR 2.2 million in the comparison period, which were reported as adjusted items, as well as a non-recurring R&D impairment of EUR 0.6 million in the comparison period.

The Group's net financial expenses were EUR -2.8 (-0.7) million, representing an increase of EUR 2.1 million. The increase was mainly due to unrealized foreign exchange losses of approximately EUR 1.0 million, negative changes in foreign exchange and interest rate hedges amounting to EUR 0.5 million, the effective financial expense impact of refinancing arrangement fees and higher interest expenses totaling EUR 0.4 million and realized foreign exchange losses of EUR 0.2 million.

Additionally, in accordance with the company's hedge accounting policy, the fair value of USD currency hedges recognized in other comprehensive income increased by EUR 0.4 million during the period, while realized hedges improved operating profit by EUR 0.2 million.

Direct taxes for the reporting period amounted to EUR 0.2 (-0.1) million of tax assets. Driven by strengthening profitability and an improved outlook, the Group companies have recognized previously unrecorded deferred tax assets in their financial results. The result for the review period was EUR 0.9 (-1.6) million.

Earnings per share were EUR 0.06 (-0.08).



CASH FLOW AND FINANCIAL POSITION

Cash flow

Cash flow from operations was positive EUR 6.4 (7.1) million in January–June 2025, representing a year-on-year decrease of 9.2%. Cash flow from operations was particularly strong in the comparison period owing to a significant release of net working capital due to higher net sales and the related collection of receivables from customers.

Cash flow from investing activities was EUR -2.2 (-2.8) million. The change of EUR 0.6 million was due to lower R&D investments.

Cash flow from financing activities was EUR -0.6 (-1.5) million. In accordance with its loan agreements, the company made loan repayments totaling EUR 1.6 million and drew EUR 2.0 million in short-term loans under its credit facility. Payments of finance lease liabilities were EUR 1.0 (0.8) million.

Financial position

At the end of the period under review, the Group's interest-bearing debt stood at EUR 35.1 (36.9) million, with short-term loans from banks representing EUR 10.7 (13.7) million of that amount. Interest-bearing liabilities associated with leases capitalized in accordance with IFRS 16 amounted to EUR 4.7 (4.6) million, of which EUR 1.5 (1.4) million were short-term liabilities. The Group's cash and cash equivalents amounted to EUR 12.2 (9.0) million. At the end of June 2025, the amount of unused binding credit facilities was EUR 12.0 (12.8) million.

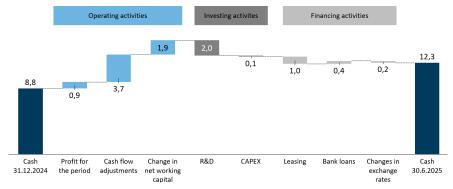
The Group's total assets at the end of the period under review stood at EUR 122.7 (125.4) million, and equity amounted to EUR 56.7 (59.5) million. The balance sheet total was affected by a write-

down of capitalized R&D assets recorded in the fourth quarter of 2024, partially offset by improved operational performance. The Group's equity ratio was 46.4% (47.7%) and the net gearing ratio was 40.3% (46.9%). The company's net debt/adjusted EBITDA ratio was 2.10 (4.22), indicating an improvement in the company's debt repayment capacity.

In the third quarter of 2024, the company signed a syndicated refinancing arrangement that includes a repayable loan, credit limits and a non-binding guarantee limit. All financing agreements include financial covenants regarding the minimum equity ratio, the maximum net debt to adjusted EBITDA ratio and the minimum liquidity. The company met all of its financial covenants. Enterprise mortgages totaling EUR 68.9 million are used as collateral for the financing agreements.

At the end of the review period, the company's financing agreements included:

- A EUR 26.0 million repayable loan maturing in August 2026, the principal of which was EUR 23.6 million on June 30, 2025. The loan is amortized four times a year in installments of EUR 0.8 million.
- A EUR 15.0 million binding Revolving Credit Facility (RCF) maturing in August 2026, of which EUR 7.0 million was in use on June 30, 2025.
- A EUR 4.0 million binding credit limit, valid until August 2026. On June 30, 2025, EUR 4.0 million of the credit limit was unused.
- A EUR 8.0 million non-binding bank guarantee limit
- The financing agreement includes two conditional one-year extension options.





INVESTMENTS, RESEARCH AND PRODUCT DEVELOPMENT

Investments by the Group totaled EUR 3.4 (3.5) million, representing 5.0% (5.4%) of net sales. Leases capitalized in accordance with IFRS 16 amounted to EUR 1.2 (0.7) million as the renewal of certain lease agreements fell in the first quarter of 2025. Other investments in tangible and intangible assets were minor and totaled EUR 0.1 (0.1) million. A total of EUR 2.0 (2.7) million of R&D expenses were capitalized during the period under review. Depreciation on capitalized R&D expenses was EUR 1.0 (1.2) million.

R&D expenses amounted to EUR 7.1 (7.9) million, representing 10.4% (12.0%) of consolidated net sales. Product development projects in the Broadband Networks segment were focused on DOCSIS 4.0 -compliant intelligent amplifier technology as well as telemetry and remote management software solutions targeted for the North American market. In the Public Safety and Mobility segment, product development projects were focused on public transport information systems and customer-specific product platforms.

PERSONNEL

The Group employed 641 (689) people on average in April-June 2025 and 635 (699) people in January-June 2025. At the end of June, the Group employed 652 (688) people, of whom 27% (31%) worked abroad. At the end of the financial period 2024, the Group employed 630 people. The company has specified the reporting of employees during 2025 and, therefore, the previously reported number of employees at the end of the financial period 2024, 619, has been restated to

correspond to the reporting practice applied in the current financial period.

Personnel expenses decreased by 1.1% year-onyear to EUR 22.1 (22.4) million. Personnel expenses decreased compared to the comparison period due to a cost-saving program and efficiency measures, while investments in the North American business increased.

SUSTAINABILITY AND CORPORATE RESPONSIBILITY

Sustainability and corporate responsibility are an integral part of the company's operations and the product and service offering. The company's products and services promote safety, security, environmentally friendly and efficient public transport as well as energy-efficient digital communications solutions.

The company's management has assessed the materiality of different aspects of corporate responsibility with respect to the company's stakeholders and business operations. By taking all facets of corporate responsibility into consideration, the company wants to ensure that its measures enable a sustainable future for generations to come. At the same time, the

company responds to the expectations of customers, investors and other stakeholders, and ensures its position as an attractive employer.

The Corporate Sustainability Reporting Directive (CSRD) is the European Union's regulatory framework created to improve and standardize corporate sustainability reporting. It entered into effect from the financial year 2024. In March 2025, Teleste Corporation published its first sustainability report in accordance with European Sustainability Reporting Standards (ESRS) under the Corporate Sustainability Reporting Directive (CSRD) and in compliance with the provisions of Chapter 7 of the Finnish Accounting Act.



Group Summary

The taxonomy is the EU's classification system that entered into effect at the beginning of 2022 and lists economic activities that are sustainable with respect to the climate and the environment. In 2024, 39% of Teleste's net sales was classified as EU taxonomy-aligned, representing activities that substantially contribute to the EU's environmental objectives.

In addition to sustainability reporting, the impact of the company's sustainability efforts has been monitored by means of the international EcoVadis sustainability assessment for several years now. Teleste has achieved a Gold Medal in the assessment. In the EcoVadis assessment, companies are benchmarked against other companies, which means that maintaining the Gold Medal rating requires continuous development and progress. In 2024, the company made a commitment to the Science Based Targets initiative (SBTi) to achieve a clear path towards the emissions targets stipulated by the Paris Agreement. In 2023, the company also made a commitment to the UN Sustainable Development Goals and the UN Global Compact, which is based on the SDGs and is the world's largest corporate responsibility initiative. Together, EcoVadis, the UN Global Compact and the EU's reporting obligations support the continuous development of sustainability efforts.

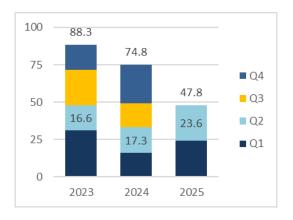


ORDERS RECEIVED AND ORDER BOOK

EUR million	4-6 2025	4-6 2024	Change	1-6 2025	1-6 2024	Change	1-12 2024
Orders received	23.6	17.3	36.9 %	47.8	33.2	44.3 %	74.8
Order book				30.8	21.4	43.6 %	25.0

April-June: Orders received by the Broadband Networks segment totaled EUR 23.6 (17.3) million, representing a year-on-year increase of EUR 6.3 million, or 36.9%. Orders in Europe increased significantly in both DOCSIS 4.0 intelligent networks and the video business. Orders in North America remained at a good level despite the uncertainty caused by tariffs.

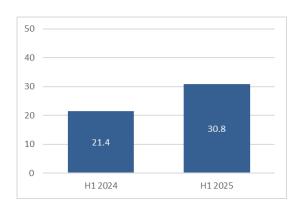
January-June: Orders received by the Broadband Networks segment totaled EUR 47.8 (33.2) million, representing a year-on-year increase of 44.3%.



Broadband Networks – Orders received, EUR million

European orders for the DOCSIS 4.0 intelligent network technology increased and significantly contributed to the total value of orders received during the period. Orders in the video business also grew during the reporting period, as did orders from North America.

The order book of the Broadband Networks segment totaled EUR 30.8 (21.4) million, representing a year-on-year increase of EUR 9.4 million (43.6%). The order book was boosted by strong orders from both North America and Europe. More than half of the order book's value consisted of products based on next-generation DOCSIS 4.0 technology.



Broadband Networks – Order book at period-end, EUR million



NET SALES

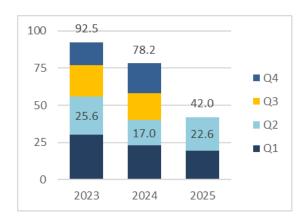
April-June

The net sales of the Broadband Networks segment totaled EUR 22.6 (17.0) million, representing a year-on-year increase of EUR 5.6 million (33.4%). Deliveries of 1.8 GHz DOCSIS 4.0-compliant intelligent amplifiers to North America increased significantly.

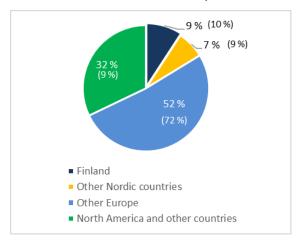
January-June

The net sales of the Broadband Networks segment totaled EUR 42.0 (40.1) million, representing a year-on-year increase of EUR 1.9 million (4.9%). Deliveries of 1.8 GHz DOCSIS 4.0-compliant intelligent amplifiers to North America increased significantly. The comparison period included significant deliveries to the European market during the first quarter.

The share of net sales represented by North America and the rest of the world increased to 32.1% (9.1%) due primarily to the increased delivery volumes to North America. Finland accounted for 9.2% (9.7%) of net sales, other Nordic countries for 7.1% (9.4%), and other Europe for 51.6% (71.8%).



Broadband Networks – Net sales, EUR million



Broadband Networks – Net sales by market area Jan-June 2025, percent



PROFITABILITY

Broadband Networks	4-6 2025	4-6 2024	Change	1-6 2025	1-6 2024	Change	1–12 2024
Adjusted EBITDA, EUR 1,000	3,448	1,581	118.1 %	5,451	4,945	10.2 %	8,932
Adjusted EBITDA margin, %	15.2 %	9.3 %	5.9 ppt	13.0 %	12.3 %	0.6 ppt	11.4 %
Adjusted Operating profit, EUR 1,000	2,827	1,090	159.5 %	4,184	3,636	15.1 %	6,264
Adjusted Operating profit margin, %	12.5 %	6.4 %	6.1 ppt	10.0 %	9.1 ppt	0.9 %	8.0 %

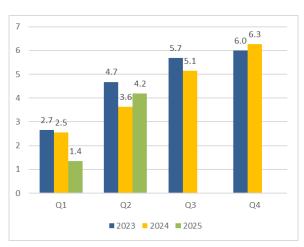
April-June

The Broadband Networks segment's adjusted EBITDA was EUR 3.4 (1.6) million, representing an increase of EUR 1.8 million. The increase in EBITDA was driven by higher net sales, as well as a different product and market mix in the comparison period. The company has increased its investments in strengthening its market position in North America. In addition, in the comparison period, other expenses and personnel expenses were lower due to the cost-saving program. The adjusted EBITDA margin was 15.2% (9.3%).

The adjusted operating profit of Broadband Networks segment was EUR 2.8 (1.1) million, representing an increase of EUR 1.7 million. The adjusted operating profit margin was 12.5% (6.4%).

January-June

The Broadband Networks segment's adjusted EBITDA was EUR 5.5 (4.9) million, representing an increase of EUR 0.6 million. The increase in EBITDA was driven by higher net sales, as well as a different product and market mix in the comparison period. The company has increased its investments in



Broadband Networks – Adjusted cumulative operating profit, EUR million

strengthening its market position in North America. In addition, in the comparison period, other expenses and personnel expenses were lower due to the cost-saving program. The adjusted EBITDA margin was 13.0% (12.3%).

The adjusted operating profit of Broadband Networks segment was EUR 4.2 (3.6) million, representing an increase of EUR 0.6 million. The adjusted operating profit margin was 10.0% (9.1%).



BUSINESS ENVIRONMENT

Demand for broadband technology and the global network equipment market are expected to return to growth starting in 2025, driven by competition among network operators to offer fast and reliable broadband connections to households and businesses.

The new generation of DOCSIS 4.0-compliant 1.8 GHz intelligent network technologies will provide subscribers with broadband speeds of up to 10 Gbps, ensuring the competitiveness of cable broadband alongside fiber-optic solutions. At the same time, the role of software-based intelligence in network technologies is increasing, enabling more reliable broadband services as well as lower network construction and maintenance costs.

Investments in the new DOCSIS 4.0 technology began in North America in 2024. In Europe, investments will begin in certain markets during 2025. The North American cable market is significantly larger than that of Europe, and DOCSIS 4.0 investments there are expected to drive clear market growth starting in 2025.

In May 2025, Charter Communications and Cox Communications announced a planned merger. Once completed, this will create the largest fixed

"The delivery volumes of Teleste's DOCSIS 4.0compliant 1.8 GHz smart network solution are increasing during 2025."

> Ulf Andersson Executive Vice President

broadband and TV service operator in North America. The transaction is subject to customary regulatory approvals and is expected to close by the end of June 2026.

U.S. import tariffs are causing disruptions in the market, and changes to these tariffs add uncertainty. However, they are not expected to materially affect network investments or the long-term growth of the North American network market.

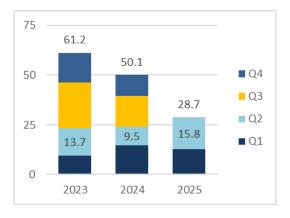
Teleste's deliveries of DOCSIS 4.0-compliant 1.8 GHz intelligent networks are expected to increase during 2025, and the relative share of North America in the company's net sales is projected to continue growing in 2025 and 2026.



ORDERS	RFCFIVFD	AND ORDER	BOOK

EUR million	4-6 2025	4-6 2024	Change	1-6 2025	1-6 2024	Change	1-12 2024
Orders received	15.8	9.5	67.3 %	28.7	24.1	19.2 %	50.1
Order book				96.0	95.6	0.4 %	93.3

April-June: Orders received by the Public Safety and Mobility segment increased 67,3% on year-on-year and were EUR 15.8 (9.5) million. Orders from public transport operators increased compared to the comparison period, reflecting our strengthened position. Orders from train manufactures also increased, partially reflecting a lower comparison period.

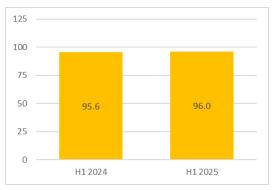


Public Safety and Mobility – Orders received, EUR million

January-June: Orders received by the Public Safety and Mobility segment totaled EUR 28.7 (24.1) million, representing a year-on-year increase of 19.2%. Orders from train manufacturers showed particularly strong growth, reflecting the lower

second quarter in the comparison period. Orders from public transport operators also increased. Service business orders were lower compared to the comparison period, as the first half of 2025 did not include a large-scale maintenance project order similar to that in the prior year.

The Public Safety and Mobility order book totaled EUR 96.0 (95.6) million, remaining on par with the comparison period. The order book for public transport operators increased, while the order book for service business and video security decreased. We continue to be in active roll-out stage of several rolling-stock projects, and continuation and variation orders have maintained a steady order book. In the service and maintenance business, the decrease is attributable to an exceptionally large maintenance project we received in Poland during the comparison period, which has already been largely delivered to the customer.



Public Safety and Mobility – Order book at period-end, EUR million



NET SALES

April-June

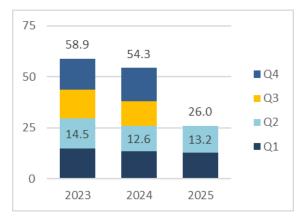
The net sales of the Public Safety and Mobility segment increased by EUR 0.6 million (5.4%) and amounted to EUR 13.2 (12.6) million. Deliveries to public transportation operators increased notably on the second quarter from the comparison period. In video security and maintenance businesses, net sales developed favorably compared to the comparison period. This compensated for the lower Net Sales from deliveries to train manufacturers compared to the comparison period, reflecting the typical timing variations in project-based business.

January-June

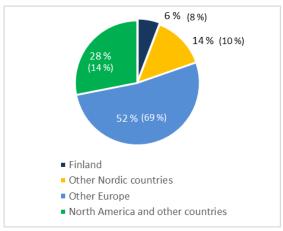
The net sales of the Public Safety and Mobility segment remained at year-on-year level, totaling EUR 26.0 (26.0) million. Performance varied among the different business areas within the segment. Video security business developed favorably, particularly in North America and Middle East. Net sales from maintenance business and deliveries to the public transportation operators exceeded the level on the comparison period. Deliveries to rolling stock manufacturers were lower than in the comparison period, which resulted reporting period to stay at the par with the comparison period.

The share of North America and the rest of the world increased to 28.1% (13.6%) due to larger project deliveries to strategic customers, especially in video security.

Finland accounted for 5.8% (7.6%) of net sales, the other Nordic countries for 13.9% (10.3%), and other



Public Safety and Mobility – Net sales, EUR million



Public Safety and Mobility – Net sales by market area, percent

Europe for 52.2% (68.5%). The decrease in Other Europe's contribution was primarily due to lower deliveries to the train manufacturers according to normal project timing fluctuations.



PROFITABILITY

Public Safety and Mobility	4-6 2025	4-6 2024	Change	1-6 2025	1-6 2024	Change	1–12 2024
Adjusted EBITDA, EUR 1,000	1,119	974	14.9 %	2,911	1,888	54.2 %	4,476
Adjusted EBITDA margin, %	8.4 %	7.7 %	0.7 ppt	11.2 %	7.3 %	3.9 ppt	8.2 %
Adjusted EBIT, EUR 1,000	525	350	50.1 %	1,708	574	197.6 %	1,989
Adjusted EBIT margin, %	4.0 %	2.8 %	1.2 ppt	6.6 %	2.2 %	4.4 ppt	3.7 %

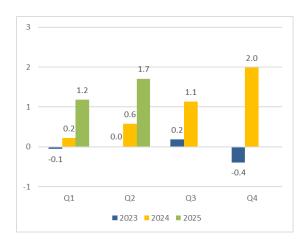
April-June

The operational development of the Public Safety and Mobility- segment is progressing as planned. Material and production service costs were lower than in the comparison period, supporting profitability alongside positive revenue development. The impact of higher personnel expenses was offset by a reduction in other fixed operating costs. These changes were driven by the successful recruitment of in-house personnel, allowing tasks requiring critical expertise to be transferred from subcontractors to internal resources. The adjusted operating profit was EUR 0.5 (0.4) million, representing an increase of 50,1 %. The increase in profit was a result of the abovementioned profit levers as well as lower amortizations compared to the comparison period. The adjusted operating profit margin increased to 4.0% from 2.8% year-on-year.

January-June

Profitability in the Public Safety and Mobility segment improved due to lower material and production service costs, as well as a more favorable project mix compared to the comparison period. The slight increase in personnel expenses was offset by a decrease in other fixed costs. This was driven by successful recruitment efforts, which enabled some previously outsourced tasks to be handled in-house.

The adjusted operating profit was EUR 1.7 (0.6) million, representing an increase of EUR 1.1 million. The increase in profit was a result of the abovementioned profit levers as well as lower amortizations compared to the comparison period. The adjusted operating profit margin increased to 6.6% (2.2%).



Public Safety and Mobility

– Adjusted cumulative operating profit, EUR
million



BUSINESS ENVIRONMENT

The expansion of urban areas, the growth of environmentally sustainable public transport solutions and the integration of smart digital systems into people's daily lives provide a strong platform for the growth of public transport information and security systems.

After a period of certain instability in the markets in recent years, the operating environment is developing in a more favorable and predictable direction. Typically, the public transport market is also less sensitive to turbulence in the global economy. However, the nature of publicly funded project business involves cost-consciousness, which places high demands on suppliers in terms of efficiency and competitiveness.

The importance of real-time software solutions has continued to grow in importance. Public transport information systems are becoming increasingly intelligent, and software development has become a key competitive factor.

Services and solutions aimed at enhancing the passenger experience are playing a greater role in customer decision-making. At the same time, full lifecycle management of systems, maintenance and service operations, and the building of long-term partnerships related to them are becoming significant business areas.

The market is also showing growing demand for intelligent and integrated solutions that enhance

"The public transport and security solutions markets present promising opportunities, and Teleste's strong position as a long-term partner to leading industry players supports the sustainable growth and development of the business."

Valerian Sand, Senior Vice President

the safety of environments and public infrastructure. Alongside traditional video surveillance, real-time mobile video monitoring systems and comprehensive situational awareness systems have emerged, enabling combined management and analysis of video feeds and other sensory input.

The public transport and security solutions markets present promising opportunities, and Teleste's strong position as a long-term partner to leading industry players supports the sustainable growth and development of the business.



GROUP STRUCTURE

The parent company has a branch office in the Netherlands and subsidiaries in 12 countries outside Finland.

SHARES AND SHARE CAPITAL

On March 31, 2025, Teleste Corporation conveyed a total of 14,264 treasury shares without consideration to the key employees participating in Teleste's long-term share-based incentive program launched in 2022. The start of the performance periods and their key conditions were disclosed in stock exchange releases published on February 10, 2022.

The conveyance of the shares by means of a directed share issue without consideration is based on the terms and conditions of the program and the authorization granted to the Board of Directors by the Annual General Meeting held on April 11, 2024.

On June 30, 2025, Tianta Oy was the largest single shareholder of Teleste with a holding of 25.2% (25.2%). According to Euroclear Finland Ltd, the number of Teleste shareholders at the end of the period under review was 4,988 (5,237). Foreign

shareholders accounted for 0.8% (0.9%) of the shares, while nominee-registered holdings accounted for 2.4% (2.6%).

On June 30, 2025, the company's registered share capital stood at EUR 6,966,932.80, divided into 18,985,588 shares. The Group's parent company Teleste Corporation held 685,602 (738,398) treasury shares, representing 3.6% (3.9%) of all Teleste shares, on June 30, 2025.

In January–June 2025, the share turnover of Teleste on Nasdaq Helsinki was 0.5 (0.6) million shares and EUR 1.5 (1.7) million. The volume-weighted average price of the share was EUR 2.82 (2.82), the lowest share price in the review period was EUR 2.47 (2.50) and the highest EUR 3.10 (3.45). The closing price of the Teleste share on June 30, 2025, was EUR 2.89 (2.66) and market capitalization was EUR 54.9 (50.5) million.

GOVERNANCE

Company leadership

On June 30, 2025, Teleste's Leadership Team included Esa Harju, President and CEO; Mervi Kerkelä-Hiltunen, CFO; Pasi Järvenpää, Senior Vice President, Research and Development; Linda Kallas, Senior Vice President, Strategy, Communications & Sustainability; Esa Korolainen, Senior Vice President, Operations, Logistics & Sourcing; Ulf Andersson, Executive Vice President, Broadband Networks; Valerian Sand, Senior Vice President, Public Safety and Mobility; and Tuomas Vanne, Senior Vice President, People and Culture.

Annual General Meeting

The Annual General Meeting (AGM) of Teleste Corporation, held on April 23, 2025, adopted the financial statements and consolidated financial statements for 2024 and the remuneration report of the company's governing bodies for the financial period 2024, and discharged the members of the Board of Directors and the CEO from liability for the financial period 2024. In accordance with the proposal of the Board of Directors, the AGM resolved that, based on the adopted balance sheet, a dividend of EUR 0.03 per share be paid for the financial period that ended on December 31, 2024, for shares other than those held by the company. The dividend will be paid to shareholders registered on the record date of June 30, 2025, as a shareholder in the company's shareholders' register maintained by Euroclear Finland Ltd. The dividend payment date is July 7, 2025.

The AGM decided that the Board of Directors shall consist of six members. Timo Luukkainen, Jussi Himanen, Vesa Korpimies, Mirel Leino-Haltia, Anni Ronkainen and Kai Telanne were elected as



members of Teleste Corporation's Board of Directors.

Teleste's AGM 2024 decided on the annual remunerations to be paid to the members of the Board of Directors as follows: EUR 66,000 per year for the Chairman and EUR 33,000 per year to each member. The annual remuneration of the Board member who acts as the Chairman of the Audit Committee shall be EUR 49,000 per year. Of the annual remuneration to be paid to the Board members, 40 % of the total gross remuneration amount will be used to purchase Teleste Corporation's shares for the Board members through trading on the regulated market organized by Nasdaq Helsinki Ltd, and the rest will be paid in cash. However, a separate meeting fee shall not be paid to the members of the Board of Directors nor the Chairman of the Audit Committee. A meeting fee of EUR 400 per meeting is to be paid to the members of the Board of Directors' committees for those committee meetings that they attend.

PricewaterhouseCoopers Oy, a firm of Authorized Public Accountants, was elected as the company's auditor. The audit firm has appointed Markku Launis, APA, as the auditor with principal responsibility. It was decided that the auditor's fees will be paid according to the invoice approved by the company.

BDO Oy, an Authorized Sustainability Audit Firm, was elected as the company's sustainability reporting assurance provider, and BDO Oy has appointed Mr. Vesa Vuorinen, APA, Authorized Sustainability Auditor, as the principally responsible sustainability auditor. It was decided to pay the sustainability reporting assurance provider's compensation against an invoice approved by the company.

The AGM decided to authorize the Board of Directors to decide on the purchase of the company's own shares in accordance with the proposal of the Board. According to the authorization, the Board of Directors may acquire 1,200,000 of the company's own shares otherwise than in proportion to the holdings of the shareholders with unrestricted equity through trading on the regulated market organized by Nasdaq Helsinki Ltd at the market price at the time of the purchase.

The share purchase authorization is valid for eighteen (18) months from the date of the

resolution of the Annual General Meeting. The authorization overrides any previous authorizations to purchase the company's own shares.

The Annual General Meeting decided to authorize the Board of Directors to decide on issuing new shares and/or transferring the company's own shares held by the company and/or granting special rights referred to in Chapter 10, Section 1 of the Limited Liability Companies Act, in accordance with the Board's proposal.

The new shares may be issued and the company's own shares held by the company may be conveyed either against payment or for free. New shares may be issued and the company's own shares held by the company may be conveyed to the company's shareholders in proportion to their current shareholdings in the company, or by waiving the shareholder's pre-emption right, through a directed share issue if the company has a weighty financial reason to do so. The new shares may also be issued in a free share issue to the company itself.

Under the authorization, the Board of Directors has the right to decide on issuances of new shares and/or transferring the company's own shares held by the company, so that the maximum total number of shares issued and/or transferred is 2,000,000.

The total number of new shares to be subscribed for under the special rights granted by the company and the company's own shares held by the company to be transferred may not exceed 1,000,000 shares, which number is included in the above maximum number concerning new shares and the Group's own shares held by the company.

The authorizations are valid for eighteen (18) months from the resolution of the Annual General Meeting. The authorizations override any previous authorizations to decide on issuances of new shares and on granting stock option rights or other special rights entitling to shares.

Organizational meeting of the Board of Directors

The Board of Directors, which convened after the Annual General Meeting, elected Mr. Timo Luukkainen as its Chair.

Mirel Leino-Haltia was elected as Chair of the Audit Committee of the Board of Directors, with Jussi Himanen and Vesa Korpimies as members. Kai



Telanne was elected as Chair of the Personnel and Remuneration Committee of the Board of Directors, with Timo Luukkainen and Anni Ronkainen as members.

Authorizations

Valid authorizations at the end of the review period on June 30, 2025:

- The Board of Directors may acquire 1,200,000
 of the company's own shares otherwise than
 in proportion to the holdings of the
 shareholders with unrestricted equity
 through trading on the regulated market
 organized by Nasdaq Helsinki at the market
 price of the time of the purchase.
- The Board of Directors may decide on issuing new shares and/or transferring the company's own shares held by the company, so that the maximum total number of shares issued and/or transferred is 2,000,000.
- The total number of new shares to be subscribed for under the special rights granted by the company and the company's own shares held by the company to be transferred may not exceed 1,000,000 shares, which number is included in the above maximum number concerning new shares and the Group's own shares held by the company.

Business risks and uncertainties

This interim report mainly describes the most significant changes to the risks presented in the Report of the Board of Directors and financial statements for 2024. Risk management constitutes an integral part of the strategic and operational activities of the business areas. Risks are reported to the Audit Committee and the Board of Directors on a regular basis and whenever necessary.

Import tariffs imposed by the U.S. administration on April 2, 2025, along with broad geopolitical uncertainties, rapidly changing customs regulations, potential retaliatory tariffs, export restrictions, and other trade barriers, may affect the company's profitability. Additionally, potential export restrictions in countries within the company's supply chain may create challenges in the availability of production resources. The

company strives to mitigate these impacts through active measures, but not all import duties and other impacts of trade barriers can necessarily be compensated or passed on to customer prices. In the longer term, once a more stable and predictable operating environment is resumed, the company can adapt its operations to the changed operating environment.

Legal proceedings and judicial procedures

In 2023, Teleste's subsidiary in Germany has filed a claim for damages related to a project which the customer has terminated without a valid reason in Teleste's opinion. The deliveries of the terminated project included passenger information systems to a group of local public transport operators. Teleste estimates that the legal proceedings will not have any significant financial impact on the Group's operations.

At the end of the period under review, there were no other legal proceedings or judicial procedures pending that would have had any essential significance to the Group's operations.

Events after the end of the review period

On July 2, 2025, the company acquired the remaining 20% minority share of Teleste Intercept LLC, located in the United States. Following the transaction, the company's U.S. operations are now wholly owned and controlled by the Group. We will continue to collaborate with Antronix in many areas, despite this ownership change.

On July 14, 2025, the company announced it had commenced deliveries of DOCSIS 4.0-compliant network systems to VodafoneZiggo in the Netherlands. The agreement marks a significant milestone in the rollout of 1.8 GHz broadband technology in Europe.

On August 6, 2025, the company announced the signing of a supply agreement with a new train manufacturer, Hitachi Rail. Under the agreement, the company will provide passenger information systems for Hitachi's new battery-powered trams, expanding its customer base through a partnership with a significant new client.



FINANCIAL INFORMATION IN 2025

Teleste Corporation will publish financial information in 2025 as follows:

May 7, 2025 Interim report January–March 2025

August 14, 2025 Half year financial report January–June 2025

November 5, 2025 Interim report January–September 2025

The annual report for 2024 was published on March 28, 2025, at www.teleste.com. Teleste Corporation's Annual General Meeting was held on Wednesday, April 23, 2025, in Helsinki, Finland.

Results presentation call

Teleste will organize a results presentation call on August 14, 2025, at 9.30 a.m. Finnish time (EEST). The event will feature presentations by CEO Esa Harju and CFO Mervi Kerkelä-Hiltunen. Registration for the results event is according to separately provided customary instructions.

Turku, August 14, 2025

Teleste Corporation Board of Directors

For further information, please contact:

Esa Harju, President and CEO Mervi Kerkelä-Hiltunen, CFO

tel. +358 2 2605 611 investor.relations@teleste.com

Teleste in Brief

Teleste's technologies and products are used to build a networked society. Our solutions bring high-speed broadband and television services to homes, secure your safety in public places and guide you in the use of public transport. With solid industry experience and a drive to innovate, we are a leading international company in broadband, security and information technologies and related services. We work in close cooperation with our customers, both virtually and through our worldwide sales network. In 2024, Teleste's net sales amounted to EUR 132.5 million and, on average, it had approximately 673 employees. Teleste is listed on Nasdaq Helsinki. For more information, please visit our website www.teleste.com.



The company has decided to change its reporting principles for the half-year review so that, in the future, with the exception of hedge accounting, all items arising from realized and unrealized exchange rate differences will be reported as financial items in the income statement. Comparative period items have been adjusted to correspond to the current reporting principle. The adjustment did not have a material effect on the figures for the comparative period.

Except for the above, this interim report has been compiled in compliance with IAS 34, as it is accepted within EU, using the recognition and valuation principles with those used in the Annual Report. Teleste has prepared this interim report applying the same accounting principles as those described in detail in its consolidated financial statements except for the adoption of new standards and amendments effective as of January 1, 2025. Audit principles can be found from the latest annual report. The data stated in this report is unaudited.

STATEMENT OF COMPREHENSIVE INCOME				
(tEUR)	4-6/2025	4-6/2024	Change %	1-12/2024
Net Sales	35,887	29,540	21.5 %	132,524
Other operating income	148	211	-29.9 %	607
Materials and services	-16,447	-13,725	19.8 %	-66,094
Personnel expenses	-11,333	-10,534	7.6 %	-40,981
Depreciation	-1,214	-1,115	8.8 %	-5,157
Impairment	0	0	n/a	-6,653
Other operating expenses	-5,036	-4,884	3.1 %	-19,622
Operating profit	2,004	-507	n/a	-5,375
Financial income	-37	196	-118.7 %	991
Financial expenses	-1,883	-724	160.1 %	-2,682
Profit after financial items	84	-1,035	n/a	-7,066
Profit before taxes	84	-1,035	n/a	-7,066
Taxes	222	-76	-390.3 %	1,013
Net profit	306	-1,112	n/a	-6,053
Attributable to:				
Equity holders of the parent	411	-1,068	n/a	-5,853
Non-controlling interests	-105	-43	n/a	-200
-	306	-1,112	n/a	-6,053
Earnings per share for result of the year attributable to				
the equity holders of the parent (in euro per share)				
Basic	0.02	-0.06	n/a	-0.32
Diluted	0.02	-0.06	n/a	-0.32
Total comprehensive income for the period (tEUR)				
Net profit	306	-1,112	n/a	-6,053
Possible items with future net profit effect				
Translation differences	-149	157	-195.1 %	-65
Cash flow hedges	235	13	1686.9 %	-306
Total comprehensive income for the period	391	-941	n/a	-6,424
Attributable to:				
Equity holders of the parent	477	-893	n/a	-6,189
Non-controlling interests	-85	-49	n/a	-235
	391	-941	n/a	-6,424



STATEMENT OF COMPREHENSIVE INCOME				
(tEUR)	1-6/2025	1-6/2024	Change %	1-12/2024
Net Sales	68,043	66,114	2.9 %	132,524
Other operating income	461	344	34.2 %	607
Materials and services	-30,833	-31,866	-3.2 %	-66,094
Personnel expenses	-22,139	-22,390	-1.1 %	-40,981
Depreciation and amortization	-2,469	-2,623	-5.9 %	-5,157
Impairment	0	-579	-100.0 %	-6,653
Other operating expenses	-9,603	-9,857	-2.6 %	-19,622
Operating profit	3,461	-858	n/a	-5,375
Financial income	57	456	-87.5 %	991
Financial expenses	-2,847	-1,173	142.8 %	-2,682
Profit after financial items	670	-1,575	n/a	-7,066
Troncured mandaritems	070	1,373	11/ 4	7,000
Profit before taxes	670	-1,575	n/a	-7,066
Taxes	203	-61	-431.9 %	1,013
Net profit	873	-1,636	n/a	-6,053
Attributable to:				
Equity holders of the parent	1,049	-1,493	n/a	-5,853
Non-controlling interests	-176	-143	n/a	-200
	873	-1,636	n/a	-6,053
Earnings per share for result of the year attributable to				
the equity holders of the parent (in euro per share)				
Basic	0.06	-0.08	n/a	-0.32
Diluted	0.06	-0.08	n/a	-0.32
			., .	
Total comprehensive income for the period (tEUR)			,	
Net profit	873	-1,636	n/a	-6,053
Possible items with future net profit effect	222	12	2201.20/	CF
Translation differences Cash flow hedges	333 286	13 138	2381.2 % 106.7 %	-65 -306
Total comprehensive income for the period	1,492	-1,485	106.7 % n/a	-6,424
Total comprehensive income for the period	1,432	-1,403	ıı/a	-0,424
Attributable to:				
Equity holders of the parent	1,630	-1,326	n/a	-6,189
Non-controlling interests	-138	-159	n/a	-235
	1,492	-1,485	n/a	-6,424



STATEMENT OF FINANCIAL POSITION (tEUR)	30.6.2025	30.6.2024	Change %	31.12.2024
Non-current assets				
Intangible assets	9,840	14,331	-31.3 %	8,839
Goodwill	30,060	30,089	-0.1 %	30,082
Property, plant, equipment	11,364	11,978	-5.1 %	11,516
Other non-current financial assets	27	364	-92.6 %	27
Other non-current reiceivables	103	118	-13.4 %	116
Deferred tax asset	3,411	2,075	64.4 %	3,163
	54,804	58,955	-7.0 %	53,742
Current assets				
Inventories	24,992	28,731	-13.0 %	24,896
Trade and other receivables	29,645	28,522	3.9 %	32,703
Tax Receivable, income tax	972	261	272.6 %	1,019
Cash and cash equivalents	12,265	8,951	37.0 %	8,808
	67,873	66,465	2.1 %	67,426
Total assets	122,678	125,420	-2.2 %	121,168
Shareholder equity and liabilities				
Share capital	6,967	6,967	0.0 %	6,967
Other equity	50,534	53,153	-4.9 %	48,509
Owners of the parent company	57,501	60,120	-4.4 %	55,476
Non-controlling interests	-807	-592	36.3 %	-669
EQUITY	56,694	59,527	-4.8 %	54,808
Non-current liabilities	4.4	47	C 4.0/	50
Deferred tax liability	44	47	-6.4 %	50
Non-current liabilities, interest-bearing	22,712	15,697	44.7 %	24,653
Non-current interest-free liabilities	35 444	35 285	0.0 % 55.7 %	35 560
Non-current provisions	23,234	16,063	44.6 %	25,297
Current liabilities	23,234	10,003	44.0 /0	23,237
Current interest-bearing liabilities	12,420	21,193	-41.4 %	9,558
Trade Payables and Other Liabilities	28,676	26,765	7.1 %	29,569
Advances received	405	525	-22.8 %	365
Tax liability, income tax	154	340	-54.7 %	139
Current provisions	1,093	1,006	8.7 %	1,433
•	42,749	49,829	-14.2 %	41,063
Total shareholder equity and liskilities	122.670	125 420	2 2 0/	121 160
Total shareholder equity and liabilities	122,678	125,420	-2.2 %	121,168



CONSOLIDATED CASH FLOW STATEMENT (tEUR)	1-6/2025	1-6/2024	Change %	1-12/2024
Cash flows from operating activities	072	1.626	- /-	C 0F2
Profit for the period	873	-1,636	n/a	-6,053
Adjustments to cash flow from operating activities	5,479	3,779	45.0 %	12,590
Change in net working capital	1,893	5,783	-67.3 %	8,807
Other finance items	-386	-58	560.9 %	-201
Paid interest and other finance expenses	-1,154	-794	45.3 %	-2,130
Received interests and dividend payments	110	106	3.7 %	204
Paid Taxes	-378	-88	327.4 %	-788
Cash flow from operating activities	6,437	7,091	-9.2 %	12,431
Cash flow from investing activities				
Purchase of tangible and intangible assets	-2,200	-2,886	-23.8 %	-4,642
Proceeds from sales of PPE	-2,200 14	-2,880 50	-23.6 % -72.6 %	-4,042 91
				_
Net cash used in investing activities	-2,186	-2,836	n/a	-4,551
Cash flow from financing activities				
Proceeds from borrowings	2,000	1,884	6.2 %	37,387
Payments of borrowings	-1,600	-2,600	-38.5 %	-40,823
Payment of leasing liabilities	-963	-830	16.1 %	-1,933
Dividends paid	0	0	n/a	0
Net cash used in financing activities	-563	-1,546	n/a	-5,369
Change in cash				
Cash in the beginning	8,808	6,228	41.4 %	6,228
Effect of currency changes	-231	15	-1676.8 %	71
Change	3,688	2,709	36.1 %	2,510
Cash at the end	12,265	8,951	37.0 %	8,808



OPERATING SEGMENTS (tEUR)			1-	-6/2025	1-	6/2024	Change %	1-12/2024
Broadband Networks								
Orders received				47,831		33,156	44.3 %	74,807
Net sales	Net sales			42,050		40,098	4.9 %	78,191
	Adjusted EBITDA			5,451		4,945	10.2 %	8,932
Adjusted EBITDA %				13.0 %		12.3 %	5.1 %	11.4 %
Adjusted operating profit				4,184		3,636	15.1 %	6,264
Adjusted operating profit %				10.0 %		9.1 %	9.7 %	8.0 %
Public Security & Mobility								
Orders received				28,709		24,089	19.2 %	50,054
Net sales				25,994		26,016	-0.1 %	54,333
Adjusted EBITDA				2,911		1,888	54.2 %	4,476
Adjusted EBITDA %				11.2 %		7.3 %	54.3 %	8.2 %
Adjusted operating profit				1,708		574	197.6 %	1,989
Adjusted operating profit %				6.6 %		2.2 %	197.8 %	3.7 %
Group reconciliation				0.0 /0		,,	207.070	3 /s
Adjusted operating profit from segm	ents			5,893		4,210	40.0 %	8,253
Non-allocated items				-2,282		-2,217	n/a	-4,069
Adjusted operating profit				3,610		1,992	81.2 %	4,184
Adjustment items				-150		-2,851	n/a	-9,559
Operating profit				3,461		-859	n/a	-5,375
Finance items				-2,791		-717	289.3 %	-1,691
Profit before taxes				670		-1,575	203.3 /0 n/a	-7,066
Front before taxes				070		-1,373	ii/a	-7,000
Information per quarter (tEUR)	4-6/25	1-3	3/25	10-1	2/24	7-9/24	4-6/24	1/2024- 12/2024
Orders received								
Broadband Networks	23,624	24	207	25	,699	15,952	17,255	74,807
Public Security & Mobility	15,828		881),579	15,386	9,461	50,054
Total	39,452		.088		5,278	31,338	26,716	124,861
Net sales	00,.02	<i>σ.</i> ,	,000		,_,_	02,000	20)/ 20	,
Broadband Networks	22,640	19.	410	19	,978	18,115	16,968	78,191
Public Security & Mobility	13,247		747		5,526	11,791	12,572	54,333
Total	35,887		156		,504	29,906	29,540	132,524
Adjusted operating profit	,	- ,			,	7	-,-	- /-
Broadband Networks	2,827	1,	357	1	,119	1,509	1,090	6,264
Public Security & Mobility	525		183		860	555	350	1,989
Non-allocated items	-1,199		.083	-1	,110	-741	-995	-4,069
Total	2,153		457		868	1,323	445	4,184
Operating profit	,	,				,		,
Adjusted operating profit	2,153	1,	457		868	1,323	445	4,184
Adjustment items	-150		0	-6	5,511	-197	-952	-9,559
Total	2,004	1,	457		,643	1,126	-507	-5,375
Net sales by category (tEUR)			1.0	s/2025	1 /	5/2024	Change o/	1 12/2024
· - · · · ·				5/2025 60,003	T-(59,644	Change % 0.6 %	1-12/2024 118,147
Goods								
Service				8,041		6,470	24.3 %	14,377
Total				68,043		66,114	2.9 %	132,524



Impairment by category (tEUR)	1-6/2025	1-6/2024	Change %	1-12/2024
Impairment of development costs	0.0	-579	-100.0 %	-6,653
Impairments total	0.0	-579	-100.0 %	-6,653
Inventories (tEUR)	30.6.2025	30.6.2024	Change %	31.12.2024
Inventory at purchase value	33,430	37,179	-10.1 %	33,954
Provision for net realization value	-8,438	-8,448	-0.1 %	-9,058
Inventory total	24,992	28,731	-13.0 %	24,896
,	,	-, -		,
KEY FIGURES	1-6/2025	1-6/2024	Change %	1-12/2024
Operating profit, tEUR	3,461	-858	n/a	-5,375
Earnings per share, EUR	0.06	-0.08	n/a	-0.32
Earnings per share fully diluted, EUR	0.06	-0.08	n/a	-0.32
Shareholder equity per share, EUR	3.10	3.26	-4.8 %	3.00
Return on equity	3.1 %	-5.4 %	n/a	-10.5 %
Return on investment	5.0 %	-1.5 %	n/a	-5.0 %
Equity ratio	46.4 %	46.7 %	-0.6 %	45.4 %
Net gearing	40.3 %	46.9 %	-14.1 %	46.3 %
Investments, tEUR	3,379	3,538	-4.5 %	6,311
Investments % of net sales	5.0 %	5.4 %	-7.2 %	4.8 %
Order backlog, tEUR	126,758	117,053	8.3 %	118,263
Personnel, average	635	699	-9.2 %	673
Number of shares (thousands)	18,986	18,986	0.0 %	18,986
including own shares	10,500	10,500	0.0 70	10,500
Highest share price, EUR	3.10	3.45	-10.1 %	3.45
Lowest share price, EUR	2.47	2.50	-1.2 %	2.07
Average share price, EUR	2.82	2.82	0.1 %	2.61
3 ,				
Turnover, in million shares	0.5	0.6	-9.8 %	1.3
Turnover, in MEUR	1.5	1.7	-9.6 %	3.4
Treasury shares	Number		% of	% of
,	of shares		shares	votes
Ownership of company's own shares 30.6.2025	685,602		3.61 %	3.61 %
Contingent liabilities and pledged assets (tEUR)	30.6.2025	30.6.2024	Change %	31.12.2024
			_	
Leasing and rent liabilities	973	637	52.8 %	585
Derivative instruments (tEUR)				
Value of underlying forward contracts	12,582	10,398	21.0 %	10,683
Market value of forward contracts	-139	-39	260.5 %	-26
Interest rate swap	7,500	30,000	-75.0 %	8,750
Market value of interest swap	150	609	-75.3 %	257



ALTERNATIVE PERFORMANCE MEASURES

Teleste Corporation uses and publishes alternative performance measures to describe the operational development of the business and to improve comparability between reporting periods. Alternative performance measures are reported in addition to IFRS-based key figures.

In the calculation of alternative performance measures, items affecting the comparability of the operational performance of the reporting periods are not taken into account, such as profits or losses resulting from the sale or termination of business activities, profits or losses resulting from restructuring operations, impairment losses, costs related to significant strategic changes, or other exceptional revenues or costs not part of the operational business.

The alternative performance measures reported by Teleste Corporation are adjusted operating profit and adjusted EBITDA. The adjusted items are recognized in the income statement within the corresponding income or expense group.

ALTERNATIVE PERFORMANCE MEASURES							1-
(tEUR)	4-6/2025	4-6/2024	Change %	1-6/2025	1-6/2024	Change %	12/2024
Adjusted operating profit	2,153	445	384.2 %	3,610	1,993	81.2 %	4,184
BRIDGE OF CALCULATION							
Operating profit	2,004	-507	n/a	3,461	-858	n/a	-5,375
Business reorganization	150	861	-82.6 %	150	2,181	-93.1 %	2,742
Strategic development projects Impairment of development	0	91	-100.0 %	0	91	-100.0 %	164
costs	0	0	n/a	0	579	-100.0 %	6,653
Adjusted operating profit	2,153	445	384.2 %	3,610	1,993	81.2 %	4,184



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (tEUR)

Attributable to equity holders of the parent

Α	Share capital
В	Share premium
С	Translation differences
D	Retained earnings
E	Invested free capital
F	Other funds
G	Owners of the parent company
Н	Non-controlling interests
I	Total equity

	Α	В	С	D	E	F	G	Н	1
Shareholder equity 1.1.2025 Net result Other	6,967	1,504	-2,329	46,234 1 049	3,140	-40	55,476 1 049	-669 -176	54,808 873
comprehensive items for the period			41	254		286	581	38	619
Dividend Equity-settled share-				0			0		0
based payments Shareholder equity				395	0	0	395		395
30.6.2025	6,967	1,504	-2,288	47,932	3,140	245	57,501	-807	56,694
	А	В	С	D	E	F	G	н	ı
Shareholder equity	^	Ь	C	Б	_	'	J		•
1.1.2024	6,967	1,504	-2,154	51,591	3,140	266	61,315	-433	60,882
Net result Other comprehensive				-1493			-1 493	-143	-1 636
items for the period			-97	126		138	167	-16	-152
Dividend Equity-settled share-				0			0		0
based payments Shareholder equity				130			130		130
30.6.2024	6,967	1,504	-2,251	50,355	3,140	404	60,120	-592	59,527



CALCULATION OF KEY FIGURES

Return on equity: Profit/loss for the financial period

----- * 100 Shareholder equity (average)

Return on capital employed: Profit/loss for the period after financial items + financing charges

----- * 100 Total assets - non-interest-bearing

liabilities (average)

Equity ratio: Shareholder equity

----- * 100 Total assets - advances received

Gearing: Interest bearing liabilities - cash in hand and in bank - interest bearing

assets

* 100

Shareholder equity

Earnings per share: Profit for the period attributable to equity holder of the parent

Weighted average number of ordinary shares outstanding during the period

Earnings per share, diluted: Profit for the period attributable to equity holder of the parent (diluted)

Average number of shares - own shares + number of options at the period-

end

Major shareholders, as sorted by number of shares - June 30, 2025

	Number of shares	% of shares
Tianta Oy	4,788,298	25.2
Mandatum Life Insurance Company Limited	1,679,200	8.8
Ilmarinen Mutual Pension Insurance Company	899,475	4.7
Kaleva Mutual Insurance Company	824,641	4.3
Wipunen Varainhallinta Oy	800,000	4.2
Mariatorp Oy	800,000	4.2
Teleste Corporation	685,602	3.6
Varma Mutual Pension Insurance Company	521,150	2.7
The State Pension Fund	500,000	2.6
Ingman Finance Oy Ab	235,000	1.2



	No. of shareholders	% of Owners	Shares	% of shares
Households	4,723	94.7	5,201,546	27.4
Public sector institutions	3	0.1	1,920,625	10.1
Financial and insurance institutions	16	0.3	3,179,002	16.7
Corporations	203	4.1	8,502,102	44.8
Non-profit institutions	18	0.4	33,468	0.2
Foreign	25	0.5	148,845	0.8
Total	4,988	100.0	18,985,588	100.0
Of which nominee registered	8	0.2	452,746	2.4

Major shareholders by distribution of shares June 30, 2025

%	Ωf
70	O.

	/	0 01		
Number of shares	No. of shareholders s	hareholders N	br. of shares %	of shares
1-100	1,552	31.1	77,434	0.4
101-500	1,903	38.2	501,428	2.6
501-1,000	643	12.9	519,135	2.7
1,001-5,000	676	13.6	1,475,577	7.8
5,001-10,000	101	2.0	717,513	3.8
10,001-50,000	85	1.7	1,891,293	10.0
50,001-100,000	9	0.2	607,523	3.2
100,001-500,000	11	0.2	2,197,319	11.6
500,001-& above	8	0.2	10,998,366	57.9
Total	4,988	100.0	18,985,588	100.0
of which nominee registered	8	0.2	452,746	2.4



