HALF YEAR FINANCIAL REPORT H1 2026

JANUARY 1 – JUNE 30, 2026

TELESTE

TELESTE CORPORATION:

REVENUE AND ORDER INTAKE INCREASED FROM THE FIRST QUARTER OF THE YEAR.

Unless otherwise specified, the figures in parentheses refer to the year-on-year comparison period. Broadband Networks business segment has been renamed Networks.

APRIL-JUNE 2026 IN BRIEF

- Net sales was EUR 34.7 (35.9) million, representing a decrease of 3.3%.
- Adjusted EBITDA was EUR 3.3 (3.4) million, representing a decrease of 3.1%.
- The adjusted operating profit was EUR 1.9 (2.2) million, representing a decrease of 11.9%.
- The operating profit was EUR 1.9 (2.0) million, representing a decrease of 5.3%.
- Earnings per share were EUR 0.07 (0.02), representing an increase of 229.3%.
- Cash flow from operations was EUR 2.4 (4.9) million.
- Orders received were EUR 36.4 (39.5) million, representing a decrease of 7.7%
- Orders received increased by 16.6% and net sales increased by 7.9% from the first quarter of the year.

JANUARY-JUNE 2026 IN BRIEF

- Net sales was EUR 66.9 (68.0) million, representing a decrease of 1.7%.
- Adjusted EBITDA was EUR 6.3 (6.1) million, representing an increase of 4.0%.
- The adjusted operating profit was EUR 3.8 (3.6) million, representing an increase of 4.6%.
- The operating profit was EUR 3.7 (3.5) million, representing an increase of 5.5%.
- Earnings per share were EUR 0.15 (0.06), representing an increase of 159.1%.
- Cash flow from operations was EUR 0.8 (6.4) million.
- Orders received were EUR 67.6 (76.5) million, representing a decrease of 11.7%.

OUTLOOK FOR FINANCIAL YEAR 2026 (UNCHANGED)

Teleste estimates that Net sales for 2026 will be in the range of 140 to 160 million euros and adjusted Operating profit in the range of 7 to 10 million euros.

Profit is expected to be weighted toward the second half of the year.

Material changes in the operating environment, including geopolitical tensions, changes in trade policies, and the development of the US dollar exchange rate can create uncertainty for parts of the business.

KEY FINANCIALS

EUR million	4-6 2026	4-6 2025	Change	1-6 2026	1-6 2025	Change	1-12 2025
Net sales	34.7	35.9	-3.3%	66.9	68.0	-1.7%	138.6
Adjusted EBITDA[1)]	3.3	3.4	-3.1%	6.3	6.1	4.0%	12.1
Adjusted EBITDA, % [1)]	9.4%	9.4%	0.0 ppt	9.5%	8.9%	0.5 ppt	8.7%
Adjusted Operating profit[1)]	1.9	2.2	-11.9%	3.8	3.6	4.6%	7.1
Adjusted Operating profit, % [1)]	5.5%	6.0%	-0.5 ppt	5.6%	5.3%	0.3 ppt	5.1%
Operating profit	1.9	2.0	-5.3%	3.7	3.5	5.5%	6.8
Operating profit, %	5.5%	5.6%	-0.1 ppt	5.5%	5.1%	0.4 ppt	4.9%
Net result for the period	1.4	0.3	343.9%	2.7	0.9	212.5%	2.6
Earnings per share, EUR	0.07	0.02	229.3%	0.15	0.06	159.1%	0.15
Cash flow from operations	2.4	4.9	-52.3%	0.8	6.4	-87.0%	12.9
Orders received	36.4	39.5	-7.7%	67.6	76.5	-11.7%	138.2
Order backlog				115.3	123.5	-6.7%	114.5
Net gearing, %				38%	40%	-2.6%	34%
Equity ratio, %				47%	46%	0.7%	48%
Average personnel				622	635	-2.1%	633

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

“Teleste’s second quarter was in line with our expectations, and profitability remained robust, matching the level achieved in the comparison period. Networks further strengthened its position in Europe, while Public Safety and Mobility delivered the strongest quarterly result in its history.”

Esa Harju, President & CEO

COMMENTS BY ESA HARJU, PRESIDENT & CEO

"Teleste’s second quarter continued with solid execution and was in line with our expectations. Networks further strengthened its position in Europe, while Public Safety and Mobility delivered the strongest quarterly result in its history.

Order intake and revenue increased from the first quarter of the year, although remained below the strong comparison period. Profitability remained robust, and operating cash flow was positive. Both of our business segments continued to deliver steady performance in a changing market environment.

In the Networks segment, order intake increased both sequentially and year-on-year. Revenue remained close to the level of the first quarter, while profitability stayed strong. Performance in Europe was particularly positive, with new orders received from several customers across multiple markets and product categories. In North America, market development continued at a slower pace, as expected, due to the ongoing merger process of a significant customer. Profitability was supported by a favorable product and customer mix, as well as strong operational execution.

In the Public Safety and Mobility segment, revenue increased both sequentially and year-on-year, and profitability improved significantly. The segment delivered the strongest quarterly result in its history, demonstrating the effectiveness of the development initiatives implemented in recent years. While order intake was softer during the quarter, we expect a strong order flow in the second half of the year. We are also expanding our station systems business through our collaboration with the Belgian national railway operator.

The operating environment continues to involve uncertainties, particularly regarding the timing of customer investments. Performance in the second half of the year will be influenced by the progress of the merger among North American operator customers and the final delivery schedule of our largest train manufacturing customer. We maintain our financial outlook for 2026 and expect performance in the second half of the year to be weighted toward the end of the year. We remain focused on profitable growth, operational efficiency, and the disciplined execution of our strategy."

Group Summary

The Company reports the financial information for the entire Group in the Group Summary section. In addition, the Company presents information for its two business segments—Networks (formerly Broadband Networks until December 31, 2025) and Public Safety and Mobility—in separate sections, covering orders received, net sales, profitability, and descriptions of the respective operating environments.

ORDERS RECEIVED AND ORDER BOOK

EUR Million	4-6 2026	4-6 2025	Change	1-6 2026	1-6 2025	Change	1-12 2025
Orders received	36.4	39.5	-7.7%	67.6	76.5	-11.7%	138,2
Order book				115.3	123.5	-6.7%	114,5

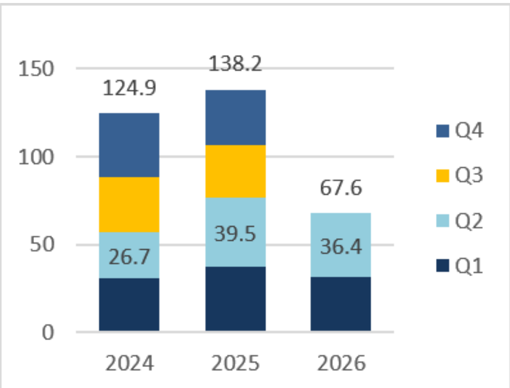
Orders received

April–June: Orders received by the Group amounted to EUR 36.4 (39.5) million in the second quarter, representing a year-on-year decrease of 7.7%. Orders received by the Networks segment totalled EUR 25.6 (23.6) million representing a year-on-year increase of 8.3%. Orders received in the segment reached their highest level since the first quarter of 2023, supported by strong demand for integrated video systems and distributed access architecture solutions, particularly in Europe. Orders received in the Public Safety and Mobility segment amounted to EUR 10.8 (15.8) million, down 31.7% year-on-year.

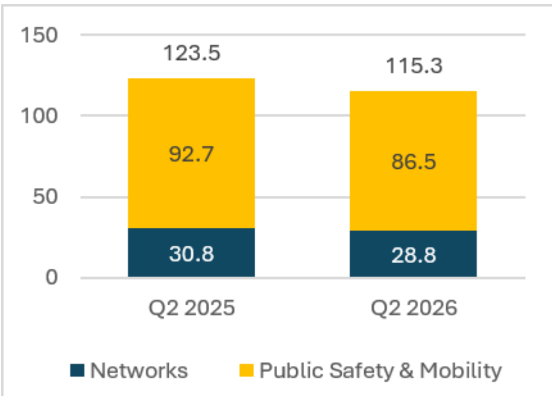
January–June: Orders received by the Group amounted to EUR 67.6 (76.5) million in the first half of the year, representing a year-on-year decrease of 11.7%. Orders received by the Networks segment totalled EUR 43.8 (47.8) million representing a decrease of 8.4%. A significant share of the period's orders was received from Europe, while order intake in North America remained below the comparison period due to delays in customer ordering related to our customer's pending corporate transaction. Orders received by the Public Safety and Mobility segment totalled EUR 23.8 (28.7) million, declining of 17.1% of comparison period due to the stronger rail business order intake in the corresponding period. Uncertainty caused by the conflict in the Middle East has delayed certain rail and operator procurement projects.

Order book

At the end of the reporting period, the Group's order book amounted to EUR 115.3 (123.5) million, representing a decrease of 6.7%. Approximately 62% of the deliveries included in the order book are expected to be realized during the current financial year. Of the order book, approximately 25% related to the Networks segment and 75% to the Public Safety and Mobility segment. The order backlog decreased slightly in the Networks business due to the strong comparison period and delays related to North American customers. In the Public Safety and Mobility business, the order backlog fluctuates in line with the timing of project deliveries and new contract awards.



Orders received, EUR million



Order book at period-end, EUR million

Net sales

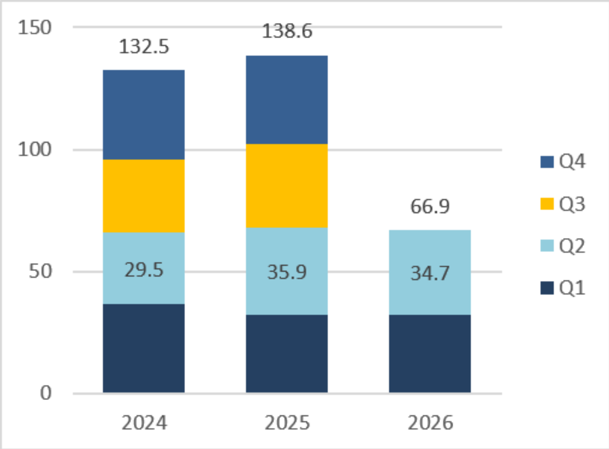
EUR Million	4-6 2026	4-6 2025	Change	1-6 2026	1-6 2025	Change	1-12 2025
Networks	19.6	22.6	-13.5%	39.8	42.0	-5.3%	82.8
Public Safety and Mobility	15.1	13.2	14.2%	27.1	26.0	4.1%	55.9
Total	**34.7**	**35.9**	**-3.3%**	**66.9**	**68.0**	**-1.7%**	**138.6**

April-June

The Group's net sales amounted to EUR 34.7 (35.9) million and were on par with the comparison period.

Net sales of the Networks segment amounted to EUR 19.6 (22.6) million, representing a decrease of EUR 3.0 million, compared to the comparison period. The decline was primarily due to lower network equipment delivery volumes in North America following the main customer's corporate transaction. In Europe, DOCSIS 4.0 technology deliveries and the video business contributed significantly to growth.

Net sales of the Public Safety and Mobility segment amounted to EUR 15.1 (13.2) million, representing an increase of EUR 1.9 million. Deliveries to train manufacturers, public transport operators and maintenance customers reached their highest level in recent quarters, exceeding both the comparison period and prior-quarter levels.



Net sales, EUR million

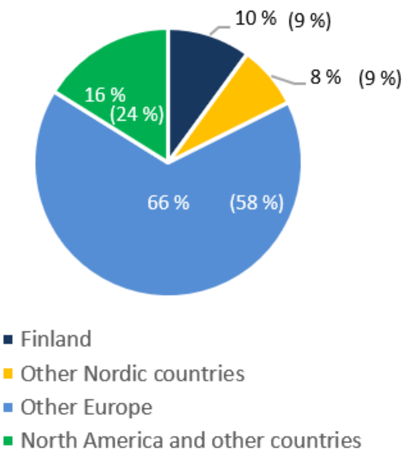
January-June

The Group's net sales amounted to EUR 66.9 (68.0) million decreasing 1.7%.

Net sales of the Networks segment amounted to EUR 39.8 (42.0) million, representing a decrease of EUR 2.2 million, compared to the comparison period. Significant growth in DOCSIS 4.0 deliveries in Europe and in the video business largely offset lower delivery volumes in the North American market.

Net sales of the Public Safety and Mobility segment amounted to EUR 27.1 (26.0) million, representing an increase of EUR 1.1 million. During the first half of the year, project deliveries to train manufacturers, public transport operators and maintenance customers remained strong, while deliveries in the video business were below the comparison period.

Deliveries in both businesses grew significantly in Europe, while temporary delays affected Networks deliveries to North America. Consequently, the geographical distribution of net sales became more weighted towards Other Europe, which accounted for 66.2% (58.4%) of net sales. The share of North America and other countries was 16.1% (24.4%), Finland 10.0% (8.0%), and the other Nordic countries 7.6% (9.1%).



Rolling 12-month net sales by market area, percentage

Profitability

EUR Million	4-6 2026	4-6 2025	Change	1-6 2026	1-6 2025	Change	1-12 2025
Adjusted EBITDA	**3.3**	**3.4**	**-3.1%**	**6.3**	**6.1**	**4.0%**	**12.1**
Adjusted EBITDA margin, %	9.4%	9.4%	0.0 ppt	9.5%	8.9%	0.5 ppt	8.7%
Adjustment items	**0.0**	**-0.1**	**n/a**	**-0.1**	**-0.1**	**n/a**	**-0.3**
EBITDA	**3.3**	**3.2**	**1.5%**	**6.2**	**5.9**	**4.5%**	**11.8**
EBITDA margin, %	9.4%	9.0%	0.4 ppt	9.3%	8.7%	0.6 ppt	8.5%
Adjusted Operating profit	**1.9**	**2.2**	**-11.9%**	**3.8**	**3.6**	**4.6%**	**7.1**
Adjusted Operating profit margin, %	5.5%	6.0%	-0.5 ppt	5.6%	5.3%	0.3 ppt	5.1%
Adjustment items	**0.0**	**-0.1**	**n/a**	**-0.1**	**-0.1**	**n/a**	**-0.3**
Operating profit	**1.9**	**2.0**	**-5.27%**	**3.7**	**3.5**	**5.5%**	**6.8**
Operating profit, %	5.5%	5.6%	-0.1 ppt	5.5%	5.1%	0.4 ppt	4.9%
Net profit	**1.4**	**0.3**	**343.9%**	**2.7**	**0.9**	**212.5%**	**2.6**
Earnings per share, €	**0.07**	**0.02**	**229.3%**	**0.15**	**0.06**	**159.1%**	**0.15**

April-June

The Group's adjusted EBITDA amounted to EUR 3.3 (3.4) million, and the adjusted EBITDA margin was 9.4% (9.4%), remaining at the level of the comparison period. The share of material and production costs in net sales was 45.3% (45.8%), decreasing by 0.5 percentage points due to the business mix between products and services and savings in material and production costs. Personnel expenses remained unchanged at EUR 11.3 (11.3) million.

EBITDA increased to EUR 3.3 (3.2) million, while the EBITDA margin improved to 9.4% from 9.0% in the comparison period.

The Group's adjusted operating profit was EUR 1.9 (2.2) million. Depreciation and amortization were EUR 1.4 (1.2) million.

Operating profit was EUR 1.9 (2.0) million, and operating profit margin amounted to 5.5% (5.6%).

The Group's net financial expenses were EUR -0.2 (-1.9) million. The decrease of net financial expenses was affected by the favorable development of exchange rates and the diminishment of interest margins in loans.

Direct taxes for the reporting period amounted to EUR -0.3 (0.2) million.

Net profit amounted to EUR 1.4 (0.3) million and earnings per share improved to EUR 0.07 (0.02).

January-June

The Group's adjusted EBITDA increased to EUR 6.3 (6.1) million, up 4.0% from the comparison period. The adjusted EBITDA margin improved to 9.5% (8.9%). The share of material and production service costs in net sales decreased to 44.5% (45.3%), reflecting a favorable product and market mix, savings in material costs, and improved production efficiency. Personnel expenses increased by 1.3% to EUR 22.4 (22.1) million. The Company continues to invest in its North American business and software development related to project deliveries.

The Group's EBITDA was EUR 6.2 (5.9) million, representing an increase of EUR 0.2 million. The comparison period included items affecting comparability related to restructuring costs and strategic development projects. The EBITDA margin increased to 9.3% from 8.7%.

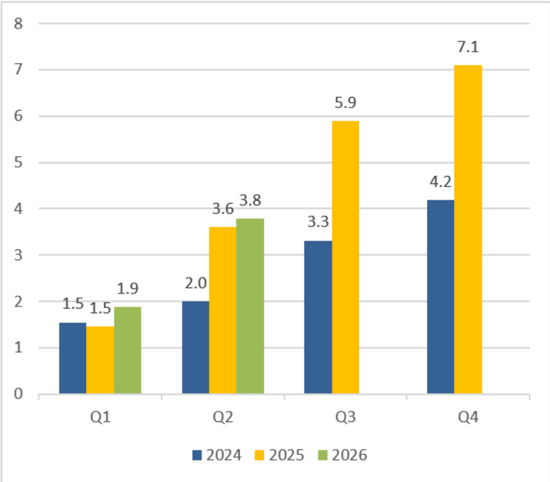
The Group's adjusted operating profit was EUR 3.8 (3.6) million, and the adjusted operating profit margin increased to 5.6% from 5.3% in the comparison period.

Operating profit was EUR 3.7 (3.5) million, and operating profit margin improved to 5.5% (5.1%).

The Group's net financial expenses were EUR -0.5 (-2.8) million. The decrease in financial expenses was driven by favorable exchange rate developments and lower interest margins in accordance with the terms of the Company's financing agreements.

Direct taxes for the reporting period amounted to EUR -0.4 (0.2) million.

Profit for the period amounted to EUR 2.7 (0.9) million. Earnings per share were EUR 0.15 (0.06).



Adjusted cumulative operating profit, EUR million

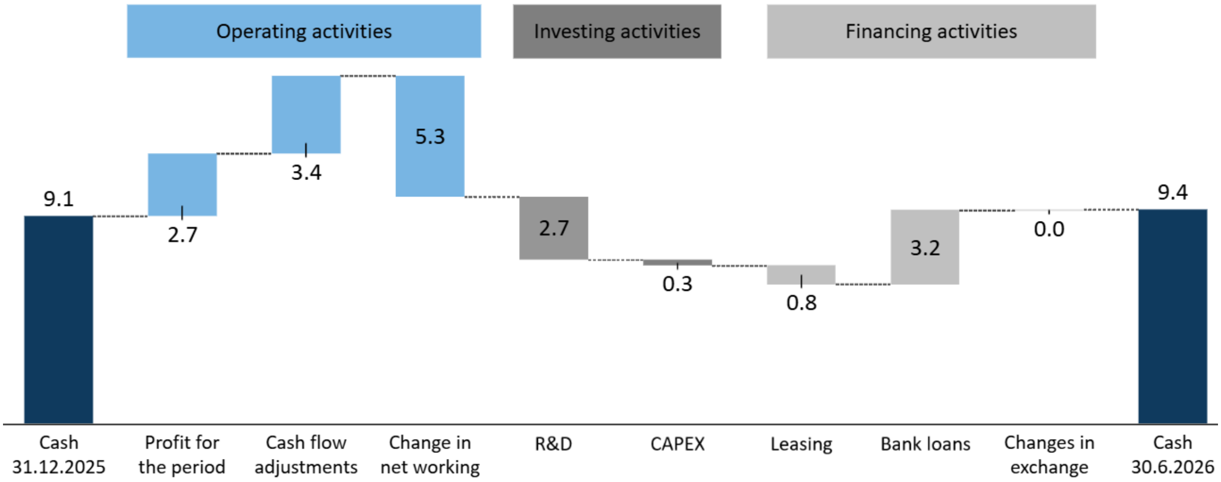
CASH FLOW AND FINANCIAL POSITION

Cash flow

Cash flow from operating activities in January–June 2026 was EUR 0.8 (6.4) million. The Company increased inventory and working capital in preparation for higher delivery volumes in the second half of the year amid a tightening component supply environment. In addition, annual personnel-related payments were higher than in the comparison period. The Company expects operating cash flow to improve during the second half of the year as contract manufacturing volumes increase.

Cash flow from investing activities was EUR -3.0 (-2.2) million and consisted mainly of product development.

Cash flow from financing activities was EUR 2.4 (-0.6) million. In accordance with its loan agreements, the company repaid EUR 1.8 million of loan principal and drew EUR 5.0 million of short-term credit under committed facilities. Payments of finance lease liabilities were EUR 0.8 (1.0) million.



Financial position

At the end of the reporting period, the Group had interest-bearing debt of EUR 32.3 (35.1) million, of which short-term bank loans amounted to EUR 11.2 (10.7) million. Interest-bearing lease liabilities recognized in accordance with IFRS 16 amounted to EUR 4.1 (4.7) million, of which EUR 1.6 (1.5) million were short-term. The Group's cash and cash equivalents amounted to EUR 9.4 (12.2) million. At the end of June 2026, the company had unused committed credit facilities of EUR 11.0 (12.0) million. The key terms of the company's financing agreements are presented in the 2025 financial statements.

At the end of the reporting period, the Group's total assets amounted to EUR 129.6 (122.7) million and equity to EUR 60.8 (56.7) million.

The Group's equity ratio was 47.1% (46.4%) and net gearing 37.7% (40.3%). The Group's net debt to EBITDA ratio was 1.91 (2.10), indicating a clear improvement in the company's debt servicing capacity compared to the comparison period.

INVESTMENTS, RESEARCH AND PRODUCT DEVELOPMENT

The Group's investments amounted to EUR 3.9 (3.4) million, representing 5.8% (5.0%) of net sales. The value of lease contracts capitalized in accordance with IFRS 16 was EUR 0.9 (1.2) million and consisted mainly of renewals of lease agreements. Other capital expenditures amounted to EUR 0.2 (0.1) million. During the reporting period, EUR 2.7 (2.0) million of product development expenses were capitalized. Amortization of capitalized product development expenses amounted to EUR 1.2 (1.0) million.

Research and development expenses amounted to EUR 8.8 (7.1) million, representing 13.2% (10.4%) of the Group's net sales. In the Networks segment, research and development projects focused on intelligent network telemetry and remote management solutions and software targeted at the North American market, as well as on intelligent amplifier technology compliant with the DOCSIS 4.0 standard. In the Public Safety and Mobility segment, research and development projects focused on passenger information systems and customer-specific product platforms.

PERSONNEL

During January–June 2026, the Group employed an average of 622 (635) persons. At the end of June, the Group employed 641 (652) persons, of whom 26% (27%) were employed outside Finland. At the end of the financial year 2025, the Group employed 630 persons.

Personnel expenses in January–June increased by 1.3% compared to the comparison period and amounted to EUR 22.4 (22.1) million.

SUSTAINABILITY AND CORPORATE RESPONSIBILITY

Sustainability and corporate responsibility are an integral part of Teleste's operations and offering. The Company's products and services support safe and efficient public transport and enable reliable digital connectivity solutions with a focus on environmental responsibility.

Teleste assesses the materiality of sustainability topics in relation to its stakeholders and business. The Company's sustainability actions aim to support long-term value creation and respond to the expectations of customers, investors and other stakeholders, while strengthening Teleste's position as an employer.

In March 2026, Teleste published its second sustainability report prepared in accordance with the Corporate Sustainability Reporting Directive (CSRD), the ESRS standards and Chapter 7 of the Finnish Accounting Act. The report includes assured information on Teleste's most material sustainability topics. Taxonomy-related information is reported as part of the sustainability report. In 2026, 39% (2025: 39%) of Teleste's net sales were aligned with the EU Taxonomy.

Following the adoption of the EU Omnibus package, the scope of the CSRD was limited to companies with more than 1,000 employees and net sales exceeding EUR 450 million. In Finland, amendments to the Accounting Act concerning CSRD reporting entered into force on 30 June 2026 as part of the national implementation of the EU Omnibus reform. Under the revised reporting thresholds, Teleste is no longer within the scope of mandatory CSRD reporting. The company is currently assessing the future scope and format of its sustainability and taxonomy reporting.

The effectiveness of Teleste's sustainability work is monitored through the EcoVadis assessment. Teleste has achieved Gold level three times, placing the Company among the top 5% of assessed companies.

Teleste committed to the Science Based Targets initiative (SBTi) in 2024, and its climate targets are currently under validation. The Company also joined the UN Global Compact initiative in 2023. EcoVadis, the UN Global Compact and EU reporting requirements support the continuous development of Teleste's sustainability work.

Networks

ORDERS RECEIVED AND ORDER BOOK

Networks, EUR Million	4-6 2026	4-6 2025	Change	1-6 2026	1-6 2025	Change	1-12 2025
Orders received	25.6	23.6	8.3%	43.8	47.8	-8.4%	82.5
Order book				28.8	30.8	-6.5%	24.8

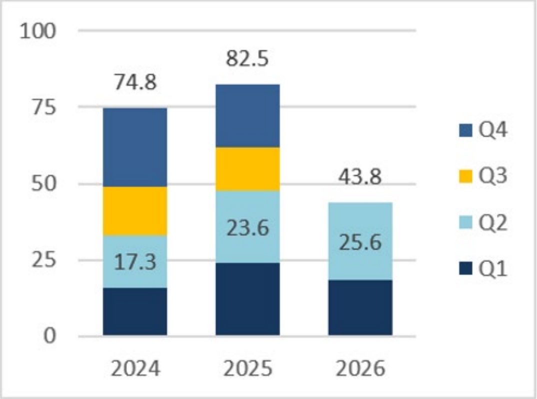
April-June

Orders received in the Networks segment amounted to EUR 25.6 (23.6) million, increasing by 8.3% compared to the comparison period. Growth was supported by strong demand for DOCSIS 4.0 technology, integrated video systems and distributed access architecture solutions. Orders received in Europe reached one of the strongest quarterly levels in recent years. In North America, orders remained at the previous quarter's level but were below the comparison period, primarily reflecting the strong comparison period, the timing of new customer rollouts, and investment optimization related to a major customer's corporate transaction. The Company believes the postponement of orders is temporary and does not affect the market's long-term demand fundamentals.

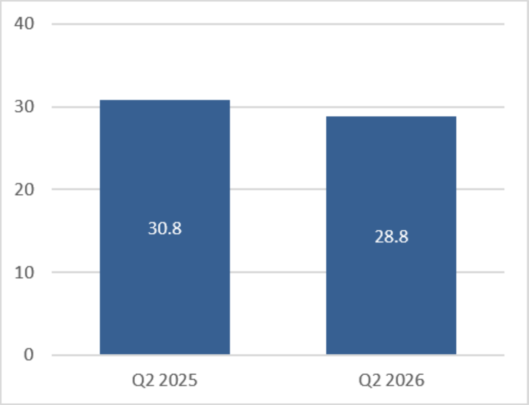
January-June

Orders received in the Networks segment amounted to EUR 43.8 (47.8) million, decreasing by 8.4% compared to the comparison period Orders received in Europe were strong and exceeded the comparison period. Growth was driven by increased orders for integrated video systems, related services, and distributed access architecture solutions. In North America, orders were below the comparison period, mainly reflecting the strong comparison period and temporary order delays caused by a major customer's corporate transaction.

The order book for the Networks segment was EUR 28.8 (30.8) million decreasing by 6.5% from the comparison period. The decrease in the order backlog was mainly due to the strong comparison period and the concentration of order deliveries in the second half of the previous year.



Networks –
Orders received, EUR million

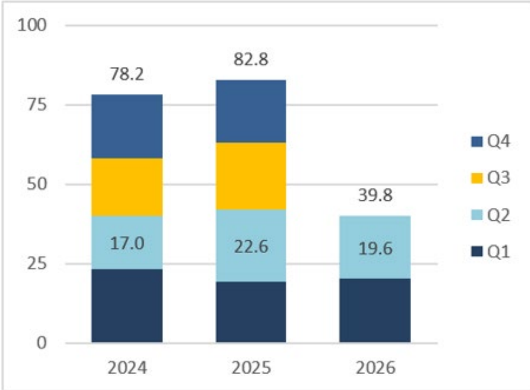


Networks –
Order book at period-end, EUR million

NET SALES

April-June

The net sales of the Networks segment amounted to EUR 19.6 (22.6) million, decreasing by EUR 3.0 million compared to the comparison period. The decrease was mainly attributable to lower delivery volumes of traditional broadband network products. In Europe, deliveries related to DOCSIS 4.0 deployments and video business products continued to grow. In North America, deliveries increased from the previous quarter but remained below the strong comparison period due to seasonality and the postponement of orders resulting from investment optimization related to a major customer's corporate transaction.

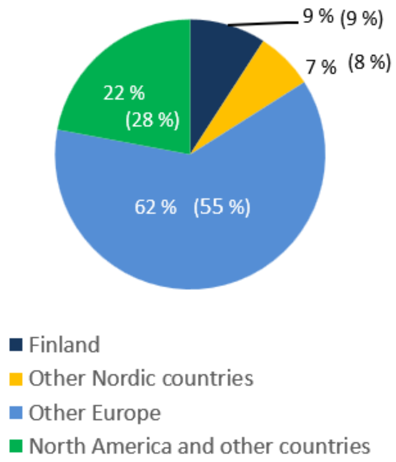


Networks – Net sales, EUR million

January-June

The net sales of the Networks segment amounted to EUR 39.8 (42.0) million, decreasing by EUR 2.2 million, compared to the comparison period. While deliveries of DOCSIS 4.0-compliant 1.8 GHz intelligent network solutions in North America remained below the comparison period, strong deliveries in Europe helped mitigate the impact.

The geographical distribution of net sales shifted toward Europe, supported by strong sales performance in the region. Consequently, the share of net sales generated in North America and other countries was 22.0% (27.5%). Finland accounted for 9.1% (9.5%) of net sales, other Nordic countries for 6.9% (8.6%), and the rest of Europe for 61.9% (54.5%). Lower delivery volumes in North America reflected investment optimization related to a major customer's corporate transaction.



Networks –
Rolling 12-month net sales by market area, percent

PROFITABILITY

Networks, EUR Million	4-6 2026	4-6 2025	Change	1-6 2026	1-6 2025	Change	1-12 2025
Adjusted EBITDA	**2.9**	**3.4**	**-16.7%**	**6.0**	**5.5**	**9.5%**	**10.9**
Adjusted EBITDA margin, %	14.7%	15.2%	-0.6%	15.0%	13.0%	2.0%	13.2%
Adjusted Operating profit	**2.0**	**2.8**	**-27.9%**	**4.4**	**4.2**	**6.3%**	**8.3**
Adjusted Operating profit margin, %	10.4%	12.5%	-2.1%	11.2%	10.0%	1.2%	10.1%

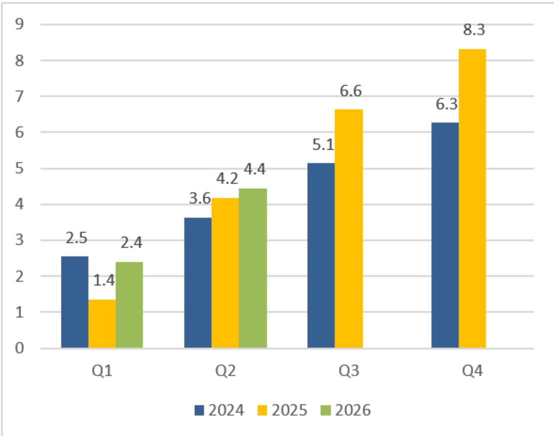
April-June

Adjusted EBITDA in the Networks segment amounted to EUR 2.9 (3.4) million, decreasing by 16.7%. Profitability reflected a different product and market mix than in the comparison period, alongside strategic investments to further strengthen the Company's market position in North America. The adjusted EBITDA margin amounted to 14.7% (15.2%).

The adjusted operating profit of Networks segment was EUR 2.0 (2.8) million. The adjusted operating profit margin was 10.4% (12.5%).

January-June

Adjusted EBITDA in the Networks segment amounted to EUR 6.0 (5.5) million, increasing by 9.5%. Profitability improved because of lower material and production costs and a favorable product and market mix. The adjusted EBITDA margin increased to 15.0% (13.0%). The adjusted operating profit of Networks segment was EUR 4.4 (4.2) million. The adjusted operating profit margin was 11.2% (10.0%).



Networks –
Adjusted cumulative operating profit, EUR million

BUSINESS ENVIRONMENT

Network operators continue to invest in reliable, high-speed broadband networks, and the market continues to grow. New-generation intelligent network technologies based on the DOCSIS 4.0 standard enable operators to offer highly competitive internet services by combining fiber and cable technologies within the same network architecture. At the same time, the importance of remote network management enabled by software-based intelligence and telemetry has clearly increased, supporting more reliable broadband services as well as lower network deployment and maintenance costs.

DOCSIS 4.0 investments are underway in both North America and Europe. Teleste's delivery volumes of DOCSIS 4.0 intelligent networks increased during 2025, particularly in North America, where the company now serves more than 20 network operator customers. In Europe, the first DOCSIS 4.0 upgrade projects started in the second half of 2025. The ramp-up of the company's Mexican manufacturing facility is ongoing, and serial production began during the first quarter of 2026.

In May 2025, Charter and Cox announced their planned merger. Once completed, the combined company would become the largest fixed broadband and TV services operator in North America. The transaction remains subject to customary regulatory approvals and is expected to close in the second half of 2026. The anticipated merger has temporarily affected network investments by our main customer due to cost optimization measures. As a result, deliveries in North America have slowed compared with the previous year. We expect the situation to change once the transaction has been completed. In Europe, market activity has clearly improved as 2026 has progressed, and Teleste's market position remains strong.

" DOCSIS 4.0 investments are underway in both North America and Europe. In Europe, market activity has clearly improved as 2026 has progressed, and Teleste maintains a strong position in the market."

Ulf Andersson
Executive Vice President

The evolving U.S. trade policy environment and broader geopolitical uncertainty may continue to cause disruption and uncertainty in the market. However, these factors are not expected to have a material impact on customer investments or on the long-term growth of the North American network market.

Public Safety and Mobility

ORDERS RECEIVED AND ORDER BOOK

PSM, EUR Million	4-6 2026	4-6 2025	Change	1-6 2026	1-6 2025	Change	1-12 2025
Orders received	10.8	15.8	-31.7%	23.8	28.7	-17.1%	55.6
Order book				86.5	92.7	-6.7%	89.7

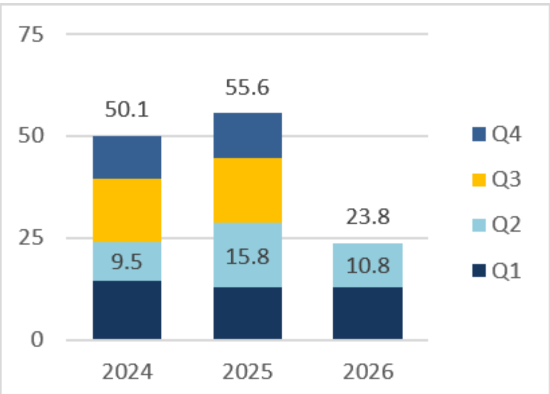
April-June

Orders received in the Public Safety and Mobility segment amounted to EUR 10.8 (15.8) million, decreasing by 31.7% compared to the comparison period.

Orders received from rolling stock manufacturers and public transport operators were below the comparison period. Alongside the normal timing fluctuations typical of project-driven business, the order intake was impacted by delays in customer investment decisions related to the continued uncertainty caused by the conflict in the Middle East. Orders received in the maintenance business were slightly below the comparison period, whereas the video surveillance business delivered stronger order growth than in the corresponding period last year.

January-June

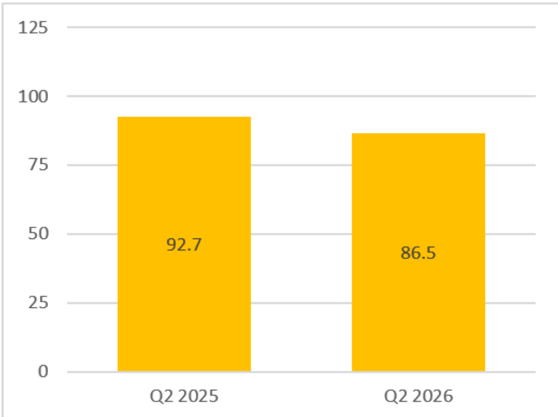
Orders received in the Public Safety and Mobility segment amounted to EUR 23.8 (28.7) million, decreasing by 17.1% compared to the comparison period. While orders received from rolling stock manufacturers were below the comparison period, the other businesses delivered favorable order intake growth compared to the comparison period.



Public Safety and Mobility –
Orders received, EUR million

The order book of the Public Safety and Mobility segment amounted to EUR 86.5 (92.7) million at the end of June, decreasing by 6.7% compared to the comparison period. The order backlog decreased from the comparison period, mainly due to the timing of project business deliveries in rolling stock manufacturer and public transport operator customer accounts. Several significant projects are progressing through the delivery phase, supporting net sales development. The order backlog in the maintenance business remained stable, while the video surveillance business recorded a slight increase in its order backlog.

The company is actively engaged in tendering and bidding processes that are expected to support order intake development in the second half of the year.

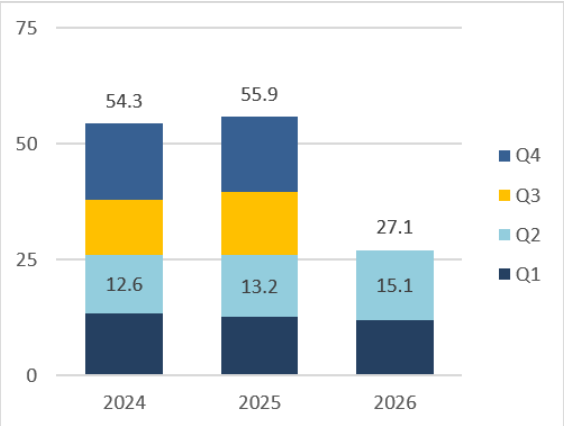


Public Safety and Mobility –
Order book at period-end, EUR million

NET SALES

April-June

Net sales in the Public Safety and Mobility segment amounted to EUR 15.1 (13.2) million, increasing by 14.2% compared to the comparison period. Strong growth was supported by significantly higher deliveries to public transport operators compared to the comparison period. Deliveries to rolling stock manufacturers and revenue from the maintenance business also showed favorable development. Revenue from the video surveillance business was lower than in the comparison period, which benefited from a major delivery to a strategic customer, with no comparable project deliveries taking place during the reporting period.



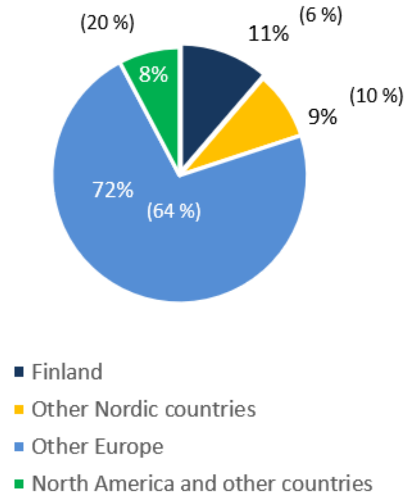
Public Safety and Mobility – Net sales, EUR million

January-June

Net sales in the Public Safety and Mobility segment Amounted to EUR 27.1 (26.0) million, increasing by 4.1% compared to the comparison period. Growth was supported by the progress of ongoing projects and strong delivery activity to public transport operators. The rolling stock manufacturer business and the maintenance business also delivered favorable development. Revenue from the video surveillance business was lower than in the comparison period, which included significant deliveries to two strategic customers. No deliveries of a similar scale were recorded during the reporting period.

The geographical distribution of rolling 12-month net sales continued to shift toward Europe, with the rest of Europe accounting for 72.3% (64.3%) of net sales. The increase was supported by strong growth in business with public transport operators. Net sales in the region were generated mainly from deliveries to European rolling stock manufacturers and public transport operators.

North America and other countries accounted for 7.7% (19.8%) of net sales. Revenue development in these markets was affected by the geopolitical situation in the Middle East. Other Nordic countries represented 8.6% (10.0%) of net sales and Finland 11.3% (5.9%).



Public Safety and Mobility –
Rolling 12-month net sales by market area,

PROFITABILITY

PSM, EUR Million	4-6 2026	4-6 2025	Change	1-6 2026	1-6 2025	Change	1-12 2025
Adjusted EBITDA	**1.8**	**1.1**	**57.6%**	**2.9**	**2.9**	**-0.1%**	**5.7**
Adjusted EBITDA margin, %	11.7%	8.4%	3.2%	10.8%	11.2%	-0.4%	10.2%
Adjusted EBIT	**1.2**	**0.5**	**133.8%**	**1.9**	**1.7**	**10.3%**	**3.4**
Adjusted EBIT margin, %	8.1%	4.0%	4.1%	7.0%	6.6%	0.4%	6.0%

April-June

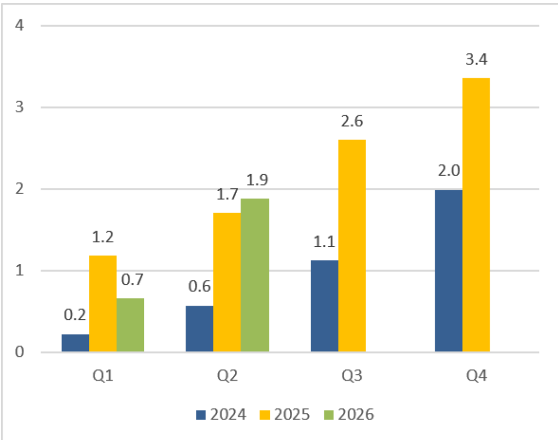
Adjusted EBITDA in the second quarter amounted to EUR 1.8 (1.1) million, and the adjusted EBITDA margin was 11.7% (8.4%). Profitability improved as a result of higher net sales and a favorable project and product mix across the businesses. Performance was particularly strong in the public transport operator business, benefiting from earlier product development investments. Material and production service costs remained well managed despite ongoing cost pressures, while personnel expenses and other fixed costs decreased compared to the comparison period.

Adjusted operating result increased to EUR 1.2 (0.5) million. The adjusted operating margin improved to 8.1% (4.0%), supported by higher net sales, enhanced product profitability, and continued cost discipline. The quarter delivered the strongest result recorded in the segment's history.

January-June

Adjusted EBITDA in the first half amounted to EUR 2.9 (2.9) million, and the adjusted EBITDA margin was 10.8% (11.2%). Profitability benefited from higher net sales and improved product profitability in the public transport operator business. The comparison period included significant software deliveries in the video surveillance business, while lower personnel expenses and other fixed costs supported earnings during the reporting period.

Adjusted operating result improved to EUR 1.9 (1.7) million, with the adjusted operating margin improving to 7.0% (6.6%). Alongside the factors discussed above, lower depreciation and amortization expenses compared to the comparison period contributed positively to the result.



Public Safety and Mobility
– Adjusted cumulative operating profit, EUR million

BUSINESS ENVIRONMENT

Megatrends such as urbanization, the development of sustainable public transport, and the digitalization of society support long-term growth in demand for public transport information solutions. At the same time, investments in the security of critical infrastructure are creating new opportunities for businesses based on intelligent digital solutions. Intelligent information and security systems represent a large and growing market.

The segment's business typically consists of turnkey projects that include development, delivery, and maintenance phases. The lifecycle of these projects is typically several years. Cost awareness is inherent in publicly funded project business, placing high demands on suppliers in terms of efficiency and competitiveness.

The importance of real-time software solutions for the business has continued to increase. Public transport information systems are becoming increasingly intelligent, and software development has become a key competitive factor. Services and solutions that improve the passenger experience are playing an increasingly important role in customers' decision-making. At the same time, lifecycle management of systems, ensuring cybersecurity, maintenance and service business, and the building of related long-term partnerships are becoming significant areas of business.

Investments in software development, artificial intelligence, and ensuring cybersecurity in delivered systems have increased, and this trend is expected to continue.

During 2025 and 2026, Teleste has expanded its customer base among both train manufacturers and public transport operators. Successful deliveries and a strengthened reference base have further increased Teleste's visibility in the market. The company's longer-term objective is to build a broad and diversified customer base.

" During 2025 and 2026, Teleste has expanded its customer base among both train manufacturers and public transport operators. In the second quarter of 2026, we delivered the strongest quarterly result in our history to date."

Valerian Sand,

In the second quarter of 2026, the segment achieved the strongest result level in its history to date, reflecting the impact of the company's strategic investments, competitive product portfolio, and successful management of project deliveries on business performance. In addition, maintenance and service business provides a growing recurring revenue stream alongside new projects.

Our public transport solutions serve more than 200 customers by making public mobility safer and smoother. We aim to grow faster than the average growth rate in the public transport market.

GROUP STRUCTURE

The parent company has a branch office in the Netherlands and subsidiaries in 11 countries outside Finland.

SHARES AND SHARE CAPITAL

Teleste Corporation transferred a total of 31,516 treasury shares held by the company without consideration to the company's key employees on March 31, 2026, based on Teleste's share-based incentive plans launched in 2023, 2024 and 2025. The commencement of the earning periods and their key terms were disclosed in stock exchange releases published on February 9, 2023, February 9, 2024 and February 11, 2025. The transfer of shares through a directed, free-of-charge share issue is based on the terms of the plans and on the authorization granted to the Board of Directors by the Annual General Meeting held on April 23, 2025.

Tianta Oy was Teleste's largest single shareholder with a 25.2% (25.2%) holding as of June 30, 2026. According to the book-entry system, the number of Teleste shareholders at the end of the reporting period was 4,921 (4,988). Foreign shareholders held 0.7% (0.8%) of the shares, and nominee-registered shareholders held 2.1% (2.6%) of the shares.

The company's registered share capital as of June 30, 2026 was EUR 6,966,932.80, divided into 18,985,588 shares. As of June 30, 2026, the parent company of the Group, Teleste Corporation, held 654,086 (685,602) treasury shares, representing 3.4% (3.6%) of all Teleste shares.

Trading in Teleste shares on Nasdaq Helsinki totaled 0.9 (0.5) million shares, corresponding to EUR 3.3 (1.5) million, in January–June 2026. The volume-weighted average share price was EUR 3.60 (2.82). During the reporting period, the lowest share price was EUR 3.24 (2.47) and the highest was EUR 4.00 (3.10). The closing price on June 30, 2026 was EUR 3.36 (2.89), and the market capitalization was EUR 63.8 (54.9) million.

GOVERNANCE

Company leadership

On June 30, 2026, Teleste's Leadership Team included Esa Harju, President and CEO; Mervi Kerkelä-Hiltunen, CFO; Linda Kallas, SVP, Strategy, Communications & Sustainability; Esa Korolainen, COO; Ulf Andersson, EVP, Networks; Valerian Sand, EVP, Public Safety and Mobility; and Tuomas Vanne, SVP, People and Culture.

Annual General Meeting

The Annual General Meeting of Teleste Corporation held on 22 April 2026 adopted the financial statements and the consolidated financial statements, discharged the members of the Board of Directors and the CEO from liability and approved the remuneration report of the Company's governing bodies for the financial year 2025.

The General Meeting resolved in accordance with the proposal of the Board of Directors that, based on the adopted balance sheet, a dividend of EUR 0.08 per share shall be paid for the financial period that ended on 31 December 2025, for shares other than those held by the Company. The dividend is paid in two instalments. The first instalment of the dividend, EUR 0.05 per share, shall be paid to a shareholder who is registered in the company's shareholder register maintained by Euroclear Finland Oy on the record date of the first dividend instalment, 30 June 2026. The dividend shall be paid on 7 July 2026. The second instalment of the dividend, EUR 0.03 per share, shall be paid to a shareholder who is registered in the company's shareholder register maintained by Euroclear Finland Oy on the record date of the second dividend instalment, 30 December 2026. The dividend shall be paid on 7 January 2027.

The General Meeting decided the number of members of the Board of Directors to be six. Mr. Timo Luukkainen, Mr. Jussi Himanen, Mr. Vesa Korpimies, Ms. Mirel Leino-Haltia, Ms. Anni Ronkainen and Mr. Kai Telanne were elected as members of the Board of Directors.

The annual remunerations to be paid to the members of the Board of Directors were decided to be as follows: EUR 66,000 per year for the Chair and EUR 33,000 per year for each member. The annual remuneration of the member of the Board of Directors who acts as the Chair of the Audit Committee shall be EUR 49,000 per year. Out of the annual remuneration to be paid to the members of the Board of Directors, 40 per cent of the total gross remuneration amount will be used to purchase Teleste Corporation’s shares for the members of the Board of Directors through trading on regulated market organized by Nasdaq Helsinki Ltd, and the rest will be paid in cash. In addition, members of the Board of Directors shall be paid a meeting fee of EUR 400 for each board meeting they attend.

Members of the board committees shall be paid a meeting fee of EUR 400 for each committee meeting they attend, with the exception of the Chair of the Board, who shall not be paid per-meeting fees for committee meetings, and the Chair of the Audit Committee, who shall not be paid per-meeting fees for audit committee meetings.

PricewaterhouseCoopers Oy, an Authorized Public Accountant firm, was elected as the auditor of the Company, and PricewaterhouseCoopers Oy has appointed Mr. Markku Launis, APA, as the principally responsible auditor. It was decided to pay the auditor's compensation against an invoice approved by the Company.

BDO Oy, an Authorized Sustainability Audit Firm, was elected as the sustainability reporting assurer of the Company, and BDO Oy has appointed Ms. Riitta Laine, APA, Authorized Sustainability Auditor, as the principally responsible sustainability auditor. It was decided to pay the sustainability reporting assurer's compensation against an invoice approved by the Company. However, if the Company is exempted from the statutory sustainability reporting obligation in respect of the financial year 2026 and decides not to prepare a sustainability report for the financial year 2026 in accordance with the Accounting Act, no statutory assurance is required either.

The General Meeting decided to authorize the Board of Directors to decide on repurchasing the Company's own shares in accordance with the proposal of the Board of Directors. Based on the authorization, the Board of Directors may repurchase a maximum of 1,200,000 own shares of the Company otherwise than in proportion to the holdings of the shareholders by using the non-restricted equity through trading on a regulated market organized by Nasdaq Helsinki Ltd at the market price prevailing at the time of acquisition.

The repurchase authorization shall be valid for eighteen (18) months from the resolution of the Annual General Meeting. The repurchase authorization revokes previously granted repurchase authorizations.

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

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.

Based on the authorization, the Board of Directors is entitled to decide on the issuance of new shares and/or conveyance of the Company's own shares held by the Company so that a maximum of 2,000,000 shares may be issued and/or conveyed in total.

The maximum number of new shares that may be subscribed and own shares held by the Company that may be conveyed by virtue of the special rights granted by the Company is 1,000,000 shares in total, which number is included in the above maximum number of new shares and own shares held by the Company.

The authorizations shall be valid for eighteen (18) months from the resolution of the Annual General Meeting. The authorizations revoke previously granted authorizations to decide on the issuance of shares and special rights entitling to shares.

Authorizations

Valid authorizations at the end of the review period on June 30, 2026:

- 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.

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.

Business risks and uncertainties

This interim report primarily describes the most significant changes to the risks and uncertainties presented in the Board of Directors' Report and the Financial Statements for 2025. Risk management is organized as an integral part of the strategic and operational activities of the business segments. Risks are reported regularly to the Audit Committee and the Board of Directors, and whenever necessary.

Geopolitical tensions in Ukraine, the Middle East, and the Western Pacific region, particularly around Taiwan, may cause changes in logistics and supply chains, as well as affect the availability and pricing of components. Increased uncertainty and the impacts of energy prices and energy availability may lead to higher inflation and, consequently, changes in interest rate expectations. These factors may result in reduced investment demand, also in Teleste's markets.

The U.S. administration's multifaceted trade policy measures may complicate the Company's operations or adversely affect its profitability.

Prices of certain memory chips, semiconductors, and processors in global markets have been under significant upward pressure in recent months, driven by the strong capacity demand of data centers utilizing artificial intelligence. This may lead to increasing material costs that cannot be fully passed on to customer prices. The availability of these components may also cause delivery delays within the supply chain and hence temporarily increased inventory levels.

As the Company ramps up production in Mexico, prepares for higher delivery volumes, and secures the availability of its components, it is exposed to inventory-related risks.

In May 2025, Charter Communications and Cox Communications announced a planned merger. Once completed in the second half of 2026, the transaction would result in the largest fixed broadband and television services operator in North America. The pending closing of the transaction may lead to temporary fluctuations in net sales and inventory levels. The new combined entity may have an impact on the competitive landscape, pricing, and potential changes in the supplier base. Consolidation among network operators may also accelerate the need for similar developments among technology suppliers.

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 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. The claim proceedings are still ongoing. 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

As announced on 12 August 2026, Teleste achieved the EcoVadis Gold rating for the third consecutive time, underscoring the Company's long-term commitment to sustainability and continuous improvement.

On August 14, 2026, the Board of Directors announced that Timo Luukkainen has stepped down as Chair of the Board of Directors while continuing as a member of the Board. The Board elected Vesa Korpimies as Chair of the Board of Directors.

FINANCIAL INFORMATION IN 2026

Teleste Corporation's schedule for publishing financial information in 2026 is as follows:

February 13,2026	Financial Statement Bulletin 2025
May 8, 2026	Interim report January–March 2026
August 14, 2026	Half year financial report January–June 2026
November 6, 2026	Interim report January–September 2026

The full annual report for financial year 2025 was published on March 27, 2026, at www.teleste.com.

Teleste Corporation's Annual General Meeting was held on Wednesday, April 22, 2026, in Helsinki, Finland.

Earnings release presentation

Teleste will organize a results presentation call on August 14, 2026, at 1.30 p.m. Finnish time (EET). 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, 2026

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 2025, Teleste's net sales amounted to EUR 138.6 million and, on average, it had approximately 633 employees. Teleste is listed on Nasdaq Helsinki. For more information, please visit our website www.teleste.com.

This financial bulletin 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, 2026. Audit principles can be found from the latest annual report. The data stated in this report is unaudited.

STATEMENT OF COMPREHENSIVE INCOME (tEUR)	4-6/2026	4-6/2025	Change %	1-12/2025
Net Sales	34,712	35,887	-3.3 %	138,643
Other operating income	200	148	34.9 %	1,033
Materials and services	-15,740	-16,447	-4.3 %	-64,202
Personnel expenses	-11,330	-11,333	0.0 %	-45,415
Depreciation and amortization	-1,367	-1,214	12.6 %	-4,955
Other operating expenses	-4,577	-5,036	-9.1 %	-18,301
Operating profit	**1,898**	**2,004**	**-5.3 %**	**6,803**
Financial income	495	-37	-1447.8 %	931
Financial expenses	-708	-1,883	-62.4 %	-4,692
Profit after financial items	1,685	84	1909.2 %	3,042
Profit before taxes	1,685	84	1909.2 %	3,042
Taxes	-329	222	-248.5 %	-438
Net profit	**1,356**	**306**	**343.9 %**	**2,604**
Attributable to:				
Equity holders of the parent	1,356	411	230.3 %	2,780
Non-controlling interests	0	-105	n/a	-176
	1,356	306	343.9 %	2,604
Earnings per share for result of the year attributable to the equity holders of the parent (expressed in euro per share)				
Basic	0.07	0.02	229.3 %	0.15
Diluted	0.07	0.02	221.9 %	0.15
Total comprehensive income for the period (tEUR)				
Net profit	1,356	306	343.4 %	2,604
Possible items with future net profit effect				
Translation differences	-87	-150	-41.7 %	410
Cash flow hedges	41	236	-82.7 %	92
Total comprehensive income for the period	1,310	391	235.1 %	3,106
Attributable to:				
Equity holders of the parent	1,310	477	174.5 %	3,246
Non-controlling interests	0	-85	n/a	-140
	1,310	391	235.1 %	3,106

STATEMENT OF COMPREHENSIVE INCOME (tEUR)

STATEMENT OF COMPREHENSIVE INCOME (tEUR)	1-6/2026	1-6/2025	Change %	1-12/2025
Net Sales	66,877	68,043	-1.7 %	138,643
Other operating income	409	461	-11.4 %	1,033
Materials and services	-29,751	-30,833	-3.5 %	-64,202
Personnel expenses	-22,434	-22,139	1.3 %	-45,415
Depreciation and amortization	-2,546	-2,469	3.1 %	-4,955
Other operating expenses	-8,903	-9,603	-7.3 %	-18,301
Operating profit	**3,652**	**3,461**	**5.5 %**	**6,803**
Financial income	926	57	1527.7 %	931
Financial expenses	-1,424	-2,847	-50.0 %	-4,692
Profit after financial items	3,154	670	370.6 %	3,042
Profit before taxes	3,154	670	370.6 %	3,042
Taxes	-426	203	-310.4 %	-438
Net profit	**2,727**	**873**	**212.5 %**	**2,604**
Attributable to:				
Equity holders of the parent	2,727	1,049	160.0 %	2,780
Non-controlling interests	0	-176	n/a	-176
	2,727	873	212.5 %	2,604
Earnings per share for result of the year attributable to the equity holders of the parent (expressed in euro per share)				
Basic	0.15	0.06	159.1 %	0.15
Diluted	0.15	0.06	153.2 %	0.15
Total comprehensive income for the period (tEUR)				
Net profit	2,727	873	212.5 %	2,604
Possible items with future net profit effect				
Translation differences	-181	333	-154.2 %	410
Cash flow hedges	15	286	-94.8 %	92
Total comprehensive income for the period	2,562	1,492	71.7 %	3,106
Attributable to:				
Equity holders of the parent	2,562	1,630	57.1 %	3,246
Non-controlling interests	0	-138	n/a	-140
	2,562	1,492	71.7 %	3,106

STATEMENT OF FINANCIAL POSITION (tEUR)	30.6.2026	30.6.2025	Change %	31.12.2025
Non-current assets				
Intangible assets	12,767	9,840	29.8 %	11,274
Goodwill	30,135	30,060	0.2 %	30,118
Property, plant, equipment	9,986	11,364	-12.1 %	10,127
Other non-current financial assets	27	27	0.0 %	27
Other non-current receivables	10	103	-90.0 %	10
Deferred tax asset	3,418	3,411	0.2 %	3,110
	56,342	54,804	2.8 %	54,666
Current assets				
Inventories	30,123	24,992	20.5 %	26,914
Trade and other receivables	32,944	29,645	11.1 %	30,867
Tax Receivable, income tax	868	972	-10.7 %	1,174
Cash and cash equivalents	9,351	12,265	-23.8 %	9,064
	73,285	67,873	8.0 %	68,019
Total assets	**129,628**	**122,678**	**5.7 %**	**122,685**
Shareholder equity and liabilities				
Share capital	6,967	6,967	0.0 %	6,967
Other equity	53,881	50,534	6.6 %	50,938
Owners of the parent company	60,848	57,501	5.8 %	57,905
Non-controlling interests	0	-807	-100.0 %	0
EQUITY	60,848	56,694	7.3 %	57,905
Non-current liabilities				
Deferred tax liability	22	44	-48.7 %	26
Non-current liabilities, interest-bearing	19,165	22,712	-15.6 %	20,912
Non-current interest-free liabilities	35	35	0.0 %	35
Non-current provisions	646	444	45.4 %	794
	19,867	23,234	-14.5 %	21,767
Current liabilities				
Current interest-bearing liabilities	13,130	12,420	5.7 %	7,762
Trade Payables and Other Liabilities	33,438	28,676	16.6 %	32,649
Advances received	436	405	7.5 %	996
Tax liability, income tax	609	154	295.7 %	72
Current provisions	1,298	1,093	18.7 %	1,534
	48,912	42,749	14.4 %	43,013
Total shareholder equity and liabilities	**129,628**	**122,678**	**5.7 %**	**122,685**

CONSOLIDATED CASH FLOW STATEMENT (tEUR)	1-6/2026	1-6/2025	Change %	1-12/2025
Cash flows from operating activities				
Profit for the period	2,727	873	212.5 %	2,604
Adjustments to cash flow from operating activities	3,861	5,479	-29.5 %	9,627
Change in net working capital	-5,284	1,893	-379.1 %	4,016
Other finance items	162	-386	-142.1 %	-838
Paid interest and other finance expenses	-785	-1,154	-32.0 %	-2,043
Received interests and dividend payments	46	110	-58.5 %	209
Paid Taxes	112	-378	-129.7 %	-701
Cash flow from operating activities	**840**	**6,437**	**-87.0 %**	**12,875**
Cash flow from investing activities				
Purchase of tangible and intangible assets	-3,000	-2,200	36.4 %	-4,865
Proceeds from sales of PPE	2	14	-86.1 %	882
Acquisition of NCI	0	0	n/a	-270
Net cash used in investing activities	**-2,998**	**-2,186**	**n/a**	**-4,253**
Cash flow from financing activities				
Proceeds from borrowings	5,000	2,000	150.0 %	0
Payments of borrowings	-1,771	-1,600	10.7 %	-5,749
Payment of leasing liabilities	-815	-963	-15.4 %	-1,902
Dividends paid	0	0	n/a	-549
Net cash used in financing activities	**2,414**	**-563**	**n/a**	**-8,200**
Change in cash				
Cash in the beginning	9,064	8,808	2.9 %	8,808
Effect of currency changes	32	-231	-113.8 %	-166
Change	255	3,688	-93.1 %	422
Cash at the end	**9,351**	**12,265**	**-23.8 %**	**9,064**

OPERATING SEGMENTS (tEUR)	1-6/2026	1-6/2025	Change %	1-12/2025
Networks				
Orders received	43,823	47,831	-8.4 %	82,537
Net sales	39,821	42,050	-5.3 %	82,752
Adjusted EBITDA	**5,969**	5,451	9.5 %	10,916
Adjusted EBITDA %	15.0 %	13.0 %	15.6 %	13.2 %
Adjusted operating profit	**4,448**	**4,184**	**6.3 %**	**8,323**
Adjusted operating profit %	11.2 %	10.0 %	12.3 %	10.1 %
Public Security & Mobility				
Orders received	23,794	28,709	-17.1 %	55,632
Net sales	27,056	25,994	4.1 %	55,891
Adjusted EBITDA	**2,909**	**2,911**	**-0.1 %**	**5,719**
Adjusted EBITDA %	10.8 %	11.2 %	-4.0 %	10.2 %
Adjusted operating profit	**1,884**	**1,708**	**10.3 %**	**3,356**
Adjusted operating profit %	7.0 %	6.6 %	6.0 %	6.0 %
Group reconciliation				
Adjusted operating profit from segments	6,332	5,893	7.5 %	11,679
Non-allocated items	-2,554	-2,282	n/a	-4,579
Adjusted operating profit	**3,778**	**3,610**	**4.6 %**	**7,100**
Adjustment items	-126	-150	n/a	-298
Operating profit	**3,652**	**3,461**	**5.5 %**	**6,802**
Finance items	-498	-2,791	-82.2 %	-3,761
Profit before taxes	**3,154**	**670**	**370.6 %**	**3,042**

Information per quarter (tEUR)	4-6/26	1-3/26	10-12/25	7-9/25	4-6/25	1/2025-12/2025
Orders received						
Networks	25,594	18,230	20,574	14,132	23,624	82,537
Public Security & Mobility	10,803	12,991	12,881	15,917	15,828	55,632
Total	36,397	31,220	33,455	30,049	39,452	138,169
Net sales						
Networks	19,578	20,243	19,887	20,816	22,640	82,752
Public Security & Mobility	15,134	11,922	16,249	13,648	13,247	55,891
Total	34,712	32,165	36,136	34,464	35,887	138,643
Adjusted operating profit						
Networks	2,040	2,408	1,688	2,451	2,827	8,323
Public Security & Mobility	1,227	657	760	888	525	3,356
Non-allocated items	-1,369	-1,185	-1,245	-1,052	-1,199	-4,579
Total	1,898	1,880	1,203	2,287	2,153	7,100
Operating profit						
Adjusted operating profit	1,898	1,880	1,203	2,287	2,153	7,100
Adjustment items	0	-126	-20	-129	-150	-298
Total	1,898	1,754	1,183	2,158	2,004	6,802

Net sales by category (tEUR)	1-6/2026	1-6/2025	Change %	1-12/2025
Goods	58,930	60,003	-1.8 %	124,867
Service	7,947	8,041	-1.2 %	13,776
Total	66,877	68,043	-1.7 %	138,643

Inventories (tEUR)	30.6.2026	30.6.2025	Change %	31.12.2025
Inventory at purchase value	38,464	33,440	15.0 %	35,240
Provision for net realization value	-8,341	-8,448	-1.3 %	-8,326
Inventory total	30,123	24,992	20.5 %	26,914

KEY FIGURES	**1-6/2026**	**1-6/2025**	**Change %**	**1-12/2025**
Operating profit, tEUR	3,652	3,461	5.5 %	6,803
Earnings per share, EUR	0.15	0.06	159.1 %	0.15
Earnings per share fully diluted, EUR	0.15	0.06	153.2 %	0.15
Shareholder equity per share, EUR	3.32	3.10	7.0 %	3.17
Return on equity	9.2 %	3.1 %	196.5 %	4.6 %
Return on investment	10.3 %	5.0 %	106.1 %	7.1 %
Equity ratio	47.1 %	46.4 %	1.6 %	47.6 %
Net gearing	37.7 %	40.3 %	-6.5 %	33.9 %
Investments, tEUR	3,897	3,379	15.3 %	6,581
Investments % of net sales	5.8 %	5.0 %	17.3 %	4.7 %
Order backlog, tEUR	115,257	123,478	-6.7 %	114,513
Personnel, average	622	635	-2.1 %	633
Number of shares (thousands) including own shares	18,986	18,986	0.0 %	18,986
Highest share price, EUR	4.00	3.10	29.0 %	4.28
Lowest share price, EUR	3.24	2.47	31.2 %	2.47
Average share price, EUR	3.60	2.82	27.7 %	3.40
Turnover, in million shares	0.9	0.5	73.4 %	1.5
Turnover, in MEUR	3.4	1.5	121.3 %	5.0

Treasury shares	Number of shares		% of shares	% of votes
Ownership of company's own shares 30.6.2026	654,086		3.45 %	3.45 %

Contingent liabilities and pledged assets (tEUR)	30.6.2026	30.6.2025	Change %	31.12.2025
Leasing and rent liabilities	1,015	973	4.3 %	935
Derivative instruments (tEUR)				
Value of underlying forward contracts	19,019	12,582	51.2 %	13,494
Market value of forward contracts	41	-139	-129.1 %	56
Interest rate swap	25,100	7,500	234.7 %	20,450
Market value of interest swap	170	150	13.5 %	130

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 (tEUR)	4-6/2026	4-6/2025	Change %	1-6/2026	1-6/2025	Change %	1-12/2025
Adjusted operating profit	1,898	2,153	-11.9 %	3,778	3,610	4.6 %	7,100
Adjusted EBITDA, EUR	3,265	3,367	-3.0 %	6,324	6,079	4.0 %	12,056
BRIDGE OF CALCULATION							
Operating profit	1,898	2,004	-5.3 %	3,652	3,461	5.5 %	6,803
Business reorganization	0	150	-100.0 %	126	150	-15.7 %	298
Adjusted operating profit	**1,898**	**2,153**	**-11.9 %**	**3,778**	**3,610**	**4.6 %**	**7,100**
EBITDA	3,265	3,217	1.5 %	6,198	5,930	4.5 %	11,758
Business reorganization	0	150	-100.0 %	126	150	-15.7 %	298
Adjusted EBITDA	**3,265**	**3,367**	**-3.0 %**	**6,324**	**6,079**	**4.0 %**	**12,056**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (tEUR)

Attributable to equity holders of the parent

A	Share capital
B	Share premium
C	Translation differences
D	Retained earnings
E	Invested free capital
F	Other funds
G	Owners of the parent company
H	Non-controlling interests
I	Total equity

Consolidated statement of changes in equity (tEUR)
Attributable to equity holders of the parent (tEUR)

A	Share capital
B	Share premium
C	Translation differences
D	Retained earnings
E	Invested free capital
F	Other funds
G	Owners of the parent company
H	Non-controlling interests
I	Total equity

	A	B	C	D	E	F	G	H	I
Shareholder equity 1.1.2026	6,967	1,504	-2,181	48,422	3,140	52	57,905	0	57,905
Net result				2,727			2,727		2,727
Other comprehensive items fo the period			68	-249		15	-166		-166
Dividend				0			0		0
Equity-settled share-based payments				382			382		382
Shareholder equity 30.6.2026	6,967	1,504	-2,112	51,282	3,140	67	60,848	0	60,848
Shareholder equity 1.1.2025	6,967	1,504	-2,329	46,234	3,140	-40	55,476	-669	54,808
Net result				1,049			1,049	-176	873
Other comprehensive items for the period			41	254		286	581	38	619
Dividend				0			0		0
Equity-settled share-based payments				395			395		395
Shareholder equity 30.6.2025	6,967	1,504	-2,288	47,932	3,140	245	57,501	-807	56,694

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, 2026

	Number of shares	% of shares
Tianta Oy	4,788,298	25.2
Mandatum Life Insurance Company Limited	1,675,716	8.8
Ilmarinen Mutual Pension Insurance Company	899,475	4.7
Kaleva Mutual Insurance Company	824,641	4.3
Mariatorp Oy	800,000	4.2
Wipunen Varainhallinta Oy	800,000	4.2
Teleste Corporation	654,086	3.4
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

Shareholders by sector June 30, 2026

	No. of shareholders	% of Owners	Shares	% of shares
Households	4,676	95.0	5,235,484	27.6
Public sector institutions	3	0.1	1,920,625	10.1
Financial and insurance institutions	17	0.3	3,178,464	16.7
Corporations	180	3.7	8,456,832	44.5
Non-profit institutions	18	0.4	56,148	0.3
Foreign	27	0.5	138,035	0.7
Total	4,921	100.0	18,985,588	100.0
Of which nominee registered	8	0.2	405,294	2.1

Major shareholders by distribution of shares June 30, 2026

Number of shares	No. of shareholders	% of shareholders	Nbr. of shares	% of shares
1-100	1,644	33.4	77,671	0.4
101-500	1,821	37.0	478,499	2.5
501-1,000	607	12.3	488,556	2.6
1,001-5,000	623	12.7	1,377,458	7.3
5,001-10,000	105	2.1	755,834	4.0
10,001-50,000	91	1.8	1,982,136	10.4
50,001-100,000	14	0.3	1,000,255	5.3
100,001-500,000	8	0.2	1,861,813	9.8
500,001-& above	8	0.2	10,963,366	57.7
Total	4,921	100.0	18,985,588	100.0
of which nominee registered	8	0.2	405,294	2.1

TELESTE CORPORATION
P.O.BOX 323, FI-20101 Turku, Finland
Telestenkatu 1, FI-20660 Littoinen, Finland

investor.relations@teleste.com
Business ID 1102267-8
www.teleste.com

www.facebook.com/telestecorporation
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