

INTERIM REPORT

H1 2026

General Information

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

Business Name:	J. Molner AS
Main Activity:	Pharmaceutical development and services
Commercial Registry Code:	16579077
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Country	Estonia
Phone	+372 6150 576
E-mail:	jmolner@jmolner.com
Website:	https://www.jmolner.com/
Financial year:	01.01.2026 - 31.12.2026
Reporting period:	01.01.2026 - 30.06.2026
Auditor:	Grant Thornton Baltic OÜ
Advisor:	Ellex Raidla Advokaadibüroo OÜ

This document is the translation of the Estonian original.

Who we are

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

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



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Management Report



Overview H1 2026

In the first half of 2026, J. Molner took the most significant step yet in the Company's growth through the acquisition, effective June 1, 2026, of a portfolio of FDA-approved products marketed in the United States.

Through this acquisition, the Company more than tripled the number of products it markets in the United States, from four to fourteen, and expanded its channel access into the hospital and specialty pharmacy segments alongside its existing retail pharmacy presence.

To support these products, the Company also took on manufacturing relationships with a further seven contract manufacturers, bringing its total manufacturing network, including partners supporting the Company's development pipeline, to fourteen partnerships worldwide.

The acquisition also included rights to certain products not currently marketed which the Company anticipates launching in the first half of 2027. Separately, the Company continued to advance its own development pipeline, spanning several products at various stages of formulation, stability, and regulatory review.

As the transaction closed on June 1, 2026, the financial results presented herein reflect only one month of contribution from the newly acquired portfolio.

Financial Highlights

Revenue

€1,964,770

256%

2025 H1: €551,129

EBITDA

€1,730,355

225%

2025 H1: €(1,381,634)

Net Profit (Loss)

€1,441,849

202%

2025 H1: €(1,411,802)

What we do

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

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Employees
(30.06.2026)

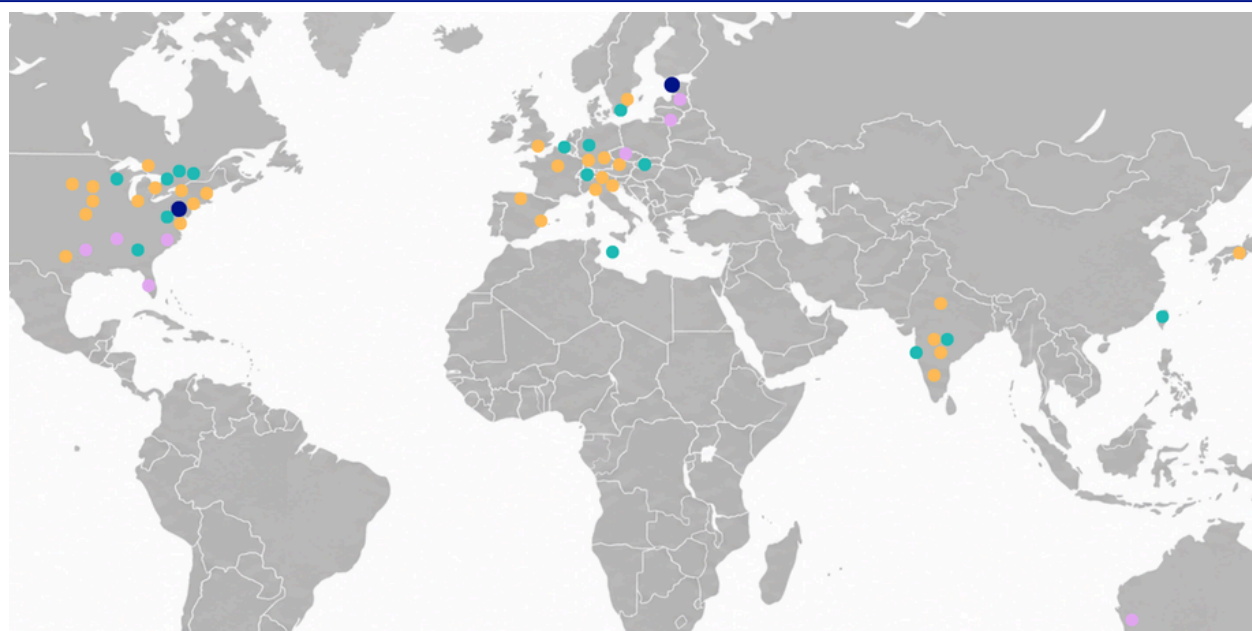
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Commercial products

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Clients

Global reach



● Offices ● CMO ● Clients/Partners ● Suppliers

CMO - Contract manufacturing organization

Our business segments

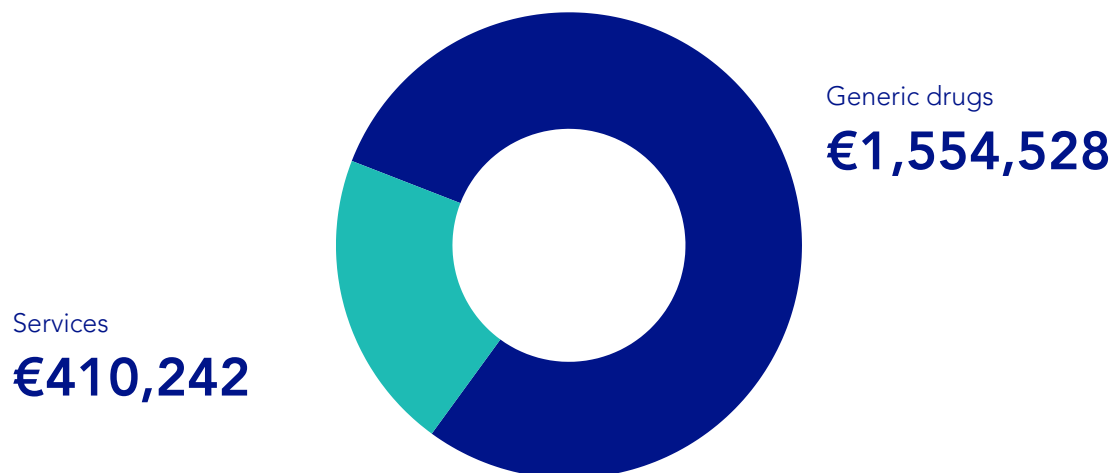
Generic drugs

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

Services

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

Segmental revenue



Our expertise



Injectables



Semi solids



Ophthalmic



Oral

Development philosophy

Market factors

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

Long tail strategy

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

Expertise and experience

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

Operations

J. Molner combines specialized in-house drug development with a flexible, high-quality manufacturing network. Our end-to-end operations cover in-house formulation, analytical development, validation, and complete ICH stability testing. We are EU-GMP (good manufacturing practice) release capable, and benefit from a Mutual Recognition Agreement (MRA) with the FDA, ensuring smooth regulatory alignment and streamlined product release.

We ensure seamless technical transfer to vetted CMOs, conducting rigorous due diligence and maintaining long-term partnerships across a diversified manufacturing base. Our facilities are routinely inspected for quality, regulatory compliance, and operational readiness.

For distribution, we partner with a 3PL (Third Party Logistics) to manage order fulfillment, invoicing, and returns through a streamlined system. Our serialization process is fully enabled, ensuring full compliance with applicable regulations and complete traceability. By coupling in-house expertise with a scalable CMO network, J. Molner maintains efficiency, quality, and flexibility in delivering pharmaceutical solutions.

Services

Analytical development, remediation, and transfer

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

In vitro release testing

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

Post Approval Change Management

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

We also lead the transfer of analytical methods and manufacturing processes, ensuring a smooth and compliant transition to the new site.

Formulation and development

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

ICH stability

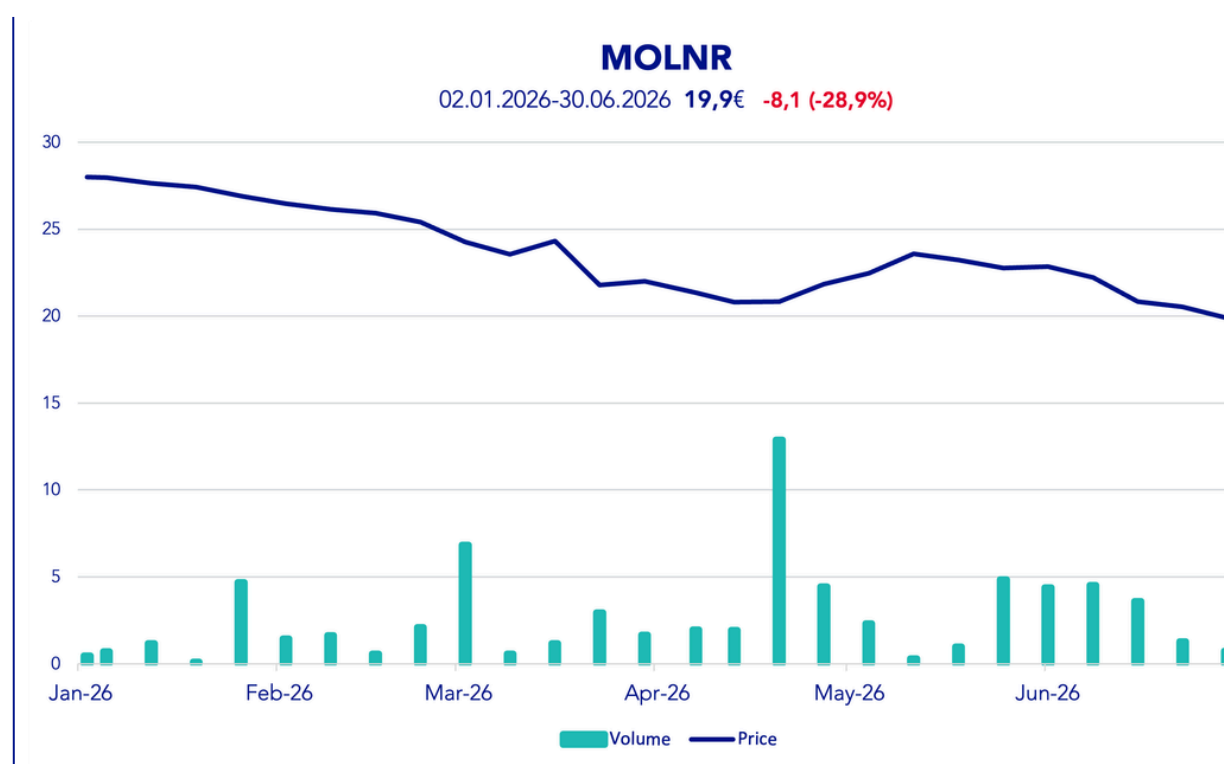
This service covers stability studies, addressing global climatic conditions (Zones I–IV), and includes the generation of stability data such as stress testing, freeze-thaw cycles, in-use stability, comparative studies with the reference product, and forced degradation testing.



J. Molner shares

The shares of J. Molner AS have been listed on the Nasdaq Baltic Alternative Market First North Tallinn since November 10, 2022. As of June 30, 2026, a total of 1,871,001 shares have been issued with a nominal value of EUR 1 per share, resulting in a total share capital of EUR 1,871,001.

All shares are of the same class and have no ownership restrictions. The Articles of Association of the Company do not stipulate any limitations on the transfer of shares. To the best of J. Molner AS's knowledge, there are no shareholder agreements in place that would restrict the transfer of securities.



	2026 H1 €	2025 H1 €
Average price	23.78	26.03
Maximum price	28.00	32.60
Minimum price	19.90	10.00
Closing price as of June 30	19.90	24.00
Number of shares as of June 30	1,871,001	1,686,001
Number of shareholders as of June 30	477	504
Market value of the company at June 30 (Closing price * number of shares)	37,232,920	40,464,024
Earnings per share (EPS) (Profit / number of shares)	0.77	(0.84)

Mission, Vision, Purpose



Mission

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



Vision

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



Purpose

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

Management Team

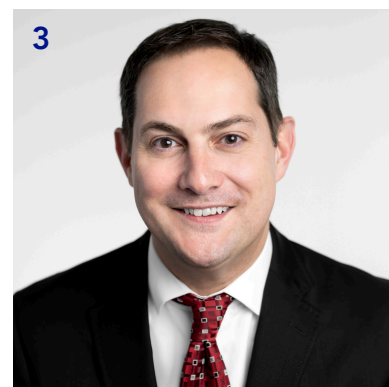


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Our Management is
the key to our success”

	Name	Role
1	Jason Grenfell-Gardner	Founder and CEO
2	Liina Kervemann	Head of Finance - EU
3	Brian Maxwell	Head of Finance - US
4	Erik Berlin	Laboratory Director
5	Ursula Noor	Director of QA & RA

Supervisory Board



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

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Financial Statements



Financial Results

Revenue

The Group's consolidated revenue amounted to EUR 1,964,770 in H1 2026, an increase of 256% compared with H1 2025 (EUR 551,129).

	30.06.2026 €	30.06.2025 €	Change %
Research and development in biotechnology	410,242	390,458	5%
Generic drugs	1,554,528	160,671	868%
Total Revenue	1,964,770	551,129	256%

Research and Development Service Revenue

Revenue from research and development services amounted to EUR 410,242 (H1 2025: EUR 390,458), an increase of 5%. The increase reflects continued demand for the Group's development services.

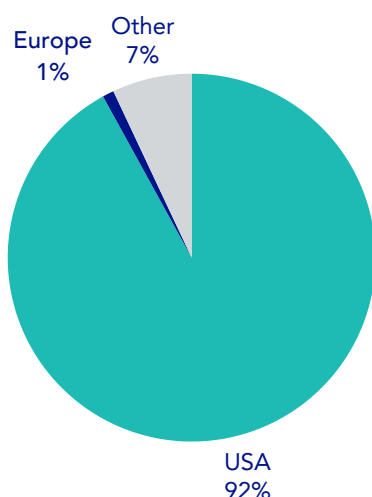
Generic drugs

Revenue from the sale of generic pharmaceuticals amounted to EUR 1,554,528 (H1 2025: EUR 160,671), an increase of 868%. The increase reflects higher sales of the existing product portfolio and the acquisition of a portfolio of FDA-approved products marketed in the United States. The acquisition increased the number of products marketed by the Group in the United States from four to fourteen. As the acquisition was completed on 1 June 2026, the results for the period include one month of revenue from the acquired portfolio.

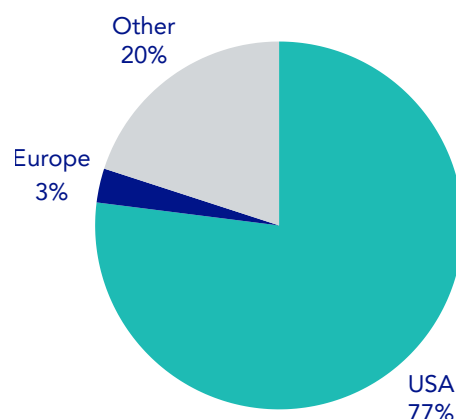
Geographical distribution

Revenue from the United States amounted to EUR 1,803,047, or 92% of total revenue (H1 2025: 77%). Revenue from other countries outside the European Union was EUR 145,502, or 7% (H1 2025: 20%). Revenue from the European Union was EUR 16,221, or 1% (H1 2025: 3%).

2026 H1



2025 H1



Direct costs

Raw materials, consumables and services used amounted to EUR 2,134,162 (H1 2025: EUR 358,985). The increase was mainly attributable to goods purchased for resale of EUR 786,912 (H1 2025: EUR 119,890) and services purchased of EUR 641,179 (H1 2025: EUR 182,575), in line with the growth in product sales.

Other direct costs amounted to EUR 411,880 (H1 2025: net credit of EUR 44,639). They comprise fees and services directly related to the Group's products and services, including pharmacovigilance, laboratory costs related to service revenue, FDA fees and serialisation fees. Inventory write-offs amounted to EUR 206,303 (H1 2025: EUR 23,563). Direct costs amounted to 109% of revenue for the period (H1 2025: 65%).

Operating expenses

Other operating expenses amounted to EUR 646,373 (H1 2025: EUR 604,353), an increase of 7%. The change was mainly attributable to higher expenses in three areas:

Office expenses: EUR 256,165 (H1 2025: EUR 209,525)

Travel expenses: EUR 81,076 (H1 2025: EUR 69,790)

Training expenses: EUR 23,970 (H1 2025: EUR 8,209)

These increases were partly offset by lower other expenses of EUR 200,982 (H1 2025: EUR 238,112). Lease and energy costs remained broadly unchanged. Other operating expenses amounted to 33% of revenue (H1 2025: 110%).

Employee expense

Employee expenses amounted to EUR 1,014,190 (H1 2025: EUR 1,131,356), a decrease of 10%. The average number of employees in full-time equivalents was 32 (H1 2025: 34). Remuneration of the members of the Management Board and Supervisory Board amounted to EUR 103,099 (H1 2025: EUR 84,195).

A portion of employee expenses relating to development activities is capitalised as intangible assets (work performed by the entity and capitalised: EUR 271,434; H1 2025: EUR 301,579).

Interest expenses

Interest expenses amounted to EUR 110,763 (H1 2025: EUR 242,039). Loan liabilities increased to EUR 7,153,107 as at 30 June 2026 (30 June 2025: EUR 1,998,652). As the loan financing the acquisition was obtained upon completion of the transaction, its effect on interest expense for H1 2026 is limited.

Other income and financial income and expenses

Other income amounted to EUR 3,693,940 (H1 2025: nil) and relates to negative goodwill recognised in connection with the acquisition of the product portfolio. The item is non-recurring and non-cash in nature. Other expenses amounted to EUR 405,064 (H1 2025: EUR 139,648). Other financial income and expenses amounted to a net expense of EUR 5,959 (H1 2025: net income of EUR 337,883).

Cash flow

Net cash from operating activities amounted to EUR 161,268 (H1 2025: net cash used of EUR 803,718). Cash receipts from customers increased to EUR 1,821,355 (H1 2025: EUR 1,169,627). Payments to suppliers remained at the prior-period level, at EUR 1,239,674 (H1 2025: EUR 1,235,661).

Net cash used in investing activities amounted to EUR 5,189,378 (H1 2025: EUR 585,398) and related mainly to the acquisition of the product portfolio. Net cash from financing activities amounted to EUR 6,498,541 (H1 2025: EUR 1,380,858), consisting mainly of loans received of EUR 6,501,162. As a result, cash and cash equivalents increased by EUR 1,470,431 to EUR 1,677,496 as at 30 June 2026.

Financial ratios

	30.06.2026	30.06.2025
Current ratio	1.30	0.82
Net Working Capital	3,374,947	(189,471)
EBITDA	1,730,355	(1,381,634)
Equity Ratio, %	14.94	24.74
Net profit margin, %	73.39	(256.17)
Total Debt Ratio	0.85	0.75

Consolidated statement of financial position

	Note	30.06.2026 €	31.12.2025 €	30.06.2025 €
Assets				
Current assets				
Cash and cash equivalents	2	1,677,496	214,483	207,292
Receivables and prepayments	3	8,766,784	462,333	291,545
Inventories	4	4,032,192	272,858	362,378
Total current assets		14,476,472	949,674	861,215
Non-current assets				
Investments in subsidiaries and associates		0	0	262
Receivables and prepayments	3	9,416	9,415	9,415
Property, plant, and equipment	6	232,172	248,604	267,878
Intangible assets	7	9,205,491	4,162,413	3,639,527
Total non-current assets		9,447,079	4,420,432	3,917,082
Total assets		23,923,551	5,370,106	4,778,297
Liabilities and equity				
Liabilities				
Current liabilities				
Loan liabilities		0	0	0
Payables and prepayments	9	11,101,526	1,025,190	1,050,686
Total current liabilities		11,101,526	1,025,190	1,050,686
Non-current liabilities				
Loan liabilities	8	7,153,107	744,218	1,998,652
Payables and prepayments	9	2,093,628	1,486,222	546,792
Total non-current liabilities		9,246,735	2,230,440	2,545,444
Total liabilities		20,348,261	3,255,630	3,596,130
Equity				
Issued capital	11	1,871,001	1,686,001	1,686,001
Unregistered equity		0	4,979,790	0
Share premium		5,407,117	612,327	612,327
Other reserves		1,033,722	1,014,757	6,606,132
Retained earnings (loss)		(6,178,399)	(6,310,491)	(6,310,491)
Period profit (loss)		1,441,849	132,092	(1,411,802)
Total equity		3,575,290	2,114,476	1,182,167
Total liabilities and equity		23,923,551	5,370,106	4,778,297

Consolidated income statement

		01.01.2026- 30.06.2026	01.01.2025- 30.06.2025
	Note	€	€
Revenue	12	1,964,770	551,129
Other income		3,693,940	0
Work performed by entity and capitalised		271,434	301,579
Raw materials and consumables used	13	(2,134,162)	(358,985)
Other operating expense	14	(646,373)	(604,353)
Employee expense	15	(1,014,190)	(1,131,356)
Depreciation and impairment loss (reversal)	6,7	(171,784)	(126,012)
Other expense		(405,064)	(139,648)
Operating profit (loss)		1,558,571	(1,507,646)
Interest expenses		(110,763)	(242,039)
Other financial income and expense		(5,959)	337,883
Profit (loss) before tax		1,441,849	(1,411,802)
Period profit (loss)		1,441,849	(1,411,802)
Profit (loss) attributable to owners of the parent company		1,441,849	(1,411,802)

Consolidated statement of cash flows

	Note	01.01.2026- 30.06.2026 €	01.01.2025- 30.06.2025 €
Cash flows from operating activities			
Receipts of sales of goods and rendering of services		1,821,355	1,169,627
Payments to suppliers for goods and services		(1,247,092)	(1,235,661)
Payments to employees		(453,734)	(332,826)
Other cash flows from operating activities		33,321	(404,858)
Total cash flows from operating activities		153,850	(803,718)
Cash flows from investing activities			
Purchase of property, plant and equipment and intangible assets		(5,188,059)	(585,764)
Interest received		82	366
Other payments to investing activities		(1,401)	0
Total cash flows from investing activities		(5,189,378)	(585,398)
Cash flows from financing activities			
Loans received		6,501,162	1,392,774
Repayments of loans received		0	(5,871)
Other cash inflows from financing activities		(2,621)	(6,045)
Total cash flows from financing activities		6,498,541	1,380,858
Total cash flows		1,463,013	(8,258)
Cash and cash equivalents at beginning of period	2	214,483	215,550
Change in cash and cash equivalents		1,463,013	(8,258)
Cash and cash equivalents at end of period	2	1,677,496	207,292

Consolidated statement of changes in equity

	Equity held by shareholders and partners in parent company					Total €
	Issued capital €	Unregistered equity €	Share premium €	Other reserves €	Retained earnings (loss) €	
31.12.2024	1,686,001	0	612,327	4,937,001	(6,310,491)	924,838
Period profit (loss)	0	0	0	0	(1,411,802)	(1,411,802)
Issue of equity shares	0	0	0	0	0	0
Changes in reserves	0	0	0	1,669,132	0	1,669,132
30.06.2025	1,686,001	0	612,327	6,606,132	(7,722,293)	1,182,167
Period profit (loss)	0	0	0	0	1,543,894	1,543,894
Issue of equity shares	0	4,979,790	0	0	0	4,979,790
Changes in reserves	0	0	0	(5,591,374)	0	(5,591,374)
31.12.2025	1,686,001	4,979,790	612,327	1,014,758	(6,178,399)	2,114,476
Period profit (loss)	0	0	0	0	1,441,849	1,441,849
Issue of equity shares	185,000	(4,979,790)	4,794,790	0	0	0
Changes in reserves	0	0	0	18,965	0	18,965
30.06.2026	1,871,001	0	5,407,117	1,033,722	(4,736,550)	3,575,290

In H1 2026, the increase EUR 185,000 in share capital was registered in the Commercial Register. The new share capital amounts is EUR 1,871,001, divided into 1,871,001 ordinary shares with a nominal value of EUR 1 each. Share premium increased EUR 4,794,790. The new share premium amount is EUR 5,407,117.

Notes to the consolidated financial statements

1. Accounting policies

General information

The financial accounts of J. Molner AS for the first half of financial year 2026 have been prepared in accordance with the Estonian financial reporting standard. The Estonian financial reporting standard is established by the Accounting Act of the Republic of Estonia, which is supplemented by the guidelines issued by the Accounting Standards Board.

The financial statements have been prepared in euros.

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

Preparation of consolidated statements

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

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

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

Financial assets

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

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

Cash

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

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

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

Shares of subsidiaries and associates

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

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

Receivables and prepayments

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

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

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

Inventories

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

Inventories are expensed using the FIFO method.

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

Property, Plant, and equipment and intangible assets

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

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

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

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

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

Minimal acquisition cost: EUR 1,350

Useful life by assets group (years):

Assets group name	Useful life
Machinery and equipment	5-20
Other property, plant and equipment	2-10
Concessions, patents, licenses, trademarks	15
Other intangible assets	10

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

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

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

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

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

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

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

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

Leases

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

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

Financial liabilities

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

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

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

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

Government Grants

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

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

Revenue recognition

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

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

Taxation

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

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

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

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

Related parties

The following are considered as related parties in the preparation of the annual report of J. Molner AS in H1 2026:

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

2. Cash

	30.06.2026	30.06.2025
	€	€
Cash	1,677,496	207,292
Total cash	1,677,496	207,292

3. Receivables and prepayments

	30.06.2026	Allocation by remaining maturity	
		Within 12 months	1-5 years
	€	€	€
Accounts receivable	8,304,120	8,304,120	0
Tax prepayments and receivables	20,835	20,835	0
Prepayments			
Deferred expenses	391,131	391,131	0
Other paid prepayments	60,114	50,698	9,416
Total prepayments	451,245	441,829	9,416
Total receivables and prepayments	8,776,200	8,766,784	9,416

	30.06.2025	Allocation by remaining maturity	
		Within 12 months	1-5 years
	€	€	€
Accounts receivable	83,620	83,620	0
Tax prepayments and receivables	20,837	20,837	0
Prepayments			
Deferred expenses	2,163	2,163	0
Other paid prepayments	194,340	184,925	9,415
Total prepayments	196,503	187,088	9,415
Total receivables and prepayments	300,960	291,545	9,415

4. Inventories

	30.06.2026	30.06.2025
	€	€
Raw materials	54,176	62,230
Merchandise	3,978,016	300,148
Total inventories	4,032,192	362,378

5. Shares of subsidiaries

Share of subsidiaries, general information					
Subsidiary's registry code	Name of subsidiary	Country of incorporation	Principal activity	Ownership interest (%)	
				30.06.2026	30.06.2025
16049586	The J. Molner Company OÜ	Estonia	Research and development in the field of biotechnology	100	100
87-2118750	The J. Molner Company LLC	USA	Wholesale	100	100
99-4998744	Nordisk Element LLC	USA	Sale of cosmetic products	100	100
17251775	Nordisk Element OÜ	Estonia	Sale of cosmetic products	100	100
42-2575337	J Molner Holdings Inc.	USA	Patent brokering activities	100	0

Acquired ownership interest				
Subsidiary's registry code	Name of subsidiary	Acquired ownership interest	Acquisition date	Cost of acquired ownership interest
16049586	The J. Molner Company OÜ	100	06.09.2022	1,600,000
87-2118750	The J. Molner Company LLC	100	09.01.2023	467
99-4998744	Nordisk Element LLC	100	06.09.2024	0
17251775	Nordisk Element OÜ	100	30.05.2025	0
42-2575337	J Molner Holdings Inc.	100	28.05.2026	88

6. Property, plant and equipment

	Computers and computer systems €	Other machinery and equipment €	Machinery and equipment €	Other property, plant and equipment €	Total €
31.12.2024					
Carried at cost	29,557	289,107	318,664	57,804	376,468
Accumulated depreciation	(9,619)	(76,123)	(85,742)	(4,934)	(90,676)
Residual cost	19,938	212,984	232,922	52,870	285,792
Acquisitions and additions	0	9,105	9,105	2,248	11,353
Depreciation	(5,982)	(36,549)	(42,531)	(6,010)	(48,541)
31.12.2025					
Carried at cost	29,557	298,212	327,769	60,052	387,821
Accumulated depreciation	(15,601)	(112,672)	(128,273)	(10,944)	(139,217)
Residual cost	13,956	185,540	199,496	49,108	248,604
Acquisitions and additions	3,200	2,950	6,150	2,166	8,316
Depreciation	(3,152)	(18,502)	(21,654)	(3,094)	(24,748)
30.06.2026					
Carried at cost	32,757	301,162	333,919	62,218	396,137
Accumulated depreciation	(18,753)	(131,174)	(149,927)	(14,038)	(163,965)
Residual cost	14,004	169,988	183,992	48,180	232,172

7. Intangible assets

	Computer software €	Concessions, patents, licenses, trademarks €	Other intangible assets €	Total €
31.12.2024				
Carried at cost	5,152	1,458,203	1,842,289	3,305,644
Accumulated depreciation	(1,803)	(75,652)	0	(77,455)
Residual cost	3,349	1,382,551	1,842,289	3,228,189
Acquisitions and additions	3,000	2,796	1,137,417	1,143,213
Depreciation	(1,015)	(207,974)	0	(208,989)
Reclassification	46,931	681,477	(728,408)	0
31.12.2025				
Carried at cost	55,083	2,142,476	2,251,298	4,448,857
Accumulated depreciation	(2,818)	(283,626)	0	(286,444)
Residual cost	52,265	1,858,850	2,251,298	4,162,413
Acquisitions and additions	0	4,742,220	497,621	5,239,841
Depreciation	(558)	(146,478)	0	(147,036)
Reclassification	(46,932)	(2,795)	0	(49,727)
30.06.2026				
Carried at cost	8,151	6,881,901	2,748,919	9,638,971
Accumulated depreciation	(3,376)	(430,104)	0	(433,480)
Residual cost	4,775	6,451,797	2,748,919	9,205,491

8. Loan commitments

	30.06.2026 €	Allocation by remaining maturity			Interest rate	Base currencies	Due date
		Within 12 months €	1-5 years €	Over 5 years €			
Non-current loans							
Long-term loan	0	0	0	0	5%	USD	20.09.2026
Long-term loan, USD	677,798	0	677,798	0	7%	USD	06.04.2028
Long-term loan, USD	944,498	0	944,498	0	7%	USD	06.04.2028
Long-term loan, USD	5,530,811	0	5,530,811	0	10%	USD	29.05.2029
Non-current loans total	7,153,107	0	7,153,107	0			
Loan commitments total	7,153,107	0	7,153,107	0			

	30.06.2025 €	Allocation by remaining maturity			Interest rate	Base currencies	Due date
		Within 12 months €	1-5 years €	Over 5 years €			
Non-current loans							
Long-term loan	148,584	0	148,584	0	5%	USD	20.09.2026
Long-term loan, USD	515,242	0	515,242	0	7%	USD	06.04.2028
Long-term loan, USD	1,334,826	0	1,334,826	0	7%	USD	06.04.2028
Non-current loans total	1,998,652	0	1,998,652	0			
Loan commitments total	1,998,652	0	1,998,652	0			

9. Payables and prepayments

	Note	30.06.2026 €	Within 12 months €	1-5 years €
Trade payables		1,310,438	1,310,438	0
Employee payables	10	121,601	121,601	0
Tax payables		127,150	127,150	0
Other payables		9,540,578	9,540,578	0
Other received prepayments		2,095,387	1,759	2,093,628
Total payables and prepayments		13,195,154	11,101,526	2,093,628

	Note	30.06.2025 €	Within 12 months €	1-5 years €
Trade payables		436,925	436,925	0
Employee payables	10	140,133	140,133	0
Tax payables		127,746	127,746	0
Other payables		0	0	0
Other received prepayments		892,674	345,882	546,792
Total payables and prepayments		1,597,478	1,050,686	546,792

10. Employee payables

	30.06.2026 €	30.06.2025 €
Remuneration liability	76,329	81,870
Vacation pay liability	45,272	58,263
Total employee payables	121,601	140,133

11. Share capital

	30.06.2026 €	30.06.2025 €
Share capital	1,871,001	1,686,001
Number of shares (pcs)	1,871,001	1,686,001
Nominal value of shares	1	1

12. Net Sales

	30.06.2026	30.06.2025
	€	€
Net sales by geographical location		
Net sales in European Union		
Estonia	2,370	2,084
Latvia	14,139	0
Greece	(288)	11,880
Total net sales in European Union	16,221	13,964
Net sales outside of European Union		
United States of America	1,803,047	426,758
Canada	0	5,062
Australia	145,502	105,345
Total net sales outside of European Union	1,948,549	537,165
Total net sales	1,964,770	551,129
Net sales by operating activities		
Research and development in the field of biotechnology	410,242	390,458
Sale of goods	1,554,528	160,671
Total net sales	1,964,770	551,129

13. Goods, raw materials, and services

	30.06.2026	30.06.2025
	€	€
Raw materials	53,184	74,836
Inventory write-off	206,303	23,563
Goods purchased for resale	786,912	119,890
Services purchased	641,179	182,575
Transportation expense	34,704	2,760
Other	411,880	(44,639)
Total goods, raw materials, and services	2,134,162	358,985

14. Miscellaneous operating expenses

	30.06.2026 €	30.06.2025 €
Leases	63,998	60,973
Energy		
Electricity	14,298	12,997
Heat energy	2,179	3,295
Total energy	16,477	16,292
Water supply services	945	787
Miscellaneous office expenses	256,165	209,525
Travel expense	81,076	69,790
Training expense	23,970	8,209
State and local taxes	2,760	665
Other	200,982	238,112
Total miscellaneous operating expenses	646,373	604,353

15. Labor expense

	30.06.2026 €	30.06.2025 €
Wages and salary expense	767,891	825,313
Social security taxes	227,335	236,911
Option cost	18,965	69,132
Total labor expense	1,014,190	1,131,356
Average number of employees in full time equivalent units	32	34
Average number of employees by types of employment		
Person employed under employment contract	32	34
Person providing service under law of obligations, except for self-employed person	0	0

16. Related parties

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

	30.06.2026	30.06.2025
	€	€
Remuneration	103,099	84,195

17. Non-consolidated statement of financial position

	30.06.2026	30.06.2025
	€	€
Assets		
Current assets		
Cash and cash equivalents	5	5
Receivables and prepayments	8,483	13,349
Total current assets	8,488	13,354
Non-current assets		
Investments in subsidiaries and associates	1,600,467	1,600,467
Receivables and prepayments	11,819,544	1,917,846
Total non-current assets	13,420,011	3,518,313
Total assets	13,428,499	3,531,667
Liabilities and equity		
Liabilities		
Current liabilities		
Payables and prepayments	186,426	105,012
Total current liabilities	186,426	105,012
Non-current liabilities		
Loan liabilities	6,208,608	1,334,826
Total non-current liabilities	6,208,608	1,334,826
Total liabilities	6,395,034	1,439,838
Equity		
Issued capital	1,871,001	1,686,001
Unregistered equity	0	0
Share premium	5,407,117	612,327
Other reserves	183,722	131,187
Retained earnings (loss)	(705,988)	(255,664)
Period profit (loss)	277,613	(82,022)
Total equity	7,033,465	2,091,829
Total liabilities and equity	13,428,499	3,531,667

18. Non-consolidated income statement

	30.06.2026	30.06.2025
	€	€
Other income	0	0
Other operating expense	(33,620)	(25,898)
Employee expense	(18,965)	(69,132)
Other expense	0	0
Total operating profit (loss)	(52,585)	(95,030)
Interest expenses	(62,086)	(43,302)
Other financial income and expense	392,284	56,310
Profit (loss) before tax	277,613	(82,022)
Period profit (loss)	277,613	(82,022)

19. Non-consolidated statement of cash flows

	30.06.2026	30.06.2025
	€	€
Cash flows from operating activities		
Payments to suppliers for goods and services	0	270
Other cash flows from operating activities	0	(265)
Total cash flows from operating activities	0	5
Total cash flows	0	5
Cash and cash equivalents at beginning of period	5	0
Change in cash and cash equivalents	0	5
Cash and cash equivalents at end of period	5	5

20. Non-consolidated statement of changes in equity

	Equity held by shareholders and partners in parent company					Total €
	Issued capital €	Unregistered equity €	Share premium €	Other reserves €	Retained earnings (loss) €	
30.06.2025	1,686,001	0	612,327	131,187	(337,687)	2,091,828
Period profit (loss)	0	0	0	0	(368,301)	(368,301)
Issue of equity shares	0	4,979,790	0	0	0	4,979,790
Changes in reserves	0	0	0	33,570	0	33,570
31.12.2025	1,686,001	4,979,790	612,327	164,757	(705,988)	6,736,887
Period profit (loss)	0	0	0	0	277,613	277,613
Issue of equity shares	185,000	(4,979,790)	4,794,790	0	0	0
Changes in reserves	0	0	0	18,965	0	18,965
30.06.2026	1,871,001	0	5,407,117	183,722	(428,375)	7,033,465
Governing and material influence ownership interest value of financial position	(1,600,467)	0	0	0	0	(1,600,467)
Governing and material influence on the value Of holdings under the equity method	(1,857,708)	0	0	0	0	(1,857,708)
Restated non consolidated equity 30.06.2026	(1,587,174)	0	5,407,117	183,722	(428,375)	3,575,290

21. Declaration of the Management Board

The Management Board has prepared the consolidated unaudited interim report of J. Molner, which covers the period ending on June 30, 2026 and confirms the accuracy of the data presented in the report.

Date of completion of the report: September 25, 2026

A handwritten signature in blue ink, appearing to read 'J. Molner', with a stylized flourish extending to the right.

Jason Michael Atticus Grenfell-Gardner

Chairman of the Management Board

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