



ERICSSON NIKOLA TESLA d.d.  
Krapinska 45, 10000 Zagreb

SECURITY: ERNT (ISIN: HRERNTRA0000)  
LEI: 5299001W91BFWSUOVD63  
HOME MEMBER STATE: Republic of Croatia  
REGULATED MARKET SEGMENT: Regular Market of the Zagreb Stock Exchange

# Ericsson Nikola Tesla Group

Zagreb, April 25, 2024

Management Report on the Company and Ericsson Nikola Tesla Group business performance with comments on the financial results for Q1 2024

## Highlights:

- Sales revenue: EUR **52.0** million
- Gross margin: **16.8%**
- Operating profit: EUR **7.4** million
- Profit before tax: EUR **7.8** million
- Net profit: EUR **6.4** million
- Cash flow from operating activities: EUR **1.1** million

Gordana Kovačević, President of Ericsson Nikola Tesla, commented:

“We started the year by contracting new business deals in the operator segment in Croatian and export markets, as well as in the Digital Society segment, thus ensuring a solid level of orders booked for the continuation of the business year. However, as we have previously commented, non-renewal of the contract with Hrvatski Telekom regarding managed services had an impact on the decline of sales revenue year-over-year. Additionally, the decline of sales revenue was impacted by the operators’ cautious investments in network modernization and the dynamics in the implementation of contracted activities, which was partially offset by growth in other business segments. Despite all the challenges and the demanding market environment, we kept the leading market position, and we remain a strong strategic partner for our customers and partners.

In the operator segment, we would like to highlight the cooperation agreement with Hrvatski Telekom (HT) based on which we will be the supplier of the radio part of HT’s mobile network (RAN) until the end of 2027. We are pleased to continue our cooperation on the introduction of the 5G standard into HT’s mobile network, which began in 2018 and resulted in several achievements in 5G mobile network on the Croatian market. In accordance with the multi-year contract with our partner A1 Hrvatska, we have been working on additional expansion of coverage and capacity of the 5G radio network as well as core network modernization.

We have continued to strengthen our position in the Kosovo market by signing a framework multi-year contract with the operator Telekom Kosova, related to the modernization and maintenance of the complete radio network of this operator. We have also continued the cooperation with our long-term partner IPKO on the core network modernization and maintenance, among which we would like to single out the introduction of functionalities VoLTE and Mobile Number Portability. In other export markets, we signed contracts for mobile networks modernization and maintenance, among which the contract with HT Mostar for the implementation of the latest technological version of the Ericsson Evolved Packet Core (EPC) and Diameter Signaling Controller (DSC) solutions should be mentioned.

In the Digital Society segment, we have signed several new contracts related to the digital transformation of healthcare, land administration, public administration and security, which will positively affect the availability and quality of public services and thus support the further development of the economy. In this business segment we have additionally strengthened business development and R&D teams. In Q1, we would like to highlight the contracts with the Croatian Employment Service (CES) and the Ministry of the Interior of the Republic of Croatia. With CES, we have contracted the delivery of a system to support the basic CES processes, the e-Advisor system, and improved user profiling. With the Ministry of the Interior, we have contracted the delivery of mobile systems for green border monitoring.

Our R&D Center has continued with a quality performance and achieved good results. We have expanded our capacities in radio access network (RAN) development to work on Network robustness testing and have been working to additionally position ourselves in the Business Cloud Software & Services segment. Furthermore, we are focused on the development of E2E capability in the area of 5G software/modules and, accordingly, we are preparing in an organizational sense to position ourselves even stronger in the long-term.

Compared to Q1 2023, gross margin increased slightly to 16.8%, as a result of profitability program and business mix. However, due to lower sales revenue, gross profit decreased to EUR 8.7 million. Although selling and administrative expenses remained at the same level year-over-year, amounting to EUR 2.8 million, selling expenses increased due to intense activities on new business opportunities, while administrative expenses are lower. Operating profit decreased by 22.7% to EUR 7.4 million, while net profit decreased by 18.3%, amounting to EUR 6.4 million, due to lower gross profit. We concluded the end of Q1 with a solid balance sheet and an equity ratio of 42.7%. A positive cash flow from operating activities was realized, amounting to EUR 1.1 million compared to EUR -7.1 million in Q1 2023. Cash and cash equivalents, including the short-term financial assets, amounted to EUR 76.8 million, which accounts for 41.7% of the total assets.

In order to achieve the company's long-term growth, we continue to invest in new business segments and customers, the development of ICT solutions based on the latest technologies, business diversification in R&D segment, our employees' competencies and digital transformation of Ericsson Nikola Tesla Group. We are considering potential acquisitions, as well as a stronger application of artificial intelligence in creating new business opportunities and increasing internal efficiency. Furthermore, we remain focused on timely recognition and mitigation of risks, operational efficiency, cost management, sustainability, and high ethical standards in business.

Considering the company's business results achieved in the previous year, stable financial position and a high level of cash, the Supervisory Board and the Managing Director made a joint proposal to the Company's General Meeting to adopt a decision regarding the regular dividend payment in the amount of EUR 10 per share and an extraordinary dividend in the amount of EUR 5 per share, thus showing that we are taking care of the interest of all our stakeholders.

As the company that celebrates 75 years of successful, responsible and sustainable business this year, we will remain committed to the continuous development of knowledge, expertise and innovation potential of our employees, as well as dedicated to the success of our customers.“

### Financial highlights for the Group:

- Sales revenue amounted to EUR 52.0 million (Q1 2023: EUR 69.4 million), down by 25.1% year-over-year. In the total sales revenue, the domestic market accounted for 22.9%, services to Ericsson accounted for 69.5%, while other export markets accounted for 7.6%.
- Sales in the Networks segment amounted to EUR 33.9 million (Q1 2023: EUR 39.3 million), Digital Services segment amounted to EUR 17.3 million (Q1 2023: EUR 17.0 million), Managed Services segment amounted to EUR 737 thousand (Q1 2023: EUR 13.0 million), and the segment Other amounted to EUR 118 thousand (Q1 2023: EUR 149 thousand).
- Gross margin increased slightly to 16.8% (Q1 2023: 16.6%), as a result of profitability program and business mix. However, due to lower sales revenue, gross profit decreased by 24.3% and amounted to EUR 8.7 million (Q1 2023: EUR 11.5 million).
- Selling and administrative expenses amounted to EUR 2.8 million (Q1 2023: EUR 2.8 million). When compared to Q1 2023, selling expenses increased due to intense activities to secure new business opportunities, while administrative expenses are lower. The share of selling and administrative expenses in the total sales revenue was 5.5% (Q1 2023: 4.0%).
- Operating margin increased to 14.2% (Q1 2023: 13.7%). Operating profit amounted to EUR 7.4 million (Q1 2023: EUR 9.5 million), down by 22.7% year-over-year, primarily due to lower sales revenue and gross profit.
- Profit from financial activities was EUR 468 thousand (Q1 2023: EUR 2 thousand), due to an increase of interest rates.
- Profit before tax decreased by 17.8% year-over-year to EUR 7.8 million (Q1 2023: EUR 9.5 million).
- Net profit amounted to EUR 6.4 million (Q1 2023: EUR 7.8 million), down by 18.3% year-over-year. Return on Sales (ROS) was 12.3% (Q1 2023: 11.3%).
- Cash flow from operating activities amounted to EUR 1.1 million (Q1 2023: EUR -7.1 million).
- Working capital efficiency, expressed in Working Capital Days (WCD), was 33 days (Q1 2023: 17 days), and excluding services to Ericsson, Working Capital Efficiency was 41 days (Q1 2023: 36 days). The increase in WCD is affected by the demanding projects in terms of work and capital engagement in the domestic and export markets, as well as the extended dynamics of collection of customer receivables in all markets including services to Ericsson.
- Cash and cash equivalents, including the short-term financial assets, as at March 31, 2024, amounted to EUR 76.8 million (41.7% of the total assets) and at the end of 2023 they amounted to EUR 76.9 million (39.9% of the total assets).
- The Group has a solid balance sheet with the total assets of EUR 184.3 million as at March 31, 2024, down by 4.3% compared to the end of 2023, mainly as a result of lower customer receivables due to lower sales revenue in managed services, while inventory (work-in-progress) increased due to contract execution dynamics. End of Q1 equity ratio was 42.7% (end of 2023: 37.6%).

- With related parties, the transactions were as follows: a stable sale of products and services was realized, amounting to EUR 35.5 million (Q1 2023: EUR 37.3 million), while the procurement of products and services amounted to EUR 8.5 million (Q1 2023: EUR 14.6 million).
- As at March 31, 2024, balances outstanding with related parties were as follows: receivables amounted to EUR 33.2 million (end of 2023: EUR 37.4 million), and payables amounted to EUR 8.0 million (end of 2023: EUR 15.1 million).

## Business situation in major markets

**In the domestic market**, sales revenue amounted to EUR 11.9 million (Q1 2023: EUR 26.1 million), down by 54.3% year-over-year due to non-renewal of contract with Hrvatski Telekom regarding managed services, and the operators' cautious investments in network modernization.

At the beginning of the year, we signed the cooperation agreement with Hrvatski Telekom, based on which Ericsson Nikola Tesla will be the exclusive supplier of the radio part of HT's mobile network (RAN) until the end of 2027. By applying Ericsson's state-of-the-art 5G technology, HT will further improve the quality of Internet access and access to mobile applications for its customers, while at the same time opening new space for the introduction of advanced digital solutions such as augmented reality, robotics, the so called "digital twins", and similar solutions.

With A1 Hrvatska, in accordance with multi-year framework contracts, we have been working on the additional expansion of coverage and capacity of the 5G radio network, as well as on the modernization and construction of the convergent core network and the modernization of microwave transmission systems.

In the Digital Society segment, we have been working on many activities. With the Croatian Employment Service (CES), a contract was signed related to the delivery of a system to support the basic processes of the CES, the e-Advisor system, and improved user profiling. For the Ministry of Health, in cooperation with the pharmaceutical company Roche, we have implemented the analytical system of the Croatian Oncology Database within the project "Personalized Medicine in Oncology with the Aim to Improve the Outcomes". Furthermore, with the Ministry of the Interior of the Republic of Croatia, we have contracted the delivery of mobile systems for green border monitoring. With the Ministry of Culture and Media, a new contract was signed related to the digitalization of cultural heritage (eCulture). The cooperation with the Ministry of Justice and Public Administration and State Geodetic Administration related to the Joint Information System of Land Registry and Cadaster continues. With the Central State Office for the Development of the Digital Society, we have contracted the delivery of the Once Only Technical System (OOTS) platform for the exchange of services at the level of the European Union. The second phase of the project regarding the implementation of intelligent transport systems in the functional traffic area of the City of Split is ongoing.

**In export markets** (excluding services to Ericsson) sales revenue amounted to EUR 4.0 million (Q1 2023: EUR 6.0 million), down by 34.3% year-over-year, as a result of projects execution dynamics.

With the operator Telekom Kosova, we signed a multi-year framework contract for the complete modernization and maintenance of radio network. The contract includes the introduction of the state-of-the-art Ericsson 5G equipment in the radio part of the network. It is planned that the overall network modernization project will be implemented by the end of 2024.

Furthermore, with the Kosovo operator IPKO, several projects for the modernization and maintenance of the core network were contracted. We would like to highlight the introduction of VoLTE functionality that will provide users with an improved voice service on the LTE/4G network, and the implementation of Mobile Number Portability functionality that will enable users to change operators while keeping their existing number.

With HT Mostar (Bosnia and Herzegovina), the implementation of the latest technological version of the Ericsson Evolved Packet Core (EPC) and Diameter Signaling Controller (DSC) solutions was contracted. By implementing this contract, HT Mostar will modernize and further expand the existing packet core network solution and enable simpler and more agile management, as well as the creation of new advanced services.

We have also contracted the projects of modernization and maintenance of mobile networks with the customers in other export markets, with Crnogorski Telekom and Ucom Armenia.

**In Ericsson market**, sales revenue amounted to EUR 36.1 million (Q1 2023: EUR 37.3 million), down by 3.1% year-over-year, due to a higher engagement of the Services and Solutions Center's experts on projects for the customers of Ericsson Nikola Tesla Group. Revenue from research and development activities is increasing.

The main development projects were in the segments of Remote Radio, Massive MIMO, Time Critical Services, resilience Network and Positioning, RBS Features & Configurations and G4 baseband, that are important for Ericsson technology leadership. Moreover, we have expanded our capacities in radio access network (RAN) development to work on Network robustness testing, which resulted in additional employment. Our goal is to keep high performance and strengthen the E2E capability within 5G software/modules, where we expect new openings in 2024, and have already been preparing in an organizational sense to position ourselves even stronger in the long-term. Furthermore, we have also been working to additionally position ourselves in the Business Cloud Software & Services segment, on the development of Home Subscriber Services and Software Defined Infrastructure 3. The main prerequisites for achieving these opportunities are efficient deliveries of high-quality software, agile organization and continuous work on innovativeness and excellence.

Experts from the Customer Services and Solutions Center, in addition to projects for the customers of Ericsson Nikola Tesla Group, have worked on many projects for Ericsson customers through the activities of creating solutions and defining network parameters, optimization and integration of solutions and technologies in many EU Member States and other countries such as the United Kingdom, Switzerland, Israel, Norway, the United States of America, Canada, Australia, India, Mexico, Pakistan, Bahrain, etc. These are complex projects that, among other activities, included the introduction of 5G technology, operational and business support systems, as well as projects of introduction of core solutions in Cloud.

We would like to highlight the work of our experts on the development of NorthStar 5G innovation program for the Swedish multinational operator Telia. Our experts participate in the delivery of services for 5G core network, with engagement ranging from presales activities to network design and verification.

The activities have also continued on the development and implementation of software tools for management and optimization of mobile networks which are used in network rollout by many operators worldwide.

Good results were achieved in cooperation with the company Aeris Communications on IoT projects (Centralized User Database and Device Connection Platform).

The teams working on activities in the field of IT& Engineering Services, in addition to providing quality support and achieving excellent results on test environment management projects and IT operations for Ericsson corporation, have also had a key role in digital transformation processes of Ericsson Nikola Tesla Group, and have provided quality support for the work of Ericsson Nikola Tesla Group's employees.

## Other information

At the meeting held on March 22, 2024, Ericsson Nikola Tesla's Supervisory Board and Managing Director made a joint proposal to the General Meeting to adopt a decision regarding the regular dividend payment in the amount of EUR 10 per share and extraordinary dividend in the amount of EUR 5 per share.

Ericsson Nikola Tesla's General Meeting will be held on June 27, 2024. The shareholders who have the Company's shares registered on their securities account in the Central Depository & Clearing Company on July 3, 2024, are entitled to dividend payment. Ex-dividend date is July 2, 2024.



For additional information, please contact:

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For more information about Ericsson Nikola Tesla's business, please visit: <http://www.ericsson.hr>

Pursuant to the Articles 462 to 468 of the Capital Market Law (Official Gazette 65/18) the Managing Director of the joint stock company Ericsson Nikola Tesla d.d. Zagreb, Krapinska 45 gives the following:

Statement  
of the Management Board responsibility

The accompanying consolidated and non-consolidated financial statements have been prepared in compliance with the International Financial Reporting Standards (IFRS). The financial statements also comply with the provisions of the Croatian Financial Accounting Law valid as of the date of these financial statements.

Unaudited financial statements for the period January 1, 2024 to March 31, 2024 present a true and fair view of the financial position of the Company and the Group and of the financial performance and cash flows in compliance with applicable accounting standards.

Managing Director:

Gordana Kovačević, MSc



Ericsson Nikola Tesla d.d.  
Statement of comprehensive income  
for the period ended 31 March 2024

	<b>2024</b>	<b>2023</b>
	<b>EUR '000</b>	<b>EUR '000</b>
Sales revenue	50.175	55.401
Cost of sales	-41.364	-45.265
<b>Gross profit</b>	<b>8.811</b>	<b>10.136</b>
Selling expenses	-1.297	-1.174
Administrative expenses	-1.381	-1.244
Other operating income	1.491	1.155
Impairment loss on financial assets	-	-252
<b>Operating profit</b>	<b>7.624</b>	<b>8.621</b>
Finance income	484	39
Finance expense	-119	-38
Finance income/(expense), net	365	1.463
<b>Profit before tax</b>	<b>7.989</b>	<b>8.622</b>
Income tax	-1.438	-1.552
<b>Profit for the year</b>	<b>6.551</b>	<b>7.070</b>
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>6.551</b>	<b>7.070</b>
<b>Earnings per share (EUR)</b>	<b>4,94</b>	<b>5,35</b>



Ericsson Nikola Tesla d.d.  
Statement of financial position  
as at 31 March 2024

	2024	2023
	EUR '000	EUR '000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	13.905	14.352
Right of use assets	14.899	14.818
Intangible assets	472	384
Investments in subsidiaries	4	4
Loans and receivables	2.577	2.587
Deferred tax assets	2.322	2.322
<b>Total non-current assets</b>	<b>34.180</b>	<b>34.467</b>
<b>Current assets</b>		
Inventories	14.062	9.781
Trade receivables	11.268	17.896
Receivables from related parties	33.460	37.893
Other receivables	6.381	1.180
Financial assets at fair value through profit or loss	4.274	4.235
Prepayments	1.750	2.238
Cash and cash equivalents	61.329	55.568
<b>Total current assets</b>	<b>132.524</b>	<b>128.791</b>
<b>TOTAL ASSETS</b>	<b>166.704</b>	<b>163.258</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	17.674	17.674
Treasury shares	-1.335	-1.256
Legal and other reserves	1.328	1.230
Reserve for treasury shares	3.978	4.157
Retained earnings	45.267	38.711
<b>Total equity</b>	<b>66.911</b>	<b>60.516</b>
<b>Non-current liabilities</b>		
Borrowings	114	114
Lease liabilities	13.269	13.126
Other non-current liabilities	12	12
Employee benefits	917	934
<b>Total non-current liabilities</b>	<b>14.312</b>	<b>14.186</b>
<b>Current liabilities</b>		
Payables to related parties	7.174	13.907
Borrowings	-	467
Trade and other payables	25.908	29.560
Income tax payable	1.775	690
Provisions	1.293	1.558
Accrued charges and deferred revenue	13.620	13.749
Contract liabilities	33.740	26.768
Lease liabilities	1.971	1.857
<b>Total current liabilities</b>	<b>85.480</b>	<b>88.556</b>
<b>Total liabilities</b>	<b>99.792</b>	<b>102.742</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>166.704</b>	<b>163.258</b>

Ericsson Nikola Tesla d.d.  
Statement of cash flows  
for the period ended 31 March 2024

	<b>2024</b>	<b>2023</b>
	<b>EUR '000</b>	<b>EUR '000</b>
<b>Cash flows from operating activities</b>		
<i>Profit before tax</i>	7.989	8.622
Adjustments for:		
Depreciation and amortisation	1.324	1.097
Effects of lease derecognition	-	-
Impairment losses and reversals	18	-252
Gain on sale of property, plant and equipment	1	-
Net loss/(gain) on remeasurement of financial assets	-39	-6
Amortisation of discount	-	-
Interest income	-428	-33
Dividend income	-	-
Interest expense	114	33
Foreign exchange (gain)/loss, net	-58	-7
Share-based payments	102	151
<i>Changes in working capital</i>		
In receivables	6.452	-532
In inventories	-4.281	-6.903
In provisions	-282	-390
In payables	-3.362	-6.706
<i>Cash generated from operations</i>	7.549	-4.926
Interest paid	-109	-33
Income taxes paid	-346	-266
<b>Net cash from operating activities</b>	<b>7.095</b>	<b>-5.225</b>
<b>Cash flows from investing activities</b>		
Proceeds from loans given	-	497
Loans given	-	-
Interest received	375	159
Dividends received	-	-
Proceeds from sale of property, plant and equipment	-	-
Purchases of property, plant and equipment, and intangible assets	-517	-40
Deposits given to financial institutions - net	-	403
Proceeds from disposal of subsidiary	-	-
Net change of financial assets at fair value through profit and loss	-	-
<b>Net cash (used in)/from investing activities</b>	<b>-142</b>	<b>1.019</b>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	-	-
Repayment of borrowings	-467	-550
Purchase of treasury shares	-258	-
Dividends paid	-5	-
Payment of lease liabilities	-472	-329
<b>Net cash used in financing activities</b>	<b>-1.203</b>	<b>-879</b>
Effects of exchange rate changes on cash and cash equivalents	12	13
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>5.761</b>	<b>-5.073</b>
Cash and cash equivalents at the beginning of the year	55.568	60.679
<b>Cash and cash equivalents at the end of the year</b>	<b>61.329</b>	<b>55.606</b>

**Annex 1****ISSUER'S GENERAL DATA**

Reporting period:

1/1/2024

to

3/31/2024

Year:

2024

Quarter:

1.

**Quarterly financial statements**

Registration number (MB):

03272699

Issuer's home Member  
State code:

HR

Entity's registration  
number (MBS):

0800002028

Personal identification  
number (OIB):

84214771175

LEI:

5299001W91BFWSUOVD63

Institution  
code:

233

Name of the issuer: ERICSSON NIKOLA TESLA D.D. ZAGREB

Postcode and town:

10000

Zagreb

Street and house number: Krapinska 45

E-mail address: etk.company@ericsson.com

Web address: www.ericsson.hr

Number of employees  
(end of the reporting

2782

Consolidated report:

KN

(KN-not consolidated/KD-consolidated)

Audited:

RN

(RN-not audited/RD-audited)

Names of subsidiaries (according to IFRS):

Registered office:

MB:

Bookkeeping firm:

No

(Yes/No)

(name of the bookkeeping firm)

Contact person: Tatjana Ricijaš

(only name and surname of the contact person)

Telephone: +385(0)13653343

E-mail address: tatjana.ricijas@ericsson.com

Audit firm: KPMG Croatia d.o.o.

(name of the audit firm)

Certified auditor: Domagoj Hrkać

(name and surname)

**BALANCE SHEET**  
balance as at 31.3.2024

in EUR

Submitter: ERICSSON NIKOLA TESLA D.D.			
Item	ADP code	Last day of the preceding business year	At the reporting date of the current period
1	2	3	4
<b>A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID</b>	<b>001</b>	0	0
<b>B) FIXED ASSETS (ADP 003+010+020+031+036)</b>	<b>002</b>	31.466.947	34.179.514
<b>INTANGIBLE ASSETS (ADP 004 to 009)</b>	<b>003</b>	394.414	472.216
1 Research and development	004	0	0
2 Concessions, patents, licences, trademarks, software and other rights	005	37.674	28.256
3 Goodwill	006	0	0
4 Advances for the purchase of intangible assets	007	0	0
5 Intangible assets in preparation	008	346.740	443.960
6 Other intangible assets	009	0	0
<b>ITANGIBLE ASSETS (ADP 011 to 019)</b>	<b>010</b>	25.155.232	28.834.073
1 Land	011	2.071.185	2.071.185
2 Buildings	012	20.205.668	19.884.835
3 Plant and equipment	013	4.901.303	4.567.823
4 Tools, working inventory and transportation assets	014	1.909.472	2.092.199
5 Biological assets	015	0	0
6 Advances for the purchase of tangible assets	016	0	0
7 Tangible assets in preparation	017	78.710	157.421
8 Other tangible assets	018	2.955	10.772
9 Investment property	019	0	0
<b>III FIXED FINANCIAL ASSETS (ADP 021 to 030)</b>	<b>020</b>	1.548.423	1.548.423
1 Investments in holdings (shares) of undertakings within the group	021	4.341	4.341
2 Investments in other securities of undertakings within the group	022	0	0
3 Loans, deposits, etc. to undertakings within the group	023	0	0
4 Investments in holdings (shares) of companies linked by virtue of participating interests	024	0	0
5 Investment in other securities of companies linked by virtue of participating interests	025	0	0
6 Loans, deposits etc. to companies linked by virtue of participating interests	026	0	0
7 Investments in securities	027	0	0
8 Loans, deposits, etc. given	028	1.542.087	1.542.087
9 Other investments accounted for using the equity method	029	0	0
10 Other fixed financial assets	030	0	0
<b>IV RECEIVABLES (ADP 032 to 035)</b>	<b>031</b>	1.044.939	1.034.917
1 Receivables from undertakings within the group	032	0	0
2 Receivables from companies linked by virtue of participating interests	033	0	0
3 Customer receivables	034	936.670	927.723
4 Other receivables	035	108.269	107.244
<b>V DEFERRED TAX ASSETS (ADP 038+046+053+063)</b>	<b>036</b>	2.321.874	2.321.874
<b>C) CURRENT ASSETS (ADP 038+046+053+063)</b>	<b>037</b>	126.553.317	130.774.553
<b>INVENTORIES (ADP 038 to 045)</b>	<b>038</b>	26.789.751	14.646.178
1 Raw materials and consumables	039	665.780	399.205
2 Work in progress	040	9.114.993	13.662.504
3 Finished goods	041	0	0
4 Merchandise	042	0	0
5 Advances for inventories	043	0	0
6 Fixed assets held for sale	044	0	0
7 Biological assets	045	0	0
<b>II RECEIVABLES (ADP 047 to 052)</b>	<b>046</b>	58.390.878	61.188.817
1 Receivables from undertakings within the group	047	740.314	462.334
2 Receivables from companies linked by virtue of participating interests	048	37.152.486	32.968.103
3 Customer receivables	049	17.897.062	11.267.714
4 Receivables from employees and members of the undertaking	050	0	0
5 Receivables from government and other institutions	051	0	0
6 Other receivables	052	1.179.947	6.381.360
<b>III CURRENT FINANCIAL ASSETS (ADP 054 to 062)</b>	<b>053</b>	4.234.971	4.274.114
1 Investments in holdings (shares) of undertakings within the group	054	0	0
2 Investments in other securities of undertakings within the group	055	0	0
3 Loans, deposits, etc. to undertakings within the group	056	0	0
4 Investments in holdings (shares) of companies linked by virtue of participating interests	057	0	0
5 Investment in other securities of companies linked by virtue of participating interests	058	0	0
6 Loans, deposits etc. to companies linked by virtue of participating interests	059	0	0
7 Investments in securities	060	4.234.974	4.274.114
8 Loans, deposits, etc. given	061	0	0
9 Other financial assets	062	0	0
<b>IV CASH AT BANK AND IN HAND</b>	<b>063</b>	55.567.777	61.329.225
<b>D) PREPAID EXPENSES AND ACCRUED INCOME</b>	<b>064</b>	2.237.975	1.749.534
<b>E) TOTAL ASSETS (ADP 001+002+037+064)</b>	<b>065</b>	163.258.232	168.703.637
<b>OFF-BALANCE SHEET ITEMS</b>	<b>066</b>	0	0
<b>LIABILITIES</b>			
<b>A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+080+089+089)</b>	<b>067</b>	80.516.167	86.911.239
<b>I INITIAL (SUBSCRIBED) CAPITAL</b>	<b>068</b>	17.674.030	17.674.030
<b>II CAPITAL RESERVES</b>	<b>069</b>	0	0
<b>III RESERVES FROM PROFIT (ADP 071+072+073+074+075)</b>	<b>070</b>	4.131.227	3.970.707
1 Legal reserves	071	1.230.444	1.327.685
2 Reserves for treasury shares	072	4.159.653	3.978.058
3 Treasury shares and holdings (deductible item)	073	-1.255.883	-1.335.042
4 Statutory reserves	074	0	0
5 Other reserves	075	0	0
<b>IV REVALUATION RESERVES</b>	<b>076</b>	0	0
<b>V FAIR VALUE RESERVES AND OTHER (ADP 078 to 082)</b>	<b>077</b>	0	0
1 Financial assets at fair value through other comprehensive income (i.e. available for sale)	078	0	0
2 Cash flow hedge - effective portion	079	0	0
3 Hedge of a net investment in a foreign operation - effective portion	080	0	0
4 Other fair value reserves	081	0	0
5 Exchange differences arising from the translation of foreign operations (consolidation)	082	0	0
<b>VI RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 084-085)</b>	<b>083</b>	19.870.159	38.715.450
1 Retained profit	084	19.870.159	38.715.450
2 Loss brought forward	085	0	0
<b>VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088)</b>	<b>086</b>	16.840.714	6.551.168
1 Profit for the business year	087	16.840.714	6.551.168
2 Loss for the business year	088	0	0
<b>VIII MINORITY (NON-CONTROLLING) INTEREST</b>	<b>089</b>	0	0
<b>B) PROVISIONS (ADP 091 to 096)</b>	<b>090</b>	933.733	917.047
1 Provisions for pensions, termination benefits and similar obligations	091	933.733	917.047
2 Provisions for tax liabilities	092	0	0
3 Provisions for ongoing legal cases	093	0	0
4 Provisions for renewal of natural resources	094	0	0
5 Provisions for warranty obligations	095	0	0
6 Other provisions	096	0	0
<b>C) LONG-TERM LIABILITIES (ADP 098 to 108)</b>	<b>097</b>	13.252.005	13.994.863
1 Liabilities to undertakings within the group	098	0	0
2 Liabilities for loans, deposits, etc. of undertakings within the group	099	0	0
3 Liabilities to companies linked by virtue of participating interests	100	0	0
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	101	0	0
5 Liabilities for loans, deposits etc.	102	0	0
6 Liabilities to banks and other financial institutions	103	13.239.601	13.382.459
7 Liabilities for advance payments	104	0	0
8 Liabilities to suppliers	105	0	0
9 Liabilities for securities	106	0	0
10 Other long-term liabilities	107	12.404	12.404
11 Deferred tax liability	108	0	0
<b>D) SHORT-TERM LIABILITIES (ADP 110 to 123)</b>	<b>109</b>	62.947.732	59.649.267
1 Liabilities to undertakings within the group	110	495.476	254.134
2 Liabilities for loans, deposits, etc. of undertakings within the group	111	0	0
3 Liabilities to companies linked by virtue of participating interests	112	13.411.818	6.919.573
4 Liabilities for loans, deposits etc. of companies linked by virtue of participating interests	113	0	0
5 Liabilities for loans, deposits etc.	114	0	0
6 Liabilities to banks and other financial institutions	115	2.304.908	1.970.679
7 Liabilities for advance payments	116	14.207.996	18.424.949
8 Liabilities to suppliers	117	6.245.148	2.311.947
9 Liabilities for securities	118	0	0
10 Liabilities to employees	119	19.677.751	16.536.867
11 Taxes, contributions and similar liabilities	120	4.322.393	6.834.389
12 Liabilities arising from the share in the result	121	0	0
13 Liabilities arising from fixed assets held for sale	122	0	0
14 Other short-term liabilities	123	1.555.262	1.293.029
<b>E) ACCRUALS AND DEFERRED INCOME</b>	<b>124</b>	26.308.608	28.935.171
<b>F) TOTAL - LIABILITIES (ADP 067+090+097+109+124)</b>	<b>125</b>	163.258.232	168.703.637
<b>G) OFF-BALANCE SHEET ITEMS</b>	<b>126</b>	0	0

**STATEMENT OF PROFIT OR LOSS**  
for the period 01.01.2024 to 31.3.2024

in EUR

Submitter: ERICSSON NIKOLA TESLA D.D.

Item	ADP code	Same period of the previous year		Current period	
		3	4	5	6
1	2				
<b>I OPERATING INCOME (ADP 002 to 006)</b>	<b>001</b>	<b>56 555 651</b>	<b>56 555 651</b>	<b>51 665 853</b>	<b>51 665 853</b>
1 Income from sales with undertakings within the group	002	213,665	213,665	321,892	321,892
2 Income from sales (outside group)	003	55,187,369	55,187,369	49,853,264	49,853,264
3 Income from the use of own products, goods and services	004	0	0	0	0
4 Other operating income with undertakings within the group	005	90,656	90,656	48,299	48,299
5 Other operating income (outside the group)	006	1,073,961	1,073,961	1,442,398	1,442,398
<b>II OPERATING EXPENSES (ADP 008+009+013+017+018+019+022+029)</b>	<b>007</b>	<b>47 934 784</b>	<b>47 934 784</b>	<b>44 041 608</b>	<b>44 041 608</b>
1 Changes in inventories of work in progress and finished goods	008	-7,244,743	-7,244,743	-4,548,054	-4,548,054
2 Material costs (ADP 010 to 012)	009	23,298,150	23,298,150	15,948,069	15,948,069
a) Costs of raw materials and consumables	010	14,358,119	14,358,119	11,790,415	11,790,415
b) Costs of goods sold	011	0	0	0	0
c) Other external costs	012	8,930,031	8,930,031	4,057,654	4,057,654
3 Staff costs (ADP 014 to 016)	013	28,511,703	28,511,703	29,212,287	29,212,287
a) Net salaries and wages	014	17,438,748	17,438,748	18,796,965	18,796,965
b) Tax and contributions from salary costs	015	8,017,754	8,017,754	7,510,366	7,510,366
c) Contributions on salaries	016	3,055,201	3,055,201	2,904,356	2,904,356
4 Depreciation	017	1,097,247	1,097,247	1,324,227	1,324,227
5 Other costs	018	1,871,053	1,871,053	2,107,991	2,107,991
6 Value adjustments (ADP 020+021)	019	0	0	0	0
a) fixed assets other than financial assets	020	0	0	0	0
b) current assets other than financial assets	021	0	0	0	0
7 Provisions (ADP 023 to 028)	022	159,687	159,687	97,088	97,088
a) Provisions for pensions, termination benefits and similar obligations	023	157,811	157,811	96,472	96,472
b) Provisions for tax liabilities	024	0	0	0	0
c) Provisions for ongoing legal cases	025	0	0	0	0
d) Provisions for renewal of natural resources	026	0	0	0	0
e) Provisions for warranty obligations	027	1,876	1,876	616	616
f) Other provisions	028	0	0	0	0
8 Other operating expenses	029	251,687	251,687	0	0
<b>III FINANCIAL INCOME (ADP 031 to 040)</b>	<b>030</b>	<b>39 025</b>	<b>39 025</b>	<b>483 640</b>	<b>483 640</b>
1 Income from investments in holdings (shares) of undertakings within the group	031	0	0	0	0
2 Income from investments in holdings (shares) of companies linked by virtue of participating interests	032	0	0	0	0
3 Income from other long-term financial investment and loans granted to undertakings within the group	033	0	0	0	0
4 Other interest income from operations with undertakings within the group	034	13,678	13,678	0	0
5 Exchange rate differences and other financial income from operations with undertakings within the group	035	0	0	0	0
6 Income from other long-term financial investments and loans	036	0	0	0	0
7 Other interest income	037	19,476	19,476	427,708	427,708
8 Exchange rate differences and other financial income	038	0	0	16,793	16,793
9 Unrealised gains (income) from financial assets	039	0	0	0	0
10 Other financial income	040	5,871	5,871	39,139	39,139
<b>IV FINANCIAL EXPENSES (ADP 042 to 048)</b>	<b>041</b>	<b>37 561</b>	<b>37 561</b>	<b>118 729</b>	<b>118 729</b>
1 Interest expenses and similar expenses with undertakings within the group	042	0	0	0	0
2 Exchange rate differences and other expenses from operations with undertakings within the group	043	0	0	0	0
3 Interest expenses and similar expenses	044	32,472	32,472	118,729	118,729
4 Exchange rate differences and other expenses	045	5,089	5,089	0	0
5 Unrealised losses (expenses) from financial assets	046	0	0	0	0
6 Value adjustments of financial assets (net)	047	0	0	0	0
7 Other financial expenses	048	0	0	0	0
<b>V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS</b>	<b>049</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>VI SHARE IN PROFIT FROM JOINT VENTURES</b>	<b>050</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTEREST</b>	<b>051</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>VIII SHARE IN LOSS OF JOINT VENTURES</b>	<b>052</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>IX TOTAL INCOME (ADP 001+005+009+050)</b>	<b>053</b>	<b>56 594 676</b>	<b>56 594 676</b>	<b>52 149 493</b>	<b>52 149 493</b>
<b>X TOTAL EXPENDITURE (ADP 007+004+051+052)</b>	<b>054</b>	<b>47 972 345</b>	<b>47 972 345</b>	<b>44 160 337</b>	<b>44 160 337</b>
<b>XI PRE-TAX PROFIT OR LOSS (ADP 053-054)</b>	<b>055</b>	<b>8 622 331</b>	<b>8 622 331</b>	<b>7 989 156</b>	<b>7 989 156</b>
1 Pre-tax profit (ADP 053-054)	056	8,622,331	8,622,331	7,989,156	7,989,156
2 Pre-tax loss (ADP 054-053)	057	0	0	0	0
<b>XII INCOME TAX</b>	<b>058</b>	<b>1 552 019</b>	<b>1 552 019</b>	<b>1 438 048</b>	<b>1 438 048</b>
<b>XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)</b>	<b>059</b>	<b>7 070 312</b>	<b>7 070 312</b>	<b>6 551 108</b>	<b>6 551 108</b>
1 Profit for the period (ADP 055-059)	060	7,070,312	7,070,312	6,551,108	6,551,108
2 Loss for the period (ADP 059-055)	061	0	0	0	0
<b>DISCONTINUED OPERATIONS (to be filled in by undertakings subject to IFRS only with discontinued operations)</b>					
<b>XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS (ADP 063-064)</b>	<b>062</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
1 Pre-tax profit from discontinued operations	063	0	0	0	0
2 Pre-tax loss on discontinued operations	064	0	0	0	0
<b>XV INCOME TAX OF DISCONTINUED OPERATIONS</b>	<b>065</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
1 Discontinued operations profit for the period (ADP 062-065)	066	0	0	0	0
2 Discontinued operations loss for the period (ADP 065-062)	067	0	0	0	0
<b>TOTAL OPERATIONS (to be filled in only by undertakings subject to IFRS with discontinued operations)</b>					
<b>XVI PRE-TAX PROFIT OR LOSS (ADP 055+062)</b>	<b>068</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
1 Pre-tax profit (ADP 068)	069	0	0	0	0
2 Pre-tax loss (ADP 068)	070	0	0	0	0
<b>XVII INCOME TAX (ADP 058+065)</b>	<b>071</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 068-071)</b>	<b>072</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
1 Profit for the period (ADP 068-071)	073	0	0	0	0
2 Loss for the period (ADP 071-068)	074	0	0	0	0
<b>APPENDIX to the P&amp;L (to be filled in by undertakings that draw up consolidated annual financial statements)</b>					
<b>XIX PROFIT OR LOSS FOR THE PERIOD (ADP 076+077)</b>	<b>075</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
1 Attributable to owners of the parent	076	0	0	0	0
2 Attributable to minority (non-controlling) interest	077	0	0	0	0
<b>STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)</b>					
<b>I PROFIT OR LOSS FOR THE PERIOD</b>	<b>078</b>	<b>7 070 312</b>	<b>7 070 312</b>	<b>6 551 108</b>	<b>6 551 108</b>
<b>II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 080+ 87)</b>	<b>079</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>III Items that will not be reclassified to profit or loss (ADP 081 to 085)</b>	<b>080</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
1 Changes in revaluation reserves of fixed tangible and intangible assets	081	0	0	0	0
2 Gains or losses from subsequent measurement of equity instruments at fair value through other comprehensive income	082	0	0	0	0
3 Fair value changes of financial liabilities at fair value through statement of profit or loss, attributable to changes in their credit risk	083	0	0	0	0
4 Actuarial gains/losses on the defined benefit obligation	084	0	0	0	0
5 Other items that will not be reclassified	085	0	0	0	0
6 Income tax relating to items that will not be reclassified	086	0	0	0	0
<b>IV Items that may be reclassified to profit or loss (ADP 088 to 095)</b>	<b>087</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
1 Exchange rate differences from translation of foreign operations	088	0	0	0	0
2 Gains or losses from subsequent measurement of debt securities at fair value through other comprehensive income	089	0	0	0	0
3 Profit or loss arising from effective cash flow hedging	090	0	0	0	0
4 Profit or loss arising from effective hedge of a net investment in a foreign operation	091	0	0	0	0
5 Share in other comprehensive income/loss of companies linked by virtue of participating interests	092	0	0	0	0
6 Changes in fair value of the time value of option	093	0	0	0	0
7 Changes in fair value of forward elements of forward contracts	094	0	0	0	0
8 Other items that may be reclassified to profit or loss	095	0	0	0	0
9 Income tax relating to items that may be reclassified to profit or loss	096	0	0	0	0
<b>V NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 086+087-086 - 096)</b>	<b>097</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 078+097)</b>	<b>098</b>	<b>7 070 312</b>	<b>7 070 312</b>	<b>6 551 108</b>	<b>6 551 108</b>
<b>APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements)</b>					
<b>VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 100+101)</b>	<b>099</b>	<b>7 070 312</b>	<b>7 070 312</b>	<b>6 551 108</b>	<b>6 551 108</b>
1 Attributable to owners of the parent	100	7,070,312	7,070,312	6,551,108	6,551,108
2 Attributable to minority (non-controlling) interest	101	0	0	0	0

**STATEMENT OF CASH FLOWS - indirect method**  
for the period 01.01.2024 to 31.3.2024

in EUR

Submitter: ERICSSON NIKOLA TESLA D.D.			
Item	ADP code	Same period of the previous year	Current period
1	2	3	4
<b>Cash flow from operating activities</b>			
1 Pre-tax profit	001	8,622,331	7,989,156
2 Adjustments (ADP 003 to 010):	002	981,779	1,033,449
a) Depreciation	003	1,097,247	1,324,227
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	-192	692
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	005	-6,116	-39,139
d) Interest and dividend income	006	-33,173	-427,708
e) Interest expenses	007	32,736	113,545
f) Provisions	008	0	0
g) Exchange rate differences (unrealised)	009	-7,326	-57,528
h) Other adjustments for non-cash transactions and unrealised gains and losses	010	-101,397	119,360
<b>I Cash flow increase or decrease before changes in working capital (ADP 001+002)</b>	<b>011</b>	<b>9,604,110</b>	<b>9,022,605</b>
3 Changes in the working capital (ADP 013 to 016)	012	-14,530,382	-1,473,256
a) Increase or decrease in short-term liabilities	013	-6,705,617	-3,362,328
b) Increase or decrease in short-term receivables	014	-532,103	6,451,949
c) Increase or decrease in inventories	015	-6,903,056	-4,280,957
d) Other increase or decrease in working capital	016	-389,606	-281,920
<b>II Cash from operations (ADP 011+012)</b>	<b>017</b>	<b>-4,926,272</b>	<b>7,549,349</b>
4 Interest paid	018	-32,536	-108,645
5 Income tax paid	019	-266,430	-346,116
<b>A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)</b>	<b>020</b>	<b>-5,225,238</b>	<b>7,094,588</b>
<b>Cash flow from investment activities</b>			
1 Cash receipts from sales of fixed tangible and intangible assets	021	150	100
2 Cash receipts from sales of financial instruments	022	0	0
3 Interest received	023	159,411	374,522
4 Dividends received	024	0	0
5 Cash receipts from repayment of loans and deposits	025	899,640	0
6 Other cash receipts from investment activities	026	0	0
<b>III Total cash receipts from investment activities (ADP 021 to 026)</b>	<b>027</b>	<b>1,059,201</b>	<b>374,622</b>
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-40,467	-516,961
2 Cash payments for the acquisition of financial instruments	029	0	0
3 Cash payments for loans and deposits for the period	030	0	0
4 Acquisition of a subsidiary, net of cash acquired	031	0	0
5 Other cash payments from investment activities	032	0	0
<b>IV Total cash payments from investment activities (ADP 028 to 032)</b>	<b>033</b>	<b>-40,467</b>	<b>-516,961</b>
<b>B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)</b>	<b>034</b>	<b>1,018,734</b>	<b>-142,339</b>
<b>Cash flow from financing activities</b>			
1 Cash receipts from the increase in initial (subscribed) capital	035	0	0
2 Cash receipts from the issue of equity financial instruments and debt financial instruments	036	0	0
3 Cash receipts from credit principals, loans and other borrowings	037	0	0
4 Other cash receipts from financing activities	038	0	0
<b>V Total cash receipts from financing activities (ADP 035 to 038)</b>	<b>039</b>	<b>0</b>	<b>0</b>
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	-550,034	-467,459
2 Cash payments for dividends	041	-153	-5,003
3 Cash payments for finance lease	042	-329,033	-472,461
4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capital	043	0	-257,764
5 Other cash payments from financing activities	044	0	0
<b>VI Total cash payments from financing activities (ADP 040 to 044)</b>	<b>045</b>	<b>-879,220</b>	<b>-1,202,687</b>
<b>C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)</b>	<b>046</b>	<b>-879,220</b>	<b>-1,202,687</b>
1 Unrealised exchange rate differences in respect of cash and cash equivalents	047	12,706	11,886
<b>D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047)</b>	<b>048</b>	<b>-5,073,018</b>	<b>5,761,448</b>
<b>E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>049</b>	<b>60,678,904</b>	<b>55,567,777</b>
<b>F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)</b>	<b>050</b>	<b>55,605,886</b>	<b>61,329,225</b>

**STATEMENT OF CHANGES IN EQUITY**  
for the period from **1/1/2024** to **3/31/2024**

in EUR

Item	ADP code	Attributable to owners of the parent																	Minority (non-controlling) interest	Total capital and reserves
		Initial (subscribed) capital	Capital reserves	Legal reserves	Reserves for treasury shares	Treasury shares and holdings (deducible item)	Statutory reserves	Other reserves	Revaluation reserves	Fair value of financial assets through other comprehensive income (available for sale)	Cash flow hedge - effective portion	Hedge of a net investment in a foreign operation - effective portion	Other fair value reserves	Exchange rate differences from translation of foreign operations	Retained profit / loss brought forward	Profit/loss for the business year	Total attributable to owners of the parent			
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18 (3 to 6 - 7 + 8 to 17)	19	20 (18+19)	
<b>Previous period</b>																				
1 Balance on the first day of the previous business year	01	17,674,033	0	883,702	5,352,791	2,268,251	0	0	0	0	0	0	0	0	27,537,038	0	49,179,313	0	49,179,313	
2 Changes in accounting policies	02	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
3 Correction of errors	03	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
4 Balance on the first day of the previous business year (restated) (ADP 01 to 03)	04	17,674,033	0	883,702	5,352,791	2,268,251	0	0	0	0	0	0	0	0	27,537,038	0	49,179,313	0	49,179,313	
5 Profit/loss of the period	05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	18,840,714	18,840,714	0	18,840,714	
6 Exchange rate differences from translation of foreign operations	06	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
7 Changes in revaluation reserves of fixed tangible and intangible assets	07	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
8 Gains or losses from subsequent measurement of financial assets at fair value through other comprehensive income (available for sale)	08	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
9 Profit or loss arising from effective cash flow hedge	09	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
10 Profit or loss arising from effective hedge of a net investment in a foreign operation	10	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
11 Share in other comprehensive income/loss of companies linked by virtue of participating interests	11	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
12 Actuarial gains/losses on the defined benefit obligation	12	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
13 Other changes in equity unrelated to owners	13	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
14 Tax on transactions recognised directly in equity	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
15 Decrease in initial (subscribed) capital (other than arising from the pre-bankruptcy settlement procedure or from the reinvestment of profit)	15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
16 Decrease in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	16	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
17 Decrease in initial (subscribed) capital arising from the reinvestment of profit	17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
18 Redemption of treasury shares/holdings	18	0	0	0	0	183,760	0	0	0	0	0	0	0	0	0	0	-183,760	0	-183,760	
19 Payments from members/shareholders	19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
20 Payment of share in profit/dividend	20	0	0	0	0	0	0	0	0	0	0	0	0	0	-7,927,194	-7,927,194	0	-7,927,194		
21 Other distributions and payments to members/shareholders	21	-3	2	-1,196,128	-1,196,128	0	0	0	0	0	0	0	0	0	607,095	607,094	0	607,094		
22 Transfer to reserves according to the annual schedule	22	0	0	346,740	0	0	0	0	0	0	0	0	0	0	-346,740	0	0	0	0	
23 Increase in reserves arising from the pre-bankruptcy settlement procedure	23	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
24 Balance on the last day of the previous business year reporting period (ADP 04 to 23)	24	17,674,030	0	1,230,444	4,156,663	1,255,883	0	0	0	0	0	0	0	0	19,870,199	18,840,714	60,516,167	0	60,516,167	
<b>APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)</b>																				
I OTHER COMPREHENSIVE INCOME OF THE PREVIOUS PERIOD, NET OF TAX (ADP 06 to 14)	25	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
II COMPREHENSIVE INCOME OR LOSS FOR THE PREVIOUS PERIOD (ADP 05+25)	26	0	0	0	0	0	0	0	0	0	0	0	0	0	0	18,840,714	18,840,714	0	18,840,714	
III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 23)	27	-3	0	346,742	-1,196,128	-1,012,368	0	0	0	0	0	0	0	0	-7,666,839	0	-7,503,860	0	-7,503,860	
<b>Current period</b>																				
1 Balance on the first day of the current business year	28	17,674,030	0	1,230,444	4,156,663	1,255,883	0	0	0	0	0	0	0	0	38,710,913	0	60,516,167	0	60,516,167	
2 Changes in accounting policies	29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
3 Correction of errors	30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
4 Balance on the first day of the current business year (restated) (ADP 28 to 30)	31	17,674,030	0	1,230,444	4,156,663	1,255,883	0	0	0	0	0	0	0	0	38,710,913	0	60,516,167	0	60,516,167	
5 Profit/loss of the period	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6,551,108	6,551,108	0	6,551,108	
6 Exchange rate differences from translation of foreign operations	33	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
7 Changes in revaluation reserves of fixed tangible and intangible assets	34	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
8 Gains or losses from subsequent measurement of financial assets at fair value through other comprehensive income (available for sale)	35	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
9 Profit or loss arising from effective cash flow hedge	36	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
10 Profit or loss arising from effective hedge of a net investment in a foreign operation	37	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
11 Share in other comprehensive income/loss of companies linked by virtue of participating interests	38	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
12 Actuarial gains/losses on the defined benefit obligation	39	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
13 Other changes in equity unrelated to owners	40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
14 Tax on transactions recognised directly in equity	41	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
15 Decrease in initial (subscribed) capital (other than arising from the pre-bankruptcy settlement procedure or from the reinvestment of profit)	42	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
16 Decrease in initial (subscribed) capital arising from the pre-bankruptcy settlement procedure	43	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
17 Decrease in initial (subscribed) capital arising from the reinvestment of profit	44	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
18 Redemption of treasury shares/holdings	45	0	0	0	0	257,764	0	0	0	0	0	0	0	0	0	0	-257,764	0	-257,764	
19 Payments from members/shareholders	46	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
20 Payment of share in profit/dividend	47	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
21 Other distributions and payments to members/shareholders	48	0	0	-178,605	-178,605	0	0	0	0	0	0	0	0	0	101,778	101,778	0	101,778		
22 Carryforward per annual plan	49	0	0	97,241	0	0	0	0	0	0	0	0	0	0	-97,241	0	0	0	0	
23 Increase in reserves arising from the pre-bankruptcy settlement procedure	50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
24 Balance on the last day of the current business year reporting period (ADP 31 to 50)	51	17,674,030	0	1,327,685	3,978,058	1,335,042	0	0	0	0	0	0	0	0	38,715,450	6,551,108	66,911,289	0	66,911,289	
<b>APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)</b>																				
I OTHER COMPREHENSIVE INCOME FOR THE CURRENT PERIOD, NET OF TAX (ADP 33 to 41)	52	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
II COMPREHENSIVE INCOME OR LOSS FOR THE CURRENT PERIOD (ADP 32 to 52)	53	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6,551,108	6,551,108	0	6,551,108	
III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 42 to 50)	54	0	0	97,241	-178,605	79,159	0	0	0	0	0	0	0	0	4,537	0	-155,986	0	-155,986	

**NOTES TO FINANCIAL STATEMENTS - TF1**  
(drawn up for quarterly reporting periods)

Name of the issuer: ERICSSON NIKOLA TESLA D.D.  
Personal identification number (OIB): 84214771175  
Reporting period: Q1 2024

Notes to financial statements for quarterly periods include:

- a) explanation of business events relevant to understanding changes in the statement of financial position and financial performance for the reporting semi-annual period of the issuer with respect to its last business year; information is provided regarding these events and relevant information published in the last annual financial statement is updated (here: 15 to IAS 34 - Interim financial reporting)
  - b) information on the access to the latest annual financial statements, for the purpose of understanding information published in the notes to financial statements drawn up for the semi-annual reporting period
  - c) a statement explaining that the same accounting policies are applied while drawing up financial statements for the semi-annual reporting period as in the latest annual financial statements or, in the case where the accounting policies have changed, a description of the nature and effect of the changes (Item 16.4(a) IAS 34 - Interim financial reporting)
  - d) a description of the financial performance in the case of the issuer whose business is seasonal (Items 37 and 38 IAS 34 - Interim financial reporting)
  - e) other comments prescribed by IAS 34 - Interim financial reporting
  - f) in the notes to quarterly periods financial statements, in addition to the information stated above, information in respect of the following matters shall be disclosed:
    1. undertaking's name, registered office (address), legal form, country of establishment, entity's registration number and, if applicable, the indication whether the undertaking is undergoing liquidation, bankruptcy proceedings, shortened liquidation proceedings or extraordinary administration
    2. adopted accounting policies (only an indication of whether there has been a change from the previous period)
    3. the total amount of any financial commitments, guarantees or contingencies that are not included in the balance sheet, and an indication of the nature and form of any valuable security which has been provided; any commitments concerning pensions of the undertaking within the group or company linked by virtue of participating interest shall be disclosed separately
    4. the amount and nature of individual items of income or expenditure which are of exceptional size or incidence
    5. amounts owed by the undertaking and falling due after more than five years, as well as the total debts of the undertaking covered by valuable security furnished by the undertaking, specifying the type and form of security
    6. average number of employees during the financial year
    7. where, in accordance with the regulations, the undertaking capitalised on the cost of salaries in part or in full, information on the amount of the total cost of employees during the year broken down into the amount directly debiting the costs of the period and the amount capitalised on the value of the assets during the period, showing separately the total amount of net salaries and the amount of taxes, contributions from salaries and contributions on salaries
    8. where a provision for deferred tax is recognised in the balance sheet, the deferred tax balances at the end of the financial year, and the movement in those balances during the financial year
    9. the name and registered office of each of the undertakings in which the undertaking, either itself or through a person acting in their own name but on the undertaking's behalf, holds a participating interest, showing the proportion of the capital held, the amount of capital and reserves, and the profit or loss for the latest financial year of the undertaking concerned for which financial statements have been adopted; the information concerning capital and reserves and the profit or loss may be omitted where the undertaking concerned does not publish its balance sheet and is not controlled by another undertaking
    10. the number and the nominal value or, in the absence of a nominal value, the accounting par value of the shares subscribed during the financial year within the limits of the authorised capital
    11. the existence of any participation certificates, convertible debentures, warrants, options or similar securities or rights, with an indication of their number and the rights they confer
    12. the name, registered office and legal form of each of the undertakings of which the undertaking is a member having unlimited liability
    13. the name and registered office of the undertaking which draws up the consolidated financial statements of the largest group of undertakings of which the undertaking forms part as a controlled group member
    14. the name and registered office of the undertaking which draws up the consolidated financial statements of the smallest group of undertakings of which the undertaking forms part as a controlled group member and which is also included in the group of undertakings referred to in point 13
    15. the place where copies of the consolidated financial statements referred to in points 13 and 14 may be obtained, provided that they are available
    16. the nature and business purpose of the undertaking's arrangements that are not included in the balance sheet and the financial impact on the undertaking of those arrangements, provided that the risks or benefits arising from such arrangements are material and in so far as the disclosure of such risks or benefits is necessary for the purposes of assessing the financial position of the undertaking
- a) Explanation of business events relevant to understanding changes in the statement of financial position and financial performance are published in Press info/Management letter.  
The financial statements have been prepared in accordance with International Financial Reporting Standards adopted by the European Union (IFRS), on the historical cost basis, with the exception of financial instruments which are carried at fair value through profit or loss. Policies have been consistently applied to all the periods presented.
- b) Last issued annual financial statements are available at ZSE and as well at [www.ericsson.hr](http://www.ericsson.hr).  
[www.ericsson.hr/en/reports](http://www.ericsson.hr/en/reports).
- c) The interim financial statements for the reporting period are prepared applying the same accounting policies as in the latest annual financial statements presented in the Annual Report.
- d) The issuer does not have seasonal business activities.
- e)

**Segment report**

	Networks		Digital Services		Managed Services		Other		Unallocated		Total	
	31.3.2024	31.3.2023	31.3.2024	31.3.2023	31.3.2024	31.3.2023	31.3.2024	31.3.2023	31.3.2024	31.3.2023	31.3.2024	31.3.2023
	EUR 000	EUR 000	EUR 000	EUR 000	EUR 000	EUR 000	EUR 000	EUR 000	EUR 000	EUR 000	EUR 000	EUR 000
Segment sales revenue	32,484	37,432	16,994	16,657	580	1,163	117	149	0	0	80,175	55,401
Operating profit	6,374	7,267	2,567	2,436	55	148	9	14	-1,381	-1,244	7,624	8,621

**Transactions with related parties:**

	31.3.2024	31.3.2023
	EUR 000	EUR 000
Sales	35,934	38,314
Purchases	6,477	12,996

**Balances with related parties**

	31.3.2024	12/31/2023
	EUR 000	EUR 000
Receivable	33,460	37,893
Payable	7,174	13,907

1. Issuer's name, registered office (address), legal form, country of establishment, entity's registration number are disclosed in the sheet General data of this document.
2. Accounting policies have not been changed in relation to previous reporting period.
3. Financial commitments in terms of guarantees that are not included in the balance sheet are not material and Management Board believes that possibility of any outflow is remote. The Company has no commitments concerning pensions that are in scope of IAS 19.
4. In the reporting period there were no individual items of income or expenditure of exceptional size or incidence.
5. The Company has no debt falling due after more than five years.  
At the balance sheet date, the Company does not have debts covered by valuable securities/insurance.
6. The average number of employees during the reporting period is 2782 (Q1 2023: 2746). The Company does not categorise employees.
7. No cost of salaries was capitalised in the reporting period.
8. Provision for deferred tax is calculated annually, at balance sheet date 31 December. There were no movement in deferred tax balances during reporting period.
9. The Company has no participating interest.
10. There were no shares subscribed during the financial year within the limits of the authorised capital.
11. The Company has no participation certificates, convertible debentures, warrants, options or similar securities or rights.
12. The Company has no shares in companies having unlimited liability.
13. and 14. The company Telefonaktiebolaget LM Ericsson (Sweden, Torshamnsgatan 21, SE-164 83 Stockholm) prepares the consolidated financial statements for the larger Group of companies, in which Ericsson Nikola Tesla Group is included as an associate member of Ericsson.  
Those consolidated reports are available at [www.ericsson.com/en/investors/financial-reports](http://www.ericsson.com/en/investors/financial-reports).
15. The Company did not have any arrangements that are not included in the balance sheet, where the risks or benefits arising from such arrangements are material.
16. There are no material events arising after the balance sheet date which are not reflected in the profit and loss account or balance sheet.
- 17.

**APPENDIX** (Reconciliation of the differences arising due to structure and classification of the positions in TFI-POD in XLS format compared to classification of the positions in the audited annual report in PDF):

**Balance Sheet**

Within the category Non-current assets in Statement of financial position total amount of Loans and receivables is indicated in TFI-POD form under AOP 023 Loans, deposits, etc. to undertakings within the group, 028 Loans, deposits, etc. given, 034 Customer receivables, 035 Other receivables.

Within the category Current assets in Statement of financial position total amount of Other receivables, Income tax receivables is indicated in TFI-POD form under AOP 051 Receivables from government and other institutions, 052 Other receivables, 061 Loans, deposits, etc. given.

Within the category Equity in Statement of financial position total amount of Retained earnings is indicated in TFI-POD form under AOP 083 Retained profit/loss brought forward and 086 Profit or Loss for the business year.

Additionally, within the category Non-current liabilities in Statement of Financial position total amount of Borrowings and Lease liabilities are shown under AOP 103 Liabilities to bank and other financial institutions

Within the category Current liabilities in Statement of financial position total amount of Trade and other payables and Income tax payable is indicated in TFI-POD in AOP 117 Liabilities to suppliers, 119 Liabilities to employees, 120 Taxes, contributions and similar liabilities.

Within the category Current liabilities in Statement of financial position total amount of Accrued charges and deferred revenue and Contract liabilities is indicated in TFI-POD form under AOP 116 Liabilities for advance payments, 124 Accruals and deferred income.

Also, within the category Current liabilities in Statement of financial position total amount of Provisions is indicated in TFI-POD form under AOP 123 Other short-term liabilities

Additionally, both categories Borrowings and Lease liabilities in Statement of Financial position are shown under AOP 115 Liabilities to bank and other financial institutions.

**P&L**

Cost structure in Statement of comprehensive income (FS form) is according to function and the presentation is different from TFI-POD forms where cost is presented by nature. Total amount of Cost of Sales, Selling, Administrative and Other operating expenses equals to amount of AOP 007 Operating expenses. The amount indicated in AOP 006 Other operating income (outside the group), is indicated in Other operating income and Impairment reversal on financial assets in Statement of Comprehensive income (FS form).