

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, July 25, 2024

Management Report on the Company and Ericsson Nikola Tesla Group business performance with comments on the financial results for H1 2024

## Highlights:

- Sales revenue: EUR **108.9** million
- Gross margin: **14.5%**
- Operating profit: EUR **13.1** million
- Profit before tax: EUR **13.7** million
- Net profit: EUR **7.7** million
- Cash flow from operating activities: EUR **- 5.1** million

Gordana Kovačević, President of Ericsson Nikola Tesla, commented:

"In H1 2024, we continued to execute our obligations in line with the signed multi-year framework agreements related to extension and modernization of telecom networks. We worked intensely on new business opportunities in the Digital Society segment and gaining new responsibilities in our Research and Development (R&D) Center. The total sales revenue amounted to EUR 108.9 million, down by 21.1% year-over-year, primarily as a result of lower revenue in Croatian market due to the non-renewal of the contract with Hrvatski Telekom regarding managed services, as well as the operators' cautious investments in network modernization. Growth in sales revenue was recorded in export markets, where intense activities are ongoing on the contracted projects of mobile networks modernization. We are also pleased to continue successful cooperation with the operator IPKO Kosovo, which has selected us once again as a strategic partner for the projects of 5G core and 5G radio access network implementation and modernization.

In the Digital Society segment, in addition to work on the realization of contracted deals, intense presales activities were ongoing as well as activities related to the expansion of our portfolio in order to secure growth in the following years. During Q2, we contracted many projects regarding the digital transformation of the state administration, public services and security, healthcare, as well as expansion, modernization and maintenance of the communication infrastructure.

By delivering services to Ericsson, our R&D and other expert centers significantly contributed to the company's business results. At the regular quarterly evaluation of R&D centers, the representatives of the development units within the Ericsson corporation, with which our R&D Center cooperates, have highly rated the work of our experts in all categories and all business segments. Taking this into account, we are expecting new responsibilities in the development of 5G radio access network (RAN), as well as the opportunity for business growth in areas which are crucial to achieve our strategic target of building an organization with the E2E capability.

Furthermore, our employees from other expert centers received many recognitions for their work on telecom networks modernization projects for Ericsson's key customers worldwide.

At this year's Ericsson Nikola Tesla Technology Days, we showed the cases of 5G technology monetization from the leading technology event, Mobile World Congress (MWC) Barcelona, as well as many advanced technological solutions that were developed in our company. We presented Ericsson's latest 5G RAN hardware and software, in the development of which our experts are also engaged. We demonstrated the use cases of open network Application Programming Interfaces (APIs), the application of AI technology for smart traffic management, achieving greater energy efficiency, etc., and a solution for data processing in the context of ESG reporting.

We have continued to foster long-term cooperation with the academic community, and we have signed a Memorandum of Understanding on the development of new models of cooperation with the Faculty of Engineering and Computing of the University of Zagreb. Furthermore, we opened a joint scientific research laboratory Inventorium in our company's headquarters, which will contribute to the creation and realization of innovative ideas and the quality of STEM education.

Regarding financial indicators, compared to H1 2023, gross margin increased to 14.5%, as a result of business mix and cost control. However, due to lower sales revenue, gross profit decreased to EUR 15.8 million. As a result of lower gross profit, operating profit decreased by 10.9% YoY to EUR 13.1 million. Net profit was down by 36.8% YoY and amounted to EUR 7.7 million, partially because of additional tax expense from previous years due to change in interpretation of cost eligibility for tax deduction. We concluded the end of H1 with a solid balance sheet and an equity ratio of 33.5%. Cash and cash equivalents, including the short-term financial assets, amounted to EUR 69.7 million, which accounts for 38.7% of the total assets. In line with our expectations, a negative cash flow from operating activities was realized in the amount of EUR 5.1 million, as deliveries on some projects were prolonged by certain customers, as well as the impact of projects with longer implementation that are demanding in terms of work and capital engagement. We expect to achieve a positive cash flow from operating activities until the year-end.

Although we predict that market conditions will remain challenging until the end of 2024 due to the operators' slow investments, as well as long processes from the recognition of business opportunity to contract signing, we believe that our sales in H2 2024 will be positively affected by the realization of contracts in export markets, stable business performance in Ericsson market, and new business opportunities in the Digital Society segment. Therefore, our strong focus remains on the opportunities ahead of us, and we invest significantly in our employees' competence development, the development of Ericsson Nikola Tesla's products and their productization, as well as digital transformation of Ericsson Nikola Tesla Group. Through our activities, we continue to contribute to a better availability of digital technologies and services, as well as society's further development in the markets where we operate.

This year Ericsson Nikola Tesla marks 75 years of doing business. We will celebrate this jubilee in mid-November, when we will present the company's new trademark. The refreshment of our visual identity will contribute to our additional positioning within the global corporation and strengthen our step forward in the market of advanced ICT solutions for digital transformation of industries and public services, in line with the growth strategy in the following period. We are proud of our respectable business tradition, the opportunities we have in the further development of innovative solutions, products and services of Ericsson Nikola Tesla, as well as long-term partnership with Ericsson, with whom we continue to cooperate efficiently and effectively on the path of technology leadership."

### Financial highlights for the Group:

- Sales revenue amounted to EUR 108.9 million (H1 2023: EUR 138.0 million), down by 21.1% year-over-year, as a result of non-renewal of the contract with Hrvatski Telekom regarding managed services, operators' lower investments in telecom infrastructure in the domestic market and dynamics in the realization of contracted activities on export markets. The current position is in line with the forecast.
- In the total sales revenue, the domestic market accounted for 21.5%, services to Ericsson accounted for 65.3%, while other export markets accounted for 13.2%.
- Sales in the Networks segment amounted to EUR 71.1 million (H1 2023: EUR 71.7 million), Digital Services segment amounted to EUR 36.2 million (H1 2023: EUR 35.5 million), Managed Services segment amounted to EUR 1.3 million (H1 2023: EUR 30.5 million), and the segment Other amounted to EUR 269 thousand (H1 2023: EUR 242 thousand). There was an expected decrease in the Managed Services segment (as a result of termination of a significant contract with Hrvatski Telekom), however, the results in other segments remained at the same level year-over-year, or slightly better, which shows a stable business performance.
- Gross margin increased to 14.5% (H1 2023: 13.3%) as a result of business mix and cost control. However, due to lower sales revenue, gross profit decreased by 14.3% year-over-year and amounted to EUR 15.8 million (H1 2023: EUR 18.4 million).
- Selling and administrative expenses amounted to EUR 5.5 million (H1 2023: EUR 5.8 million). Selling expenses remained at the same level year-over-year, while administrative expenses are currently somewhat lower. The share of selling and administrative expenses in the total sales revenue was 5.1% (H1 2023: 4.2%).
- Operating margin increased to 12.0% (H1 2023: 10.7%). Operating profit amounted to EUR 13.1 million (H1 2023: EUR 14.7 million), down by 10.9% year-over-year, primarily due to lower sales revenue and gross profit.
- Profit from financial activities was EUR 540 thousand (H1 2023: EUR 119 thousand), as a result of higher interest income due to an increase in interest rates.
- Profit before tax decreased by 8.0% year-over-year and amounted to EUR 13.7 million (H1 2023: EUR 14.8 million).
- Net profit amounted to EUR 7.7 million (H1 2023: EUR 12.2 million), down by 36.8% year-over-year. The amount of income tax was increased due to additional tax expense from previous years due to change in interpretation of cost eligibility for tax deduction. Return on sales (ROS) was 7.1% (H1 2023: 8.8%).



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- Cash flow from operating activities was EUR -5.1 million (H1 2023: EUR -5.4 million) because deliveries on some projects were prolonged by certain customers, as well as the impact of projects with longer implementation. We expect improvement and return to positive levels until the end of 2024.
- Working capital efficiency, expressed in Working Capital Days (WCD), was 35 days (H1 2023: 19 days), and excluding services to Ericsson, Working Capital Efficiency was 34 days (H1 2023: 41 days). The increase in WCD is affected by the demanding projects in terms of work and capital engagement in domestic and export markets, with additionally extended dynamics of collection of receivables in all markets.
- Cash and cash equivalents, including the short-term financial assets, as at June 30, 2024, amounted to EUR 69.7 million (38.7% 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 180.0 million as at June 30, 2024, down by 6.6% compared to the end of 2023, mainly as the result of lower customer receivables due to lower sales revenue in managed services as well as lower cash and cash equivalents, while the inventory (work-in-progress) increased due to contract execution dynamics. End of H1 2024, the equity ratio was 33.5% (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 69.8 million (H1 2023: EUR 72.2 million), while the procurement of products and services amounted to EUR 15.2 million (H1 2023: EUR 20.2 million).
- As at June 30, 2024, balances outstanding with related parties were as follows: receivables amounted to EUR 34.6 million (end of 2023: EUR 37.4 million), and payables amounted to EUR 11.8 million (end of 2023: EUR 15.1 million).

## Business situation in major markets

**In the domestic market** sales revenue amounted to EUR 23.4 million (H1 2023: EUR 51.8 million), down by 54.8% year-over-year as a result of non-renewal of the contract with Hrvatski Telekom regarding managed services, and the operators' cautious investments in network modernization.

With Hrvatski Telekom, we have continued our cooperation on modernization and expansion of the radio part of mobile network in line with the multi-year agreement, 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. Furthermore, the activities of implementation of Ericsson dual-mode 5G Core for 4G/5G core network are ongoing as planned.

With A1 Hrvatska, we have been working on the 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 signed contracts with the Ministry of the Interior for the maintenance of the mobile systems for state border monitoring and the modernization of the portal of Directorate of Civil Protection. With the Ministry of Tourism and Sport, we signed contracts regarding digital tourism, and with the Croatian National Tourist Board, contracts were signed for the eVisitor system modernization. With the Ministry of Justice, Public Administration and Digital Transformation, we have contracted the creation of the IT platform mCitizen, upgrade of IT system of local and regional administration unit, and the upgrade of the eQuality system. With the Ministry of Health, we contracted the upgrade of the national contact point for the exchange of health data. With the Croatian Pension Insurance Fund, we contracted the development of service for support to business processes of integration with the IT system of the General Administrative Procedures Act. We have also signed contracts related to continuation of informatization with many hospitals. With the Central Depository & Clearing Company, we contracted the analysis of business processes.

**In export markets** (excluding services to Ericsson) sales revenue amounted to EUR 14.4 million (H1 2023: EUR 13.9 million), up by 3.4% year-over-year.

We signed a new multi-year contract with the Kosovo operator IPKO, which includes the modernization and development of the 5G core and 5G radio access network. With the operator Telekom Kosova, intensive activities are ongoing on the implementation of the contract related to the complete modernization and maintenance of the radio part of the mobile network.

With the operator HT Mostar, a long-term successful cooperation continued on the activities related to the support services for the maintenance of Ericsson solutions in fixed and mobile networks.

With the operator Crnogorski Telekom, the activities are ongoing on the implementation of Ericsson dual-mode 5G Core for 4G/5G core network.

We continued our cooperation with operator Ucom Armenia on the modernization and maintenance of mobile networks.

**In Ericsson market** sales revenue amounted to EUR 71.1 million (H1 2023: EUR 72.2 million), down by 1.6% 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. Revenue from R&D activities has been increasing.

In Q2, Ericsson Nikola Tesla's R&D Center has timely and with quality delivered the agreed development projects and kept the position as the leading R&D Center within global Ericsson. In 5G radio access network (RAN) development, we are working on obtaining new responsibilities that would enable further growth in key areas, as well as continuing to build an organization with the capacity to develop E2E solutions, which is a strategic goal in this business segment.

As in the previous quarter, the main development projects were in the segments: Remote Radio, Massive MIMO, Time Critical Services, resilience Network and Positioning, RBS Features & Configurations and G4 baseband, which are important for Ericsson technology leadership.

The main prerequisites for achieving all the business opportunities are efficient deliveries of high-quality software, agile organization and investment in equipment, test systems and competence development.

Experts from the Customer Services and Solutions Center, in addition to projects for the customers of Ericsson Nikola Tesla Group, were engaged on many projects for Ericsson customers through the activities of creating solutions and defining network parameters, and optimization and integration of solutions and technologies in many EU Member States and other countries such as: the United Kingdom, Switzerland, Norway, the United States of America, Canada, Australia, India, Mexico, Bahrein, 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.

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.

In the Digital Society segment our experts, in addition to many projects for the customers of Ericsson Nikola Tesla, have been achieving quality results on projects regarding IoT platforms and connected urban traffic for the needs of Ericsson corporation.

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

## Other information

At the Annual General Meeting of Ericsson Nikola Tesla joint-stock company, held on June 27, 2024, a decision was adopted about the payment of regular dividend of EUR 10 per share and extraordinary dividend of EUR 5 per share, i.e. a total of EUR 15 per share, from the retained earnings from years 2022 and 2023. The dividend was paid on July 17, 2024, to all the Company's shareholders that on July 3, 2024, had the Company's shares registered in their securities account in the Central Depository & Clearing Company.

The decision was reached to supplement the Company's scope of business activities. Discharge from liability was given to the Company's Managing Director, in relation to the exercise of her duties in 2023. Discharge from liability was given to the members of the Company's Supervisory Board and its Chairman in relation to the exercise of their duties in 2023. Furthermore, the Remuneration Report for Supervisory Board members and Management Board in 2023 was approved. KPMG Croatia d.o.o., was appointed again as the Auditor for the year 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 June 30, 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

A handwritten signature in black ink, appearing to read 'Gordana Kovačević'.

Ericsson Nikola Tesla d.d.  
 Statement of comprehensive income  
 for the period ended 30 June 2024

	2024 EUR '000	2023 EUR '000
Sales revenue	105.857	108.783
Cost of sales	-90.022	-92.564
<b>Gross profit</b>	<b>15.835</b>	<b>16.219</b>
Selling expenses	-2.590	-2.599
Administrative expenses	-2.710	-2.526
Other operating income	2.965	2.478
Impairment loss on financial assets	-	-2
<b>Operating profit</b>	<b>13.499</b>	<b>13.569</b>
Finance income	868	205
Finance expense	-551	-76
Finance income/(expense), net	317	129
<b>Profit before tax</b>	<b>13.816</b>	<b>13.698</b>
Income tax	-5.916	-2.466
<b>Profit for the year</b>	<b>7.900</b>	<b>11.233</b>
Other comprehensive income	-	-
<b>Total comprehensive income for the year</b>	<b>7.900</b>	<b>11.233</b>
<b>Earnings per share (EUR)</b>	<b>5,96</b>	<b>8,50</b>

Ericsson Nikola Tesla d.d.  
 Statement of financial position  
 as at 30 June 2024

	2024 EUR '000	2023 EUR '000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	14.002	14.352
Right of use assets	14.732	14.818
Intangible assets	582	384
Investments in subsidiaries	4	4
Loans and receivables	1.639	2.587
Deferred tax assets	2.322	2.322
<b>Total non-current assets</b>	<b>33.281</b>	<b>34.467</b>
<b>Current assets</b>		
Inventories	16.728	9.781
Trade receivables	17.081	17.896
Receivables from related parties	34.825	37.893
Other receivables	1.669	1.180
Financial assets at fair value through profit or loss	4.298	4.235
Prepayments	2.485	2.238
Cash and cash equivalents	48.156	55.568
<b>Total current assets</b>	<b>125.242</b>	<b>128.791</b>
<b>TOTAL ASSETS</b>	<b>158.523</b>	<b>163.258</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	17.674	17.674
Treasury shares	-1.324	-1.256
Legal and other reserves	1.447	1.230
Reserve for treasury shares	3.967	4.157
Retained earnings	26.693	38.711
<b>Total equity</b>	<b>48.457</b>	<b>60.516</b>
<b>Non-current liabilities</b>		
Borrowings	114	114
Lease liabilities	13.113	13.126
Other non-current liabilities	6	12
Employee benefits	920	934
<b>Total non-current liabilities</b>	<b>14.153</b>	<b>14.186</b>
<b>Current liabilities</b>		
Payables to related parties	11.563	13.907
Borrowings	-	467
Trade and other payables	41.593	29.560
Income tax payable	3.840	690
Provisions	1.070	1.558
Accrued charges and deferred revenue	16.433	13.749
Contract liabilities	19.339	26.768
Lease liabilities	2.075	1.857
<b>Total current liabilities</b>	<b>95.913</b>	<b>88.556</b>
<b>Total liabilities</b>	<b>110.066</b>	<b>102.742</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>158.523</b>	<b>163.258</b>

Ericsson Nikola Tesla d.d.  
 Statement of cash flows  
 for the period ended 30 June 2024

	2024 EUR '000	2023 EUR '000
<b>Cash flows from operating activities</b>		
<i>Profit before tax</i>	13.816	13.698
Adjustments for:		
Depreciation and amortisation	2.603	2.206
Impairment losses and reversals	22	29
Gain on sale of property, plant and equipment	1	-
Net loss/(gain) on remeasurement of financial assets	-64	-31
Amortisation of discount	-	-8
Interest income	-793	-164
Interest expense	551	64
Foreign exchange (gain)/loss, net	-54	-6
Share-based payments	177	301
<i>Changes in working capital</i>		
In receivables	4.648	-2.466
In inventories	-6.947	-9.264
In provisions	-501	-328
In payables	-15.619	-9.989
<i>Cash generated from operations</i>	-2.159	-5.958
Interest paid	-213	-64
Income taxes paid	-2.758	-674
<b>Net cash from operating activities</b>	<b>-5.131</b>	<b>-6.695</b>
<b>Cash flows from investing activities</b>		
Proceeds from loans given	-	1.000
Interest received	749	269
Dividends received	1	-
Proceeds from sale of property, plant and equipment	-	-
Purchases of property, plant and equipment, and intangible assets	-877	-446
Deposits given to financial institutions - net	-	261
<b>Net cash (used in)/from investing activities</b>	<b>-126</b>	<b>1.084</b>
<b>Cash flows from financing activities</b>		
Repayment of borrowings	-936	-1.344
Purchase of treasury shares	-258	-110
Dividends paid	-7	-
Payment of lease liabilities	-962	-671
<b>Net cash used in financing activities</b>	<b>-2.163</b>	<b>-2.124</b>
Effects of exchange rate changes on cash and cash equivalents	8	-1
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>-7.411</b>	<b>-7.736</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>48.156</b>	<b>52.943</b>

Ericsson Nikola Tesla d.d.  
**Statement of changes in equity**  
for the period ended 30 June 2024

	Share capital EUR '000	Treasury shares EUR '000	Legal and other reserves EUR '000	Reserve for treasury shares EUR '000	Retained earnings EUR '000	<b>Total EUR '000</b>
As at 1 January 2023	17.674	-2.268	884	5.353	27.537	<b>49.180</b>
<i>Changes in equity for the period:</i>						
Total comprehensive income	-	-	-	-	18.841	<b>18.841</b>
Dividend distribution	-	-	-	-	-7.927	<b>-7.927</b>
Purchase of treasury shares	-	-184	-	-	-	<b>-184</b>
Shares granted	-	1.196	-	-1.196	-	-
Transfer	-	-	346	-	-346	-
Share-based payments	-	-	-	-	606	<b>606</b>
Total contributions by and distributions to owners of the parent recognized directly in equity	-	1.012	346	-1.196	-7.667	<b>-7.505</b>
As at 31 December 2023	<b>17.674</b>	<b>-1.256</b>	<b>1.230</b>	<b>4.157</b>	<b>38.711</b>	<b>60.516</b>
As at 1 January 2024	17.674	-1.256	1.230	4.157	38.711	<b>60.516</b>
<i>Changes in equity for the period:</i>						
Total comprehensive income	-	-	-	-	7.900	<b>7.900</b>
Dividend distribution	-	-	-	-	-19.879	<b>-19.879</b>
Purchase of treasury shares	-	-258	-	-	-	<b>-258</b>
Shares granted	-	190	-	-190	-	-
Transfer	-	-	217	-	-217	-
Share-based payments	-	-	-	-	178	<b>178</b>
Total contributions by and distributions to owners of the parent recognized directly in equity	-	-68	217	-190	-19.918	<b>-19.959</b>
As at 30 June 2024	<b>17.674</b>	<b>-1.324</b>	<b>1.447</b>	<b>3.967</b>	<b>26.693</b>	<b>48.457</b>

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

Reporting period:	1/1/2024	to	6/30/2024
Year:	2024		
Quarter:	2.		

**Quarterly financial statements**

Registration number (MB):	03272699	Issuer's home Member State code:	HR
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Entity's registration number (MBS):	0800002028
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Personal identification number (OIB):	84214771175	LEI:	5299001W91BFWSUOVD63
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Institution code:	233
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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): **2765**

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**

**BALANCE SHEET**  
balance as at 30.06.2024

Submitter: ERICSSON NIKOLA TESLA D.D.	in EUR		
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 020+010+020+030+036)</b>	<b>002</b>	34,499,501	33,291,037
<b>INTANGIBLE ASSETS (ADP 004 to 009)</b>	<b>003</b>	394,414	501,500
1 Research and development	004	0	0
2 Concessions, patents, licences, trademarks, software and other rights	005	37,874	18,837
3 Goodwill	006	0	0
4 Advances for the purchase of intangible assets	007	0	0
5 Intangible assets in preparation	008	348,740	562,985
6 Other intangible assets	009	0	0
<b>II) TANGIBLE ASSETS (ADP 011 to 019)</b>	<b>010</b>	29,169,254	28,734,156
1 Land	011	2,071,185	2,071,185
2 Buildings	012	20,205,688	19,352,199
3 Fixtures and equipment	013	4,440,287	4,357,757
4 Tools, working inventory and transportation assets	014	1,909,472	2,251,658
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	359,524
8 Other tangible assets	018	2,955	10,673
9 Advances for construction	019	0	0
<b>III) FIXED FINANCIAL ASSETS (ADP 021 to 030)</b>	<b>020</b>	1,548,000	866,207
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	851,929
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>	1,044,859	787,857
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	681,336
4 Other receivables	035	108,269	106,221
<b>V) DEFERRED TAX ASSETS</b>	<b>036</b>	2,321,674	2,321,674
<b>C) CURRENT ASSETS (ADP 038+046+053+063)</b>	<b>037</b>	126,553,115	122,758,271
<b>IV) RECEIVABLES (ADP 039 to 045)</b>	<b>038</b>	0	0
1 Raw materials and consumables	039	665,760	1,983,188
2 Work in progress	040	9,114,593	14,744,741
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 Financial assets	045	0	0
<b>II) RECEIVABLES (ADP 047 to 052)</b>	<b>046</b>	56,999,800	52,884,085
1 Receivables from undertakings within the group	047	740,314	317,325
2 Receivables from companies linked by virtue of participating interests	048	37,152,496	34,507,385
3 Customer receivables	049	17,897,062	17,080,638
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	978,715
<b>III) CURRENT FINANCIAL ASSETS (ADP 054 to 062)</b>	<b>053</b>	4,234,574	4,868,053
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	4,234,574	4,297,644
8 Loans, deposits etc. given	061	0	890,159
9 Advances for sales	062	0	0
<b>IV) CASH AT BANK AND IN HAND</b>	<b>063</b>	55,557,777	48,156,296
<b>D) PREPAID EXPENSES AND ACCRUED INCOME</b>	<b>064</b>	2,237,975	2,485,121
<b>E) TOTAL ASSETS (ADP 061+062+037+064)</b>	<b>065</b>	163,258,254	168,523,054
<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+086+089)</b>	<b>067</b>	60,516,167	48,456,255
<b>I) INITIAL (SUBSCRIBED) CAPITAL</b>	<b>068</b>	17,874,030	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>	4,131,224	4,089,705
1 Legal reserves	071	1,230,424	1,446,607
2 Reserves for treasury shares	072	4,146,653	3,956,652
3 Treasury shares and holdings (deductible item)	073	-1,255,883	-1,323,586
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 sales)	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>	19,870,199	18,792,095
1 Retained profit	084	19,870,199	18,792,095
2 Loss brought forward	085	0	0
<b>VII) PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088)</b>			
1 Profit for the business year	087	18,840,714	7,900,430
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	929,459
1 Provisions for pensions, termination benefits and similar obligations	091	933,733	920,499
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>	13,232,005	13,232,005
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	13,226,656
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	6,352
11 Deferred tax liability	108	0	0
<b>D) SHORT-TERM LIABILITIES (ADP 110 to 123)</b>	<b>109</b>	62,247,792	65,412,514
1 Liabilities to undertakings within the group	110	495,476	168,091
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	11,395,163
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	2,324,908	2,074,741
7 Liabilities for advance payments	116	14,207,598	5,270,598
8 Liabilities to suppliers	117	6,249,148	6,473,911
9 Liabilities for securities	118	0	0
10 Liabilities for workers	119	19,877,751	10,558,643
11 Taxes, contributions and similar liabilities	120	4,322,363	8,521,170
12 Liabilities arising from the share in the result	121	0	18,879,530
13 Liabilities arising from fixed assets held for sale	122	0	1,070,267
14 Other short-term liabilities	123	1,558,262	1,070,267
<b>E) ACCRUALS AND DEFERRED INCOME</b>	<b>124</b>	26,308,608	30,500,847
<b>F) TOTAL - LIABILITIES (ADP 067+090+097+109+124)</b>	<b>125</b>	163,258,254	168,523,054
<b>G) OFF-BALANCE SHEET ITEMS</b>	<b>126</b>	0	0

**STATEMENT OF PROFIT OR LOSS**  
for the period 01.01.2024 to 30.06.2024

in EUR

Submitter: ERICSSON NIKOLA TESLA D.D.

Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
<b>I OPERATING INCOME (ADP 002 to 006)</b>	<b>001</b>	<b>111,261,198</b>	<b>54,957,235</b>	<b>108,821,988</b>	<b>57,156,155</b>
1 Income from sales with undertakings within the group	002	305,716	92,051	424,577	102,685
2 Income from sales (outside group)	003	108,477,028	53,289,659	105,432,658	55,579,394
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	163,490	82,834	94,923	46,624
5 Other operating income (outside the group)	006	2,314,964	1,492,691	2,869,830	1,427,432
<b>II OPERATING EXPENSES (ADP 08+09+13+017+018+019+022+029)</b>	<b>007</b>	<b>97,691,853</b>	<b>50,008,757</b>	<b>95,322,599</b>	<b>51,280,991</b>
1 Changes in inventories of work in progress and finished goods	008	-9,406,976	-2,162,233	-5,630,292	-1,082,238
2 Material costs (ADP 010 to 012)	009	43,454,306	20,166,157	34,829,227	18,981,158
a) Costs of raw materials and consumables	010	23,350,443	8,992,325	24,544,506	12,754,091
b) Costs of goods sold	011	0	0	0	0
c) Other external costs	012	20,103,863	11,173,832	10,284,721	6,227,067
3 Staff costs (ADP 014 to 016)	013	57,081,989	28,550,287	59,225,925	30,013,638
a) Net salaries and wages	014	34,693,694	17,254,947	36,323,293	17,526,328
b) Tax and contributions from salary costs	015	16,033,349	8,015,595	16,187,370	8,676,404
c) Contributions on salaries	016	6,334,946	3,279,745	6,715,262	3,810,906
4 Depreciation	017	2,206,354	1,109,107	2,603,465	1,279,238
5 Other costs	018	4,052,312	2,161,258	4,216,457	2,108,466
6 Value adjustments (ADP 020+021)	019	2,238	2,238	0	0
a) Fixed assets other than financial assets	020	0	0	0	0
b) current assets other than financial assets	021	2,238	2,238	0	0
7 Provisions (ADP 023 to 028)	022	341,630	181,943	77,817	-19,271
a) Provisions for pensions, termination benefits and similar obligations	023	331,143	173,332	131,163	34,691
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	10,487	8,611	22,093	21,477
f) Other provisions	028	0	0	-75,439	-75,439
8 Other operating expense	029	0	0	0	0
<b>III FINANCIAL INCOME (ADP 031 to 040)</b>	<b>030</b>	<b>204,643</b>	<b>165,616</b>	<b>867,926</b>	<b>384,266</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	20,442	6,764	0	0
5 Exchange rate differences and other financial income from operations with undertakings within the group	035	1,808	1,808	0	0
6 Income from other long-term financial investments and loans	036	0	0	0	0
7 Other interest income	037	143,591	124,115	792,932	365,224
8 Exchange rate differences and other financial income	038	0	0	9,667	-7,126
9 Unrealised gains (income) from financial assets	039	0	0	0	0
10 Other financial income	040	38,802	32,931	65,327	26,188
<b>IV FINANCIAL EXPENSES (ADP 042 to 048)</b>	<b>041</b>	<b>75,660</b>	<b>38,098</b>	<b>550,852</b>	<b>432,123</b>
1 Interest expenses and similar expenses with undertakings within the group	042	34	34	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	63,688	31,215	550,852	432,123
4 Exchange rate differences and other expenses	045	11,938	6,849	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 INTERESTS</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>X TOTAL INCOME (ADP 001+030+049+050)</b>	<b>053</b>	<b>111,465,841</b>	<b>55,122,853</b>	<b>109,889,914</b>	<b>57,549,431</b>
<b>XI TOTAL EXPENDITURE (ADP 007+014+051+052)</b>	<b>054</b>	<b>97,767,513</b>	<b>50,046,855</b>	<b>96,873,451</b>	<b>51,713,114</b>
<b>XII PRE-TAX PROFIT OR LOSS (ADP 053-054)</b>	<b>055</b>	<b>13,698,328</b>	<b>5,075,998</b>	<b>13,816,463</b>	<b>5,827,307</b>
1 Pre-tax profit (ADP 053-054)	056	13,698,328	5,075,998	13,816,463	5,827,307
2 Pre-tax loss (ADP 054-053)	057	0	0	0	0
<b>XIII INCOME TAX</b>	<b>058</b>	<b>2,465,690</b>	<b>913,679</b>	<b>5,916,033</b>	<b>4,477,985</b>
<b>XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)</b>	<b>059</b>	<b>11,232,629</b>	<b>4,162,319</b>	<b>7,900,430</b>	<b>1,349,322</b>
1 Profit for the period (ADP 055-059)	060	11,232,629	4,162,319	7,900,430	1,349,322
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 062-066)</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>11,232,629</b>	<b>4,162,319</b>	<b>7,900,430</b>	<b>1,349,322</b>
<b>II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 80+ 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
IV Items that may be reclassified to profit or loss (ADP 088 to 095)	087	0	0	0	0
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 080+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>11,232,629</b>	<b>4,162,319</b>	<b>7,900,430</b>	<b>1,349,322</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>11,232,629</b>	<b>4,162,319</b>	<b>7,900,430</b>	<b>1,349,322</b>
1 Attributable to owners of the parent	100	11,232,629	4,162,319	7,900,430	1,349,322
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 30.06.2024

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	13,698,328	13,816,463
2 Adjustments (ADP 003 to 010):	002	2,390,498	2,444,464
a) Depreciation	003	2,206,354	2,603,465
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	-325	1,176
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	005	-31,151	-63,744
d) Interest and dividend income	006	-164,032	-792,932
e) Interest expenses	007	63,966	550,852
f) Provisions	008	0	0
g) Exchange rate differences (unrealised)	009	-5,987	-53,545
h) Other adjustments for non-cash transactions and unrealised gains and losses	010	321,673	199,192
<b>I Cash flow increase or decrease before changes in working capital (ADP 001+002)</b>	011	16,088,826	16,260,927
3 Changes in the working capital (ADP 013 to 016)	012	-22,046,393	-18,420,079
a) Increase or decrease in short-term liabilities	013	-9,988,698	-15,619,480
b) Increase or decrease in short-term receivables	014	-2,466,337	4,647,787
c) Increase or decrease in inventories	015	-9,263,572	-6,947,157
d) Other increase or decrease in working capital	016	-327,786	-501,229
<b>II Cash from operations (ADP 011+012)</b>	017	-5,957,567	-2,159,152
4 Interest paid	018	-63,776	-213,416
5 Income tax paid	019	-673,718	-2,757,953
<b>A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)</b>	020	-6,695,061	-5,130,521
<b>Cash flow from investment activities</b>			
1 Cash receipts from sales of fixed tangible and intangible assets	021	362	456
2 Cash receipts from sales of financial instruments	022	0	0
3 Interest received	023	268,565	749,166
4 Dividends received	024	0	874
5 Cash receipts from repayment of loans and deposits	025	1,261,446	0
6 Other cash receipts from investment activities	026	0	0
<b>III Total cash receipts from investment activities (ADP 021 to 026)</b>	027	1,530,373	750,496
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-445,922	-876,578
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>	033	-445,922	-876,578
<b>B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)</b>	034	1,084,451	-126,082
<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>	039	0	0
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	-1,343,633	-935,571
2 Cash payments for dividends	041	-153	-6,868
3 Cash payments for finance lease	042	-670,861	-962,412
4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capital	043	-109,500	-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>	045	-2,124,147	-2,162,615
<b>C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)</b>	046	-2,124,147	-2,162,615
1 Unrealised exchange rate differences in respect of cash and cash equivalents	047	-962	7,739
<b>D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047)</b>	048	-7,735,719	-7,411,479
<b>E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	049	60,678,904	55,567,777
<b>F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)</b>	050	52,943,185	48,156,298

STATEMENT OF CHANGES IN EQUITY

for the period from 1/1/2024 to 6/30/2024

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 (deductible 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				
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18 (8 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	
<b>4 Balance on the first day of the previous business year (restated) (ADP 01 to 03)</b>	<b>04</b>	<b>17,674,033</b>	<b>0</b>	<b>883,702</b>	<b>5,352,791</b>	<b>2,268,251</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>27,537,038</b>	<b>0</b>	<b>49,179,313</b>	<b>0</b>	<b>49,179,313</b>	
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	0	183,760	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	0	-7,927,194	0	-7,927,194		
21 Other distributions and payments to members/shareholders	21	-3	0	2	-1,196,128	-1,196,128	0	0	0	0	0	0	0	0	607,094	0	607,094	0	607,094	
22 Transfer to reserves according to the annual schedule	22	0	0	0	346,740	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	0	
<b>24 Balance on the last day of the previous business year reporting period (ADP 24 to 30)</b>	<b>24</b>	<b>17,674,030</b>	<b>0</b>	<b>1,230,444</b>	<b>4,156,663</b>	<b>1,255,883</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19,870,199</b>	<b>18,840,714</b>	<b>60,516,167</b>	<b>0</b>	<b>60,516,167</b>	
<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	-7,688,839	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	
<b>4 Balance on the first day of the current business year (restated) (ADP 28 to 30)</b>	<b>31</b>	<b>17,674,030</b>	<b>0</b>	<b>1,230,444</b>	<b>4,156,663</b>	<b>1,255,883</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>38,710,913</b>	<b>0</b>	<b>60,516,167</b>	<b>0</b>	<b>60,516,167</b>	
5 Profit/loss of the period	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	7,900,430	7,900,430	0	7,900,430	
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	0	257,764	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	-19,879,530	0	-19,879,530		
21 Other distributions and payments to members/shareholders	48	0	0	0	0	0	-190,061	-190,061	0	0	0	0	0	0	0	176,952	0	176,952		
22 Carryforward per period	49	0	0	0	216,245	0	0	0	0	0	0	0	0	0	-216,245	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	
<b>24 Balance on the last day of the current business year reporting period (ADP 31 to 50)</b>	<b>51</b>	<b>17,674,030</b>	<b>0</b>	<b>1,446,689</b>	<b>3,966,602</b>	<b>1,323,586</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>18,792,090</b>	<b>7,900,430</b>	<b>48,456,255</b>	<b>0</b>	<b>48,456,255</b>
<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	0	7,900,430	7,900,430	0	7,900,430
III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 42 to 50)	54	0	0	0	216,245	-190,061	67,703	0	0	0	0	0	0	0	-19,918,823	0	-19,960,342	0	-19,960,342	

NOTES TO FINANCIAL STATEMENTS - TFI  
(drawn up for quarterly reporting periods)  
Name of the issuer: ERICSSON NIKOLA TESLA D.O.O.  
Personal identification number (OIB): 8424771175  
Reporting period: Q2 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 the last business year: information is provided regarding these events and relevant information published in the last annual financial statement is updated (item 16.A (a) 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.A (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) the 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, shutdown, termination, proceedings of 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 or any commitments concerning persons 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 paid 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 provisions 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 an undertaking is a member having limited liability, including a person acting in their own name, but on the undertaking's behalf, holding a position in the undertaking, in which the name, the amount of capital and reserves, and the profit or loss for the last annual 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 and which is also included in the group of undertakings referred to in point 13  
 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 and 14 may be obtained, provided that they are available  
 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  
 17. the nature and the financial effect of material events arising after the balance sheet date which are not reflected in the profit and loss account or balance sheet

b)  
 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 (IFRSs), 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/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	
	30.06.2024	30.06.2023	30.06.2024	30.06.2023	30.06.2024	30.06.2023	30.06.2024	30.06.2023	30.06.2024	30.06.2023	30.06.2024	
	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	69,198	68,994	35,212	34,908	1,078	4,639	269	242	0	0	105,857	109,783
Operating profit	11,812	8,970	4,287	4,173	95	414	15	12	-2,710	0	13,499	13,569

Transactions with related parties: 30.06.2024 30.06.2023  
EUR '000 EUR '000

Sales 71,003 74,349

Purchases 16,515 22,065

Balances with related parties

30.06.2024 12/31/2023  
EUR '000 EUR '000

Receivable 34,825 37,893

Payable 11,563 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 term 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.  
 6.  
 At the balance sheet date, the Company does not have debts covered by valuable securities/insurance.  
 7.  
 The average number of employees during the reporting period is 2776 (Q2 2023: 2741). The Company does not categorise employees.  
 8.  
 No cost of salaries was capitalised in the reporting period.  
 9.  
 Provision for deferred tax is calculated annually, at balance sheet date 31 December. There were no movement in deferred tax balances during reporting period.  
 10.  
 The Company has no participating interest.  
 11.  
 There were no shares subscribed during the financial year within the limits of the authorised capital.  
 12.  
 The Company has no participation certificates, convertible debentures, warrants, options or similar securities or rights.  
 13. and 14.  
 The company Telefonickebodaghet 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.  
 15.  
 These consolidated reports are available at [www.ericsson.com/en/investors/financial-reports](http://www.ericsson.com/en/investors/financial-reports).  
 16.  
 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.  
 17.  
 There are no material events arising after the balance sheet date which are not reflected in the profit and loss account or balance sheet.

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).