

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, February 19, 2025

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

Highlights:

- Sales revenue: EUR 249.5 million
- Gross margin: 11.4 %
- Operating profit: EUR 22.1 million
- Profit before tax: EUR 23.2 million
- Net profit: EUR 15.6 million
- Cash flow from operating activities: EUR 10.3 million

Gordana Kovačević, President of Ericsson Nikola Tesla, commented:

"Last year was another dynamic business year in which we had a stable business performance and provided the best technology solutions and services in all business segments for our customers and partners. We implemented a few demanding projects, signed several strategically important contracts and gained additional responsibilities. We were faced with further significant increase in the cost of living and inflationary pressures in Croatia, which has affected the increase in labor costs. Moreover, we were exposed to pressures on the prices of our products and services, short project implementation deadlines, and unfavorable payment terms related to complex digital transformation projects. In order to achieve stable business performance, we focused on the areas where we can have an impact; our strategic customers, remaining competitive in the market owing to our technology leadership, retaining employees and developing their strategic competences, investing in the development of new products and services, growing business in new markets and with new customers, and strengthening profitability and cost efficiency. All this required exceptional management efforts when making strategic and operational decisions. I would like to use this opportunity to thank all our colleagues for their expertise, engagement and innovation, and our customers and partners for their trust.

In November, we marked the 75th anniversary of our business, and on this occasion, we presented the company's new visual identity, implemented with the aim of expanding business and stronger visualization of our own ICT solutions for the digitalization of various industries and public services. Ericsson Nikola Tesla Group's new visual identity is in line with the adjustments of the management system of the company and Ericsson corporation.

We have been actively participating in rollout and modernization of communication infrastructure, especially in broadband Internet and 5G technology. In the domestic market, the focus was on modernization and extension of the radio part of mobile network of Hrvatski Telekom, and the implementation of Ericsson dual-mode 5G Core for 4G/5G core network, in line with the strategic agreements signed at the end of 2023, and in the beginning of 2024. With our partner A1 Hrvatska, in line with the multi-year agreement, we have been working on the extension of coverage and capacity of the 5G radio network and on the modernization of the core network.

We have continued successful cooperation with the operators Telekom Kosovo and IPKO in Kosovo market, where we are recognized as a reliable partner that, through its innovative products and solutions, contributes to the introduction of the state-of-the-art telecommunication solutions in this market. I would like to highlight that we have completed the last phase of modernization of Telekom Kosova's radio access network six months before the contracted deadline. Moreover, our office in Priština, which currently has more than 20 software designers who work on the development of the latest technologies (5G, Cloud,..), has the potential for further growth and progress.

In other export markets, we have continued our quality cooperation with the operators HT Mostar and Crnogorski Telekom on the modernization of their telecommunication networks.

Our focused strategy of development and investment supports and stimulates growth in key strategic areas within the Digital Society segment: e-Health, land administration, advanced transportation solutions, national and public safety, digitalization of business, communication infrastructure and sustainable management. In 2024, we have signed several new contracts with various Ministries and other key customers in Croatia. Activities are also ongoing related to the realization of project of the replacement and modernization of the land administration information system of the Department of Lands and Surveys of the Republic of Cyprus.

Our R&D Center, which has more than 1,500 experts, has additionally strengthened its position within the global Ericsson Corporation owing to a great quality of software it delivers and is one of the best rated centers for software development within Ericsson. In 2024, we gained new responsibilities for the development of 5G Radio Access Network (RAN), which is strategically important because it will enable us to build additional E2E capability within networks software/modules. In line with the new responsibilities, the growth of our R&D center continued with more than 100 experts hired, and additional expansion is planned during this year.

Excellent results on the realization of demanding tasks for Ericsson customers were also achieved by our teams working on solutions and services for customers. I would like to highlight new responsibilities for the development of software tools for mobile networks management and optimization.

Total sales revenue amounted to EUR 249.5 million, down by 18% year-over-year, primarily due to lower revenue in the domestic market as a result of non-renewal of the contract with Hrvatski Telekom regarding managed services. For comparable units, if we exclude revenue from managed services with Hrvatski Telekom, the total sales revenue would increase by 11.3% year-over-year. Sales revenue in the operator segment in export markets and the Digital Society segment recorded growth and, together with the stable business performance in Ericsson market, partially offset the decline in sales revenue in the operator segment in the domestic market.

When it comes to other financial indicators, gross profit amounted to EUR 28.4 million (2023: EUR 31.8 million), down by 10.7% year-over-year, mainly due to lower sales revenue. Gross margin increased to 11.4% (2023: 10.5%) as a result of business mix and activities focused on improving efficiency and cost optimization. Operating profit amounted to EUR 22.1 million, down by 10.6% year-over-year, as a result of lower sales revenue and gross profit. Operating margin amounted to 8.9% (2023: 8.1%). We concluded the end of Q4 with a solid balance sheet and an equity ratio of 37.9%. Cash and cash equivalents, including the short-term financial assets, amounted to EUR 63.1 million, which accounts for 35.1% of the total assets. In line with our expectations, a positive cash flow from operating activities was achieved in the amount of EUR 10.3 million (2023: EUR 16.7 million).

In line with our strategy to strengthen the cooperation with the academic community, we have signed a Memorandum of Understanding on the development of new models of cooperation with the Faculty of Engineering and Computing (FER) and have opened joint scientific research laboratory Inventorium. In the beginning of December, the first Inventorium Day was held at the company's headquarters, where joint research activities of ENT and FER were presented. In total, 27 projects from various domains were presented, such as Embedded Systems, Data Science, Artificial Intelligence (AI), Extended Reality (XR), Digital Twin technology, 5G, Network API, Data Governance and EU Data Spaces. I am also proud of ENT Summer Camp, which we have been hosting for 23 years, actively contributing to the strengthening of innovation potential, transfer of knowledge and technologies, and giving students the opportunity to apply academic knowledge on concrete innovative projects.

Another challenging year is ahead of us, and it requires our full focus. We are working intensively on strategy implementation and realization of strategic directives for the next period. Our goal is to keep the leading position in the operator segment, R&D and services, by providing services of high-quality in line with our contractual obligations and customer expectations. Despite the strong position that we have in the domestic and export markets, in 2025 we see the signs of the continuation of lower operators' investments in network modernization due to their focus on 5G monetization. However, I believe that in the coming periods, our strategic partners will increase their investments in the further extension and modernization of mobile telecom infrastructure, in order to ensure the quality of services to end users.

At the same time, in the Digital Society segment, the trends of further digitalization of business entities and public administration continue. Our goal is to use these opportunities, not only in Croatia and neighboring countries, but also on the broader international market.

During 2025, we expect the intensification of activities regarding Mission Critical Networks for national and public safety, as well as the implementation of railway communication network in Croatia based on the latest 5G solutions (FRMCS- Future Railway Mobile Communications System), where we believe our technology leadership will be recognized, as well as the experience of our experts , who have been actively contributing in a quality manner to similar solutions in other EU countries.

In order to secure stable business performance, we are focused on profitability, cost and operational efficiency, cash flow from operating activities, and responsible risk management. We continue to invest in the digital transformation of our business by introducing new automated tools and by optimizing processes using artificial intelligence.

The company has a strong intellectual and innovative potential that we have been continuously developing. Due to the fast technology development, the focus remains on the development of employees' competencies in order to improve their skills and adopt new technologies.

We continue to foster company culture based on integrity, ethics and compliance, and we are convinced that by having the highest standards in compliance we secure additional competitive advantage and sustainability.

Our approach to work, quality execution of assumed obligations, and partnership with customers is what we are recognized for and what puts us in a good position to continue stable business performance and to create added value for all our stakeholders.“

Financial highlights for the Group:

- Sales revenue amounted to EUR 249.5 million (2023: EUR 304.2 million), down by 18.0% year-over-year , as a result of non-renewal of the contract with Hrvatski Telekom regarding managed services, and slow-down of operators' investments in mobile telecom infrastructure in the domestic market. The decline in sales revenue in the operator segment in the domestic market was partially offset by the growth of sales revenue in the Digital Society segment, as well as in the operator segment in export markets and continuously stable business performance in Ericsson market.
- Sales in the Networks segment amounted to EUR 153.3 million (2023: 145.2 million), Digital Services segment amounted to EUR 92.6 million (2023: EUR 78.4 million), Managed Services segment amounted to EUR 3.1 million (2023: 80.1 million), and the segment Other amounted to EUR 507 thousand (2023: EUR 475 thousand). As expected, there was a decline in the Managed Services segment, however, the results of other segments are somewhat better compared to the year 2023.
- Gross profit amounted to EUR 28.4 million (2023: EUR 31.8 million), down by 10.7% year-over-year, due to lower sales revenue in the domestic market in the operator segment. Gross margin increased to 11.4% (2023: 10.5%) as a result of business mix and activities focused on efficiency improvement and cost optimization.

- Selling and administrative expenses decreased by 6.5% year-over-year and amounted to EUR 12.1 million (2023: EUR 13.0 million), primarily due to lower costs of use of corporate trademark, despite increased investments in the development of new business opportunities as well as the company's 75th anniversary celebration costs and the introduction of new visual identity. The share of selling and administrative expenses in the total sales revenue was 4.8% (2023: 4.3%).
- Operating profit amounted to EUR 22.1 million (2023: EUR 24.8 million), down by 10.6% year-over-year, primarily as a result of lower sales revenue and gross profit. Operating margin was 8.9% (2023: 8.1%).
- Profit from financial activities amounted to EUR 1.1 million (2023: EUR 0.5 million), as a result of higher interest income due to an increase in interest rates.
- Profit before tax decreased by 7.9% year-over-year and amounted to EUR 23.2 million (2023: EUR 25.2 million).
- Net profit amounted to EUR 15.6 million (2023: EUR 22.2 million), down by 29.7% year-over-year, partially also due to additionally calculated one-time tax expense from the previous years due to subsequent change in interpretation of cost eligibility for tax deduction. Return on sales (ROS) was 6.3% (2023: 7.3%).
- Cash flow from operating activities was EUR 10.3 million (2023: EUR 16.7 million).
- Working capital efficiency, expressed in Working Capital Days (WCD), was 38 days (2023: 32 days). Excluding services to Ericsson, Working Capital Efficiency was 28 days (2023: 48 days). WCD is affected by the demanding projects in terms of work and capital engagement, with extended dynamics of collection of receivables in the domestic and export markets, including Ericsson.
- Cash and cash equivalents, including the short-term financial assets, as at December 31, 2024, amounted to EUR 63.1 million (35.1% 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 179.7 million as at December 31, 2024, down by 6.7% compared to the end of 2023, mainly as the result of lower cash and cash equivalents. Changes in inventory and work in progress are the reflection of regular contract execution activities. End of 2024, equity ratio was 37.9% (end of 2023: 37.6%).
- With related parties, the transactions were as follows: sale of products and services amounted to EUR 138.2 million (2023: EUR 141.7 million), while the procurement of products and services amounted to EUR 43.5 million (2023: EUR 40.2 million).
- As at December 31, 2024, balances outstanding with related parties were as follows: receivables amounted to EUR 39.5 million (end of 2023: EUR 37.4 million), and payables amounted to EUR 16.4 million (end of 2023: EUR 15.1 million).

Business situation in major markets

In the domestic market sales revenue amounted to EUR 66.4 million (2023: EUR 130.3 million), down by 49.1% year-over-year. Lower sales revenue is a result of non-renewal of contract with Hrvatski Telekom regarding managed services and lower capital investments of our customers in the mobile telecom infrastructure.

With Hrvatski Telekom we have been cooperating on the modernization and extension of the radio part of mobile network in line with the multi-year agreement signed at the beginning of 2024, based on which Ericsson Nikola Tesla will be the exclusive supplier of the radio part of Hrvatski Telekom'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, the activities are ongoing on the extension 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 Digital Society segment, several new contracts were signed with key customers in Croatia, such as Ministry of Justice, Public Administration and Digital Transformation, Ministry of the Interior, Ministry of Health, Ministry of Tourism and Sport, Ministry of Culture and Media, State Geodetic Administration, Croatian Employment Service, Central State Office for the Development of Digital Society, City of Split and City of Osijek. In Q4, we would like to highlight new contracts with the Ministry of Health related to the support and corrective maintenance of the CEZIH system Subsystem 1 software, with CARNET for the implementation and maintenance of the register of documents issued in the education system, and with the City of Zagreb related to the preparation of a traffic analysis with the aim of preparing a feasibility study for the construction of bridges in the western part of Zagreb.

In export markets (excluding services to Ericsson) sales revenue amounted to EUR 42.4 million (2023: EUR 32.2 million), up by 31.6% year-over-year.

In the market of Kosovo, with Telekom Kosova we have successfully completed the last stage of modernization of radio access network; six months before the contracted deadline. We have achieved and exceeded the set targets – modernization of the radio network of Telekom Kosova, which consists of a total of 550 base station locations, the achievement of top network performance with improved energy efficiency. Moreover, Telekom Kosova confirmed satisfaction with the performance and the results of the project.

With the operator IPKO, the activities are ongoing on the modernization and expansion of the functionalities of its core network, as well as on the extension of coverage and capacity of 5G network.

With HT Mostar, we have been working on the implementation of the latest technological version of the Ericsson IMS (IP Multimedia Subsystem) solution, the introduction of VoLTE (Voice over LTE) service, and on the expansion of radio access network and transmission network of this operator. As part of the Agreement on Business-Technical Cooperation signed with HT Mostar, a web application for mapping of tourist resources was developed that enables the marking of the most important destinations and sights with important information for tourists and visitors.

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

The first stage of the replacement and modernization of the land administration information system of the Department of Lands and Surveys of Cyprus started at the beginning of October.

In Ericsson market sales revenue is somewhat lower (0.7%) year-over-year and amounted to EUR 140.7 million (2023: EUR 141.7 million) due to higher engagement of experts from the Services and Solutions Center on projects for the customers of Ericsson Nikola Tesla. Revenue from R&D activities increased by 7% year-over-year.

ENT R&D Center is one of the best rated centers for the services of software development in Ericsson. In 2024, new responsibilities were gained for the development of 5G Radio Access Network (RAN), which is strategically important as it will enable us to build additional E2E capability within networks software/modules. In line with the new responsibilities, R&D Center has continued to grow with more than 100 experts employed, and additional expansion is planned during this year. The main development projects were in the segments Remote Radio, Massive MIMO, Software Defined Infrastructure and G4 baseband. Among many activities, a new version of RAN Compute products was delivered, which enable a greater capacity and better performance with lower energy consumption of RAN network.

Experts from the Customer Services and Solutions Center, in addition to customers of Ericsson Nikola Tesla Group, were engaged on projects for Ericsson customers through 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, 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, and additional responsibilities were also gained.

In 2024, we worked on research projects in the areas of security and data protection, sustainable infrastructure, green technology, urban mobility, improving the quality of life of senior citizens, etc., some of them were financed by the EU funds. We have successfully completed the EU H2020 IA project Pharaon, which was focused on applied research and development of innovations, and Erasmus+ InnoVET project, focused on digital and green transition.

Quality cooperation was achieved with the company Aeris Communications on projects regarding IoT.

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, also have a key role in the processes of Ericsson Nikola Tesla Group's digital transformation.

Other information

At the extraordinary General Meeting of Ericsson Nikola Tesla joint-stock company, held on November 22, 2024, the decision was made that the amount of 4 MEUR from 2023 retained earnings will be allocated to reserves for treasury shares; the Company's Management Board was given consent to award the Company's employees up to 10,000 treasury shares. Moreover, the decision was made on amending the Company's Articles of Association regarding the number of members of the Management Board; the revised Remuneration Policy for the Management Board was approved. Stefan Kötz, Head of Mission Critical Networks & Strategic Projects in Market Area Europe & Latin America (MELA) in Ericsson, was elected as a member of the Supervisory Board.

For additional information, please contact:

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

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 December 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 December 2024

	2024 EUR '000	2023 EUR '000
Sales revenue	243.082	232.191
Cost of sales	-215.727	-206.288
Gross profit	27.355	25.903
Selling expenses	-5.714	-5.733
Administrative expenses	-5.972	-5.738
Other operating income	13.611	6.332
Impairment loss on financial assets	-20	-189
Operating profit	29.260	20.575
Finance income	1.523	734
Finance expense	-774	-235
Finance income/(expense), net	749	499
Profit before tax	30.009	21.074
Income tax	-7.539	-2.233
Profit for the year	22.470	18.841
Other comprehensive income	-	-
Total comprehensive income for the year	22.470	18.841
Earnings per share (EUR)	17	14

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

	2024 EUR '000	2023 EUR '000
ASSETS		
Non-current assets		
Property, plant and equipment	14.769	14.352
Right of use assets	14.096	14.818
Intangible assets	1.146	384
Investments in subsidiaries	4	4
Loans and receivables	1.268	2.587
Deferred tax assets	2.556	2.322
Total non-current assets	33.839	34.467
Current assets		
Inventories	8.581	9.781
Trade receivables	23.606	17.896
Receivables from related parties	40.035	37.893
Other receivables	3.667	1.180
Financial assets at fair value through profit or loss	4.393	4.235
Prepayments	2.540	2.238
Cash and cash equivalents	49.316	55.568
Total current assets	132.138	128.791
TOTAL ASSETS	165.977	163.258
EQUITY AND LIABILITIES		
Equity		
Share capital	17.674	17.674
Treasury shares	-1.140	-1.256
Legal and other reserves	2.020	1.230
Reserve for treasury shares	7.413	4.157
Retained earnings	36.969	38.711
Total equity	62.936	60.516
Non-current liabilities		
Borrowings	15	114
Lease liabilities	12.545	13.126
Other non-current liabilities	1	12
Employee benefits	1.044	934
Total non-current liabilities	13.605	14.186
Current liabilities		
Payables to related parties	15.969	13.907
Borrowings	-	467
Trade and other payables	38.924	29.560
Income tax payable	2.110	690
Provisions	1.189	1.558
Accrued charges and deferred revenue	14.755	13.749
Contract liabilities	14.475	26.768
Lease liabilities	2.014	1.857
Total current liabilities	89.436	88.556
Total liabilities	103.041	102.742
TOTAL EQUITY AND LIABILITIES	165.977	163.258

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

	2024 EUR '000	2023 EUR '000
Cash flows from operating activities		
Profit before tax	30.009	21.074
Adjustments for:		
Depreciation and amortisation	5.118	4.398
Impairment losses and reversals	-20	-99
Gain on sale of property, plant and equipment	-54	14
Net loss/(gain) on remeasurement of financial assets	-158	-111
Amortisation of discount	-2	-12
Interest income	-1.360	-612
Dividend income	-7.493	-49
Interest expense	759	190
Foreign exchange (gain)/loss, net	-28	35
Share-based payments	457	606
<i>Changes in working capital</i>		
In receivables	-6.921	-21.701
In inventories	1.200	-2.329
In provisions	-259	-368
In payables	-3.278	6.738
<i>Cash generated from operations</i>	17.970	7.774
Interest paid	-752	-193
Income taxes paid	-6.294	-1.366
Net cash from operating activities	10.924	6.215
Cash flows from investing activities		
Proceeds from loans given	-	1.000
Interest received	1.347	661
Dividends received	7.493	49
Proceeds from sale of property, plant and equipment	49	4
Purchases of property, plant and equipment, and intangible assets	-2.296	-1.999
Deposits given to financial institutions - net	-	792
Proceeds from disposal of subsidiary	-	44
Net cash from investing activities	6.593	551
Cash flows from financing activities		
Repayment of borrowings	-1.255	-2.402
Purchase of treasury shares	-628	-184
Dividends paid	-19.897	-7.934
Payment of lease liabilities	-1.976	-1.366
Net cash used in financing activities	-23.756	-11.886
Effects of exchange rate changes on cash and cash equivalents	-13	9
Net increase/(decrease) in cash and cash equivalents	-6.252	-5.111
Cash and cash equivalents at the beginning of the year	55.568	60.679
Cash and cash equivalents at the end of the year	49.316	55.568

Ericsson Nikola Tesla d.d.
 Statement of changes in equity
 for the period ended 31 December 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	Total EUR '000
As at 1 January 2023	17.674	-2.268	884	5.353	27.537	49.180
Changes in equity for 2023						
Total comprehensive income	-	-	-	-	18.841	18.841
Dividend distribution for 2022	-	-	-	-	-7.927	-7.927
Purchase of treasury shares	-	-184	-	-	-	-184
Shares granted	-	1.196	-	-1.196	-	-
Transfer	-	-	346	-	-346	-
Share-based payments	-	-	-	-	606	606
Total contributions by and distributions to owners of the parent recognized directly in equity	-	1.012	346	1.196	-7.667	-7.505
As at 31 December 2023	17.674	-1.256	1.230	4.157	38.711	60.516
As at 1 January 2024	17.674	-1.256	1.230	4.157	38.711	60.516
Changes in equity for 2024						
Total comprehensive income	-	-	-	-	22.470	22.470
Dividend distribution for 2023	-	-	-	-	-19.880	-19.880
Purchase of treasury shares	-	-628	-	-	-	-628
Shares granted	-	744	-	-744	-	-
Transfer	-	-	790	4.000	-4.790	-
Share-based payments	-	-	-	-	458	458
Total contributions by and distributions to owners of the parent recognized directly in equity	-	116	790	3.256	-24.212	-20.050
As at 31 December 2024	17.674	-1.140	2.020	7.413	36.969	62.936

Annex 1**ISSUER'S GENERAL DATA**

Reporting period:	1/1/2024	to	12/31/2024
Year:	2024		
Quarter:	4.		

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): **2790**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 31.12.2024

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
A) RECEIVABLES FOR SUBSCRIBED CAPITAL UNPAID			
B) FIXED ASSETS (ADP 020-010+020+051+036)	001	0	0
INTANGIBLE ASSETS (ADP 004 to 026)	002	24,498,031	23,938,637
1 Research and development	003	394,414	1,145,837
2 Concessions, patents, licences, trademarks, software and other rights	004	0	0
3 Goodwill	005	37,674	330,556
4 Advances for the purchase of intangible assets	006	0	0
5 Intangible assets in preparation	007	0	0
6 Other intangible assets	008	346,740	815,281
7 Tangible assets in preparation	009	0	0
F) TANGIBLE ASSETS (ADP 011 to 019)	010	29,459,292	28,884,623
1 Land	011	2,071,185	2,071,185
2 Buildings	012	20,205,668	18,344,036
3 Fixtures and equipment	013	1,434,252	1,434,252
4 Tools, working inventory and transportation assets	014	1,909,472	2,433,461
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	1,398,862
8 Other tangible assets	018	2,955	10,475
9 Intangible assets	019	0	0
III) FIXED FINANCIAL ASSETS (ADP 021 to 030)			
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	852,346
9 Other investments accounted for using the equity method	029	0	0
10 Other fixed financial assets	030	0	0
IV) RECEIVABLES (ADP 032 to 035)			
1 Receivables from undertakings within the group	031	1,044,930	415,130
2 Receivables from companies linked by virtue of participating interests	032	0	0
3 Customer receivables	033	0	0
4 Other receivables	034	936,670	311,925
5 Loans, deposits etc.	035	108,269	103,234
V) DEFERRED TAX ASSETS			
036	0	2,321,874	2,566,279
C) CURRENT ASSETS (ADP 038+046+053+063)			
1 Inventories (ADP 039 to 045)	038	126,553,513	129,588,814
1 Raw materials and consumables	039	665,780	4,620,206
2 Work in progress	040	9,114,993	3,960,614
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
II) RECEIVABLES (ADP 047 to 052)			
1 Receivables from undertakings within the group	047	740,314	683,981
2 Receivables from companies linked by virtue of participating interests	048	37,152,496	39,350,855
3 Customer receivables	049	17,897,062	23,606,100
4 Receivables from government and members of the undertaking	050	0	0
5 Receivables from other government and other institutions	051	0	0
6 Other receivables	052	1,179,847	2,977,295
III) CURRENT FINANCIAL ASSETS (ADP 054 to 062)			
1 Investments in holdings (shares) of undertakings within the group	053	4,234,974	5,083,224
2 Investments in other securities of undertakings within the group	054	0	0
3 Loans, deposits etc. to undertakings within the group	055	0	0
4 Investments in other securities of companies linked by virtue of participating interests	056	0	0
5 Investments in other securities of companies linked by virtue of participating interests	057	0	0
6 Loans, deposits etc. to companies linked by virtue of participating interests	058	0	0
7 Investments in securities	059	0	0
8 Loans, deposits etc. given	060	4,234,974	4,393,065
9 Loans, deposits etc.	061	0	680,159
10 Advances	062	0	0
IV) CASH AT BANK AND IN HAND			
063	55,567,777	49,316,239	49,316,239
D) PREPAID EXPENSES AND ACCRUED INCOME			
064	2,237,975	2,539,978	2,539,978
E) TOTAL ASSETS (ADP 001+002+037+064)			
065	163,258,235	165,977,076	165,977,076
OFF-BALANCE SHEET ITEMS			
066	0	0	0
LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+086+089)			
067	60,516,167	62,938,129	62,938,129
I) INITIAL (SUBSCRIBED) CAPITAL			
068	17,674,030	17,674,030	17,674,030
II) CAPITAL RESERVES			
069	0	0	0
III) RESERVES FROM PROFIT (ADP 071+072+073+074+075)			
070	4,131,224	8,292,955	8,292,955
1 Legal reserves	071	3,234,414	2,019,935
2 Reserves for treasury shares	072	4,156,663	7,413,414
3 Treasury shares and holdings (deductible item)	073	-1,255,883	-1,140,386
4 Statutory reserves	074	0	0
5 Other reserves	075	0	0
IV) REVALUATION RESERVES			
076	0	0	0
V) FAIR VALUE RESERVES AND OTHER (ADP 078 to 082)			
077	0	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
VI) RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 084-085)			
083	19,870,199	14,499,150	14,499,150
1 Retained profit	084	19,870,199	14,499,150
2 Loss brought forward	085	0	0
VII) PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088)			
086	0	22,469,967	22,469,967
1 Loss for the business year	087	0	0
2 Loss for the business year	088	0	0
VIII) MINORITY (NON-CONTROLLING) INTEREST			
089	0	0	0
B) PROVISIONS (ADP 091 to 096)			
1 Provisions for pensions, termination benefits and similar obligations	091	933,733	1,044,255
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
C) LONG-TERM LIABILITIES (ADP 098 to 108)			
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	13,239,670	12,589,454
7 Liabilities for long-term 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	787
11 Deferred tax liability	108	0	0
D) SHORT-TERM LIABILITIES (ADP 110 to 123)			
1 Liabilities to undertakings within the group	109	62,247,722	63,469,137
2 Liabilities to companies linked by virtue of participating interests	110	495,476	195,345
3 Liabilities to loans, deposits, etc. of undertakings within the group	111	0	0
4 Liabilities to companies linked by virtue of participating interests	112	13,411,818	15,774,121
5 Liabilities to loans, deposits etc.	113	0	0
6 Liabilities to banks and other financial institutions	115	2,324,908	2,014,266
7 Liabilities for advance payments	116	14,207,996	3,263,044
8 Liabilities to suppliers	117	6,243,148	14,609,633
9 Liabilities for securities	118	0	0
10 Liabilities for long-term payments	119	19,877,251	17,922,871
11 Taxes, contributions and similar liabilities	120	4,322,363	8,500,795
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	1,558,262	1,189,122
E) ACCRUALS AND DEFERRED INCOME			
124	26,308,608	25,937,266	25,937,266
F) TOTAL - LIABILITIES (ADP 067+090+097+109+124)			
125	-163,258,235	-165,977,076	-165,977,076
G) OFF-BALANCE SHEET ITEMS			
126	0	0	0

STATEMENT OF PROFIT OR LOSS
for the period 01.01.2024 to 31.12.2024

in EUR

Submitter: ERICSSON NIKOLA TESLA D.D.

Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
I OPERATING INCOME (ADP 002 to 006)	001	238,523,825	75,108,344	256,693,326	81,367,938
1 Income from sales with undertakings within the group	002	846,860	428,164	1,110,585	536,882
2 Income from sales (outside group)	003	231,343,974	73,253,621	241,971,525	78,841,725
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	362,939	67,049	7,708,591	565,731
5 Other operating income (outside the group)	006	5,970,052	1,269,510	5,902,625	1,423,600
II OPERATING EXPENSES (ADP 08+09+13+017+018+019+022+029)	007	217,948,957	74,437,185	227,433,053	77,804,827
1 Changes in inventories of work in progress and finished goods	008	-4,591,329	11,075,230	5,153,835	10,505,848
2 Material costs (ADP 010 to 012)	009	87,358,535	22,430,123	82,590,542	26,185,263
a) Costs of raw materials and consumables	010	52,290,059	18,166,076	59,223,011	20,874,714
b) Costs of goods sold	011	0	0	0	0
c) Other external costs	012	35,066,476	4,264,047	23,367,531	5,310,549
3 Staff costs (ADP 014 to 016)	013	121,229,297	36,812,310	123,988,455	35,733,762
a) Net salaries and wages	014	73,305,496	22,146,366	76,148,206	22,255,553
b) Tax and contributions from salary costs	015	33,955,277	10,032,059	33,332,677	9,157,242
c) Contributions on salaries	016	13,968,524	4,433,885	14,507,572	4,320,967
4 Depreciation	017	4,398,069	1,202,208	5,118,015	1,261,888
5 Other costs	018	8,795,136	2,986,504	10,136,226	3,719,167
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	571,944	-56,257	426,380	179,299
a) Provisions for pensions, termination benefits and similar obligations	023	867,037	257,098	463,005	152,065
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	29,769	11,507	73,733	27,234
f) Other provisions	028	-324,862	-324,862	-10,358	0
8 Other operating expense	029	189,305	187,067	19,600	19,600
III FINANCIAL INCOME (ADP 031 to 040)	030	734,346	269,932	1,523,566	328,769
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	0	0	0
5 Exchange rate differences and other financial income from operations with undertakings within the group	035	0	-1,808	0	0
6 Income from other long-term financial investments and loans	036	0	0	0	0
7 Other interest income	037	591,673	241,492	1,360,070	277,484
8 Exchange rate differences and other financial income	038	0	0	0	0
9 Unrealised gains (income) from financial assets	039	0	0	0	0
10 Other financial income	040	122,231	50,248	163,498	51,285
IV FINANCIAL EXPENSES (ADP 042 to 048)	041	235,331	98,050	774,440	117,468
1 Interest expenses and similar expenses with undertakings within the group	042	42	1	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	193,425	91,925	759,150	105,397
4 Exchange rate differences and other expenses	045	41,864	6,124	15,290	12,071
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
V SHARE IN PROFIT FROM UNDERTAKINGS LINKED BY VIRTUE OF PARTICIPATING INTERESTS	049	0	0	0	0
VI SHARE IN PROFIT FROM JOINT VENTURES	050	0	0	0	0
VII SHARE IN LOSS OF COMPANIES LINKED BY VIRTUE OF PARTICIPATING INTERESTS	051	0	0	0	0
VIII SHARE IN LOSS OF JOINT VENTURES	052	0	0	0	0
X TOTAL INCOME (ADP 001+030+049+050)	053	239,258,171	75,308,276	258,219,894	81,696,707
X- TOTAL EXPENDITURE (ADP 007+014+051+052)	054	216,184,398	74,536,236	208,307,493	77,722,295
XI PRE-TAX PROFIT OR LOSS (ADP 053-054)	055	21,073,883	773,041	30,009,401	3,974,412
1 Pre-tax profit (ADP 053-054)	056	21,073,883	773,041	30,009,401	3,974,412
2 Pre-tax loss (ADP 054-053)	057	0	0	0	0
XII INCOME TAX	058	2,233,169	-1,420,982	7,539,404	684,036
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)	059	18,840,714	2,194,023	22,469,997	3,290,376
1 Profit for the period (ADP 055-059)	060	18,840,714	2,194,023	22,469,997	3,290,376
2 Loss for the period (ADP 059-055)	061	0	0	0	0
DISCONTINUED OPERATIONS (to be filled in by undertakings subject to IFRS only with discontinued operations)					
XIV PRE-TAX PROFIT OR LOSS OF DISCONTINUED OPERATIONS (ADP 060-062)	062	0	0	0	0
1 Pre-tax profit from discontinued operations	063	0	0	0	0
2 Pre-tax loss on discontinued operations	064	0	0	0	0
XV INCOME TAX OF DISCONTINUED OPERATIONS	065	0	0	0	0
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
TOTAL OPERATIONS (to be filled in only by undertakings subject to IFRS with discontinued operations)					
XVI PRE-TAX PROFIT OR LOSS (ADP 055+062)	068	0	0	0	0
1 Pre-tax profit (ADP 068)	069	0	0	0	0
2 Pre-tax loss (ADP 068)	070	0	0	0	0
XVII INCOME TAX (ADP 058+065)	071	0	0	0	0
XVIII PROFIT OR LOSS FOR THE PERIOD (ADP 068-071)	072	0	0	0	0
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
APPENDIX to the P&L (to be filled in by undertakings that draw up consolidated annual financial statements)					
XIX PROFIT OR LOSS FOR THE PERIOD (ADP 076-077)	075	0	0	0	0
1 Attributable to owners of the parent	076	0	0	0	0
2 Attributable to minority (non-controlling) interest	077	0	0	0	0
STATEMENT OF OTHER COMPREHENSIVE INCOME (to be filled in by undertakings subject to IFRS)					
I PROFIT OR LOSS FOR THE PERIOD	078	18,840,714	2,194,023	22,469,997	3,290,376
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 80+ 87)	079	0	0	0	0
III Items that will not be reclassified for profit or loss (ADP 081 to 085)	080	0	0	0	0
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
V NET OTHER COMPREHENSIVE INCOME OR LOSS (ADP 080+087-086 - 096)	097	0	0	0	0
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 078+097)	098	18,840,714	2,194,023	22,469,997	3,290,376
APPENDIX to the Statement on comprehensive income (to be filled in by undertakings that draw up consolidated statements)					
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 100+101)	099	18,840,714	2,194,023	22,469,997	3,290,376
1 Attributable to owners of the parent	100	18,840,714	2,194,023	22,469,997	3,290,376
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 31.12.2024

in EUR

Submitter: ERICSSON NIKOLA TESLA D.D.

Item	ADP code	Same period of the previous year	Current period
1	2	3	4
Cash flow from operating activities			
1 Pre-tax profit	001	21,073,883	30,009,401
2 Adjustments (ADP 003 to 010):	002	4,362,629	-2,781,717
a) Depreciation	003	4,398,069	5,118,015
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	13,999	-55,361
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	005	-110,702	-158,091
d) Interest and dividend income	006	-661,102	-8,852,743
e) Interest expenses	007	190,139	759,150
f) Provisions	008	0	0
g) Exchange rate differences (unrealised)	009	35,317	-27,964
h) Other adjustments for non-cash transactions and unrealised gains and losses	010	496,909	435,277
I Cash flow increase or decrease before changes in working capital (ADP 001+002)	011	25,436,512	27,227,684
3 Changes in the working capital (ADP 013 to 016)	012	-17,662,216	-9,257,457
a) Increase or decrease in short-term liabilities	013	6,736,824	-3,278,068
b) Increase or decrease in short-term receivables	014	-21,701,268	-6,920,703
c) Increase or decrease in inventories	015	-2,329,093	1,199,933
d) Other increase or decrease in working capital	016	-368,679	-258,619
II Cash from operations (ADP 011+012)	017	7,774,296	17,970,227
4 Interest paid	018	-193,512	-751,623
5 Income tax paid	019	-1,365,950	-6,294,198
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)	020	6,214,834	10,924,406
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	021	4,048	49,119
2 Cash receipts from sales of financial instruments	022	0	0
3 Interest received	023	660,523	1,347,000
4 Dividends received	024	48,987	7,492,672
5 Cash receipts from repayment of loans and deposits	025	1,792,336	0
6 Other cash receipts from investment activities	026	43,881	0
III Total cash receipts from investment activities (ADP 021 to 026)	027	2,549,775	8,888,791
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-1,998,869	-2,296,241
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
IV Total cash payments from investment activities (ADP 028 to 032)	033	-1,998,869	-2,296,241
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)	034	550,906	6,592,550
Cash flow from financing activities			
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
V Total cash receipts from financing activities (ADP 035 to 038)	039	0	0
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	040	-2,401,974	-1,256,372
2 Cash payments for dividends	041	-7,934,021	-19,896,566
3 Cash payments for finance lease	042	-1,366,706	-1,975,614
4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capital	043	-183,760	-627,764
5 Other cash payments from financing activities	044	0	0
VI Total cash payments from financing activities (ADP 040 to 044)	045	-11,886,461	-23,756,316
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)	046	-11,886,461	-23,756,316
1 Unrealised exchange rate differences in respect of cash and cash equivalents	047	9,594	-12,178
D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047)	048	-5,111,127	-6,251,538
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	049	60,678,904	55,567,777
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)	050	55,567,777	49,316,239

STATEMENT OF CHANGES IN EQUITY

for the period from 1/1/2024 to 12/31/2024

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 (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	Profits/losses for the business year			
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)
Previous period																			
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 Profits/losses of the period	05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	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	185,760	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	0	-7,927,194	0	-7,927,194
21 Other distributions and payments to members/shareholders	21	-3	0	0	2	-1,196,128	-1,196,128	0	0	0	0	0	0	0	607,095	0	607,094	0	607,094
22 Transfer to reserves according to the annual schedule	22	0	0	0	0	346,740	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
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
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)																			
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	0	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
Current period																			
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 Profits/losses of the period	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	22,469,997	22,469,997	0
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	4,000,000	627,764	0	0	0	0	0	0	0	-4,000,000	0	-627,764	0	-627,764
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	-19,879,530	0	-19,879,530	0	-19,879,530
21 Other distributions and payments to members/shareholders	48	0	0	0	0	0	-743,249	-743,249	0	0	0	0	0	0	457,259	0	457,259	0	457,259
22 Increase/ward per share price	49	0	0	0	0	789,492	0	0	0	0	0	0	0	0	-789,492	0	0	0	0
23 Increase/ward 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	2,019,998	7,413,414	1,140,398	0	0	0	0	0	0	0	0	14,499,150	22,469,997	62,936,129	0	62,936,129
APPENDIX TO THE STATEMENT OF CHANGES IN EQUITY (to be filled in by undertakings that draw up financial statements in accordance with the IFRS)																			
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 do 52)	53	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	22,469,997	0	22,469,997
III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 42 to 50)	54	0	0	0	789,492	3,256,751	-115,485	0	0	0	0	0	0	0	-24,211,763	0	-20,050,035	0	-20,050,035

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): 84214771175
Reporting period: Q4 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 which the information is provided regarding these events and relevant information published in the last annual financial statement is updated (items 15 to 19C IAS 24 - 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 drawn up for the reporting semi-annual period
- d) a description of the financial performance of the issuer which business is seasonal (items 34 and 35 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:
- liquidation, bankruptcy proceedings, threatened termination proceedings or extraordinary administration
- g) adopted accounting policies (only to indicate of whether there has been a change from the previous period)
- h) 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 portions of the undertaking within the group or company linked by virtue of participating interest shall be disclosed separately
- i) the amount and nature of individual items of income or expenditure which are of exceptional size or incidence
- j) 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
- k) average number of employees during the financial year
- l) 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 capitalised by the undertaking, the proportion of the costs of the personnel and the amounts capitalised on the value of the assets during the period, showing separately the total amount of net salaries and the amount of losses, comprising the amounts of compensation and onerous services
- m) 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
- n) 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 drawn up, and the amount of any other financial instruments concerning capital and reserves and the profit or loss may be credited where the undertaking concerned does not publish its balance sheet and is not controlled by another undertaking
- o) 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
- p) 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
- q) the name, registered office and legal form of each of the undertakings of which the undertaking is a member having unlimited liability
- r) 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
- s) 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
- t) the place where copies of the consolidated financial statements referred to in points 13 and 14 may be obtained, provided that they are available
- u) 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
- v) 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

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 (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.

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 sesonal busines activities.

e)

Segment report

	Networks		Digital Services		Managed Services		Other		Unallocated		Total	
	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023	31.12.2024	31.12.2023
	EUR 000	EUR 000	EUR 000	EUR 000	EUR 000	EUR 000	EUR 000	EUR 000	EUR 000	EUR 000	EUR 000	EUR 000
Revenues	149.770	139.865	90.543	77.495	2.262	14.352	507	475	0	0	243.082	232.191
Operating profit	22.242	17.180	12.757	8.349	198	764	35	20	-5.972	-5.738	29.260	20.975

Transactions with related parties:

	31.12.2024	31.12.2023
	EUR 000	EUR 000
Sales	140.489	146.163
Purchases	41.600	44.598

Balances with related parties

	31.12.2024	12/31/2023
	EUR 000	EUR 000
Receivable	40.035	37.893
Payable	15.969	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.

Announcement notices have not been issued 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.

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 2776 (Q4 2023: 2749). 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. Movement in deferred tax balances during reporting period were as follows:

	EUR 000
As at 1 January 2023	2.623
As at 31 December 2023	2.322
As at 1 January 2024	2.322
As at 31 December 2024	2.556

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 Telefonsaktiebolaget LM Ericsson (Sweden, Torshamngatan 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.

Those consolidated reports are available at 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.

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 form under AOP 117 Liabilities to suppliers,119 Liabilities to employees,120 Taxes, contributions and similar charges.

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).