

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, October 28, 2025

Management Report on the Company and Ericsson Nikola Tesla Group business performance with comments on the financial results for the first nine months of 2025

Highlights:

- Sales revenue: EUR 165.6 million
- Gross profit: 12.6%
- Operating profit: EUR 16.0 million
- Profit before tax: EUR 16.5 million
- Net profit: EUR 13.5 million
- Cash flow from operating activities: EUR 13.7 million

Gordana Kovačević, President of Ericsson Nikola Tesla's Management Board, commented:

“In the first nine months of 2025, Ericsson Nikola Tesla achieved stable business results, despite challenging global and regional environment. The total sales revenue amounted to EUR 165.6 million, down by 1.5% year-over-year, due to lower sales in export markets, while the domestic market recorded growth, and services to Ericsson remained stable. Business activities took place in a dynamic market environment, characterized by accelerated use of new technologies, growth in demand for digital services and the need for an increased efficiency of business processes. The Company was focused on strengthening strategic partnerships, development of 5G and advanced ICT solutions, digital transformation of the public sector, and sustainable business.

Ericsson Nikola Tesla continues to play a key role as a technological partner to domestic and regional operators, by participating in the projects of network modernization, digital transformation of public sector and the development of advanced solutions based on artificial intelligence and automation. The sales in the domestic market recorded growth

owing to digital transformation projects in the public sector and modernization of mobile network infrastructure. Telekom operators in Croatia continue to invest in 5G infrastructure, digital services, and optics, aiming to strengthen network capacities and improve user experience. In the Digital Society segment, during Q3 we have signed many contracts with key institutions, such as the Ministry of Justice, Public Administration and Digital Transformation, State Geodetic Administration, and the Ministry of Labor, Pension System, Family and Social Policy.

In export markets, we have continued quality cooperation on mobile networks modernization and maintenance for the operators HT Mostar, Crnogorski Telekom, Ipko Kosovo, and Telekom Kosova. The sales revenue in this market segment declined primarily due to lower sales revenue in Kosovo, because at the end of 2024 we completed a large project of modernization of the overall radio access network of Telekom Kosova.

Sales of services to Ericsson remained stable, confirming the strategic importance of cooperation within the Ericsson Group. Research and Development Center of Ericsson Nikola Tesla (ENT R&D) continues to have an important role in the development of advanced communication technologies and is positioned as one of the most successful within Ericsson global organization. During Q3, 2025, many projects in 5G RAN and Core network are being developed as planned, with a high level of quality and efficiency of delivery. It is particularly significant that ENT R&D has been selected as one of Ericsson's preferred suppliers for next three years in 5G/6G RAN software development. Accordingly, new hiring is planned. In line with technological trends, the Center continues its competence-building program in the field of artificial intelligence (AI) aimed at improving the quality and productivity of software development. This initiative additionally strengthens ENT R&D capacities for future challenges in the development of complex network solutions.

At the end of Q3, we marked the closing of the 24th edition of ENT Summer Camp, one of the significant programs for connecting the academia and the ICT industry. This year's Summer Camp gathered more than 40 students from Croatia and abroad. Over the course of 5 weeks, the students developed 15 innovative projects and were mentored by experienced experts from Ericsson Nikola Tesla. The participants worked on solutions based on state-of-the-art technologies, including Artificial Intelligence (AI), Augmented Reality (AR), Big Data, etc. ENT Summer Camp reaffirms our commitment to the development of young talents and sustainable cooperation with the academia, through which we directly contribute to raising the quality of education in ICT.

Ericsson Nikola Tesla won The Best in Compliance award in the category Best Third-Party Compliance Program, confirming the dedication to ethics, integrity and teamwork in line with the highest business standards. At the conference "IPO as an Opportunity for Long-Term Owners and Growth through the Capital Market", Ericsson Nikola Tesla was awarded for the best compliance with the Corporate Governance Code in 2024 among companies listed on the Regular Market of the Zagreb Stock Exchange. This recognition was awarded as part of the discussion on the importance of transparent and responsible management in the context of capital market. Both recognitions confirm our continuous commitment to transparent, ethical and responsible business performance.

In terms of financial indicators, in the first nine months of 2025, gross profit amounted to EUR 20.9 million, down by 6.1% year-over-year, primarily as a result of increased material and employee costs, and activities aimed at

digitalization and optimization of business operations. Gross margin was 12.6% (first nine months of 2024: 13.3%). Operating profit amounted to EUR 16.0 million, down by 10.7%, with the operating margin amounting to 9.7% (first nine months of 2024: 10.7%). Despite the lower operating profit, net profit increased by 13.7%, and amounted to EUR 13.5 million, as a result of lower income tax. Financial stability is confirmed by a solid balance sheet, with an equity ratio of 42.3%. Cash and cash equivalents, including the short-term financial assets, amounted to EUR 53.5 million, which accounts for 33.7% of the total assets. A positive cash flow from operating activities was generated in the amount of EUR 13.7 million, as a result of intensified activities related to collection of receivables from customers and ensuring current liquidity.

We have been working intensely to secure stable business performance by implementing the strategy focused on strengthening the leading position in mobile networks, growth in the Digital Society segment, excellence in Services and Research& Development (R&D). Our strategy is based on technological leadership, innovation, and the expertise of our professionals, as well as years of experience in implementing the most advanced technological solutions. In line with the global trends, we continue to invest in digital transformation, including the application of artificial intelligence and automation of business processes, cyber security, development of new products and services, and competencies of our employees. The focus is on further business diversification, cost efficiency and acquiring new markets and customers. Ericsson Nikola Tesla remains a reliable partner in digitalization of society and economy, with a clear vision of technological development and responsible business. I believe that the obligations contracted so far, as well as the intensive activities we have undertaken regarding the realization of new business opportunities, will contribute to quality business performance in the upcoming period.

As this is my last address after almost 21 years at the helm of the company, I would like to thank all the customers and partners for their long-standing trust and cooperation, and my colleagues for their dedication and support in shaping the company into the company that we have today. For me, it has been an honor and privilege to work in Ericsson Nikola Tesla. I am proud of all the achievements accomplished by our team, of our technology leadership, innovativeness, the numerous projects we have successfully delivered together with our customers and partners, and the transformations we have carried out to ensure the company's long-term, sustainable future. As of November 1, 2025, Mr. Siniša Krajnović will be the President of Ericsson Nikola Tesla's Management Board. Mr. Krajnović is a leader with extensive professional experience in leadership and technology, who started his career in ENT, and spent most of his professional journey in Ericsson, holding various senior management positions. I am pleased that the company will be led by a person with such extensive professional experience, expertise and knowledge. I wish Siniša, members of the Management Board and Leadership Team, and all colleagues a continuous success in their future activities."

Financial highlights for the Group:

- Sales revenue amounted to EUR 165.6 million (first nine months of 2024: EUR 168.1 million), down by 1.5% year-over-year.

- Sales according to business segments: Telecom amounted to EUR 46.1 million (first nine months of 2024: EUR 47.3 million), Digital Society amounted to EUR 14.7 million (first nine months of 2024: EUR 16.4 million), R&D and Services amounted to EUR 104.8 million (first nine months of 2024: EUR 104.4 million).
- Gross profit amounted to EUR 20.9 million (first nine months of 2024: EUR 22.3 million), down by 6.1% year-over-year as a result of increased material and employee costs, and activities aimed at digitalization and optimization of business operations. Gross margin decreased to 12.6% (first nine months of 2024: 13.3%).
- Selling and administrative expenses increased by 5.4% year-over-year and amounted to EUR 9.3 million (first nine months of 2024: EUR 8.8 million), primarily because of higher investments in the development of new business opportunities. The share of selling and administrative expenses in the total sales revenue was 5.6% (first nine months of 2024: EUR 5.2%).
- Operating profit amounted to EUR 16.0 million (first nine months of 2024: EUR 17.9 million), down by 10.7% year-over-year, as a result of lower gross profit and increased selling and administrative expenses. Operating margin was 9.7% (first nine months of 2024: 10.7%).
- Profit from financial activities amounted to EUR 0.5 million (first nine months of 2024: EUR 0.8 million), as a result of decline in interest income due to the decrease in market interest rates.
- Profit before tax decreased by 12.1% year-over-year and amounted to EUR 16.5 million (first nine months of 2024: EUR 18.8 million).
- Net profit amounted to EUR 13.5 million (first nine months of 2024: EUR 11.9 million), up by 13.7% year-over-year, as a result of lower income tax. Return on sales (ROS) was 8.2% (first nine months of 2024: EUR 7.1%).
- Working capital efficiency, expressed in Working Capital Days (WCD), was 43 days (first nine months of 2024: 35 days). WCD continues to be affected by the demanding projects in terms of work and capital engagement, along with the previously extended dynamics of collection of receivables on all markets.
- Cash flow from operating activities amounted to EUR 13.7 million (first nine months of 2024: EUR 1.2 million), due to increased activities related to collection of receivables from customers and ensuring current liquidity.
- Cash and cash equivalents, including the short-term financial assets, as at September 30, 2025, amounted to EUR 53.5 million (33.7% of the total assets), and at the end of 2024 they amounted to EUR 63.1 million (35.1% of the total assets).
- The Group has a solid balance sheet with the total assets of EUR 158.6 million as at September 30, 2025, down by 11.7% compared to the end of 2024, primarily because of lower short-term receivables as well as cash and cash equivalents, while the inventory has been increasing. At the end of Q3 2025, equity ratio was 42.3% (end of 2024: 37.9%).
- With related parties, the transactions were as follows: sales of products and services amounted to EUR 103.2 million (first nine months of 2024: EUR 102.5 million), while the procurement of products and services amounted to EUR 23.3 million (first nine months of 2024: EUR 29.1 million).
- As at September 30, 2025, balances outstanding with related parties were as follows: receivables amounted to EUR 36.1 million (end of 2024: EUR 39.5 million), and payables amounted to EUR 6.0 million (end of 2024: EUR 16.4 million).

Business situation in major markets

In the domestic markets sales revenue amounted to EUR 42.8 million (first nine months of 2024: EUR 38.5 million), up by 11.2% year-over-year.

With Hrvatski Telekom (HT) deliveries continued based on the exclusive multi-year contracts related to radio and core part of the network and microwave technology. Our strategic partnership in the radio part of mobile network has certainly contributed to the fact that once again Hrvatski Telekom's mobile network was recognized as the best in Croatia. This was confirmed by the results of an independent quality assessment of mobile networks organized by the Croatian Regulatory Authority for Network Industries (HAKOM).

At the beginning of Q3, the focus was on the delivery of equipment, integration and optimization of complex configurations for the concerts held in Zagreb and Sinj where, for the first time in Croatia, an advanced Ericsson Live RAN Insights solution was implemented - a system for almost simultaneous monitoring of performance of 4G/5G RAN network.

The planned activities are ongoing on the implementation of Ericsson dual-mode 5G Core network and 5G Standalone Architecture (5G SA). We would like to highlight Rijeka Gateway 5G Campus Network project, where Hrvatski Telekom provided 5G network for the new container terminal, and which was recognized as one of the most innovative digital connectivity projects in Europe. At the European Digital Connectivity Awards 2025 ceremony in Brussels, this project was one of top three finalists in the category "Excellence and Innovation in Implementing Gigabit-Ready Infrastructure".

With our partner A1 Hrvatska, in line with the multi-year contracts, we have been working on the modernization of radio network, as well as on the extension of coverage and capacity of the 5G radio network, and on the modernization and build of the convergent core network and microwave transmission systems.

In line with our strategic direction towards public administration digitalization, Ericsson Nikola Tesla has signed several significant contracts with key institutions. A two-year framework agreement was signed with the State Geodetic Administration and the Ministry of Justice, Public Administration and Digital Transformation on the maintenance of the Joint Information System of Land Registry and Cadaster (JIS). With the aforementioned Ministry, a framework agreement was signed for the maintenance of the Human Resources Management (HRM) system and the introduction of the aforementioned system in 16 state administration bodies.

With the Ministry of Labor, Pension System, Family and Social Policy, a framework agreement was signed for the maintenance service of the system for e-delivery and e-database of collective agreements (eKolektivni).

Cooperation with Hrvatske ceste (Croatian Roads Ltd.) continued by signing a new contract related to the maintenance of the National Access Point integrated system and route guidance system, while within the project "Establishment of a waiting time measurement system at border crossings – the whole of Croatia", ENT is responsible for delivering an integrated software analytical solution.

In the area of healthcare, contract was signed with the Gospić General Hospital for maintenance of the hospital information system.

Ericsson Nikola Tesla Servisi contracted with the State Geodetic Administration a cadastral survey and preparation of survey report for 3 cadastral municipalities.

In export markets (excluding services to Ericsson) sales revenue amounted to EUR 18.0 million (first nine months of 2024: EUR 25.2 million), down by 28.6% year-over-year, due to lower sales revenue in Kosovo, because at the end of 2024, we completed a large project of modernization of the overall radio access network of Telekom Kosova, six months before the agreed deadline.

In Bosnia and Herzegovina, with the operator HT Mostar, we have contracted new extension of the LTE radio access network and the modernization of the existing Ericsson Network Manager system and the Ericsson Network IQ platform for the management, monitoring and reporting on the performance of Ericsson network elements in the network of HT Mostar.

In Kosovo, with the operator IPKO, we continue to cooperate on the modernization and expansion of capacity of 4G/5G mobile networks, as well as on services projects of modernization of IPKO' core network. With Telekom Kosova, we signed a new contract which encompasses the expansion of radio and transmission network, and continuation of maintenance and modernization of core and radio network until the end of 2026.

With the operator Crnogorski Telekom we continued the activities on the modernization of mobile network, and delivery of equipment and services based on multi-year exclusive contracts which encompass radio and core part of the network. Special focus is on implementation of Ericsson dual-mode 5G Core network, thus ensuring high level of technology readiness for the introduction of the most advanced 5G services.

In Cyprus, the activities are ongoing on the modernization of the land administration information system of the Department of Lands and Surveys of the Republic of Cyprus.

In Ericsson market sales revenue remained at the same level year-over-year, amounting to EUR 104.8 million (first nine months of 2024: EUR 104.4 million).

Ericsson Nikola Tesla Research & Development Center (ENT R&D) has been selected as one of Ericsson preferred suppliers for the next three years in areas of 5G/6G RAN software development. During Q3, many projects regarding 5G RAN and core network are ongoing as planned. The overall evaluation of the R&D Center's performance by Ericsson has remained very high, which makes us a reliable choice for fast and efficient delivery of high-quality products and services. We have received excellent feedback in all areas, emphasis on great collaboration, willingness to walk an extra mile when it comes to quality, efficiency, commitment to deliveries. Furthermore, our R&D continued competence build up program to increase competence and productivity of end-to-end software development.

Experts from the Customer Services and Solutions Center, in addition to customers of Ericsson Nikola Tesla Group, were engaged on many projects for Ericsson customers through activities of creating solutions and defining network parameters, and optimization and integration of networks for mobile operators in many EU Member States, as well as 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.

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

Extraordinary General Meeting of Ericsson Nikola Tesla, joint-stock-company, will be held on November 14, 2025, at the registered office of the Company in Zagreb, Krapinska 45. The agenda and the materials which serve as the basis to reach the decisions are published on the Company's web site: [Notice of the Extraordinary General Meeting of Ericsson Nikola Tesla d.d.](#)

For additional information, please contact:

Antonija Lončar

Director Marketing, Communication and CSR

Ericsson Nikola Tesla d.d.

Krapinska 45

HR-10 002 Zagreb

Tel.: +385 1 365 4473

Mob.: +385 91 365 4473

E-mail: antonija.loncar@ericssonnikolatesla.com

Orhideja Gjenero

Investor Relations Manager

Ericsson Nikola Tesla d.d.

Krapinska 45

HR-10 002 Zagreb

Tel.: +385 1 365 4431

Mob.: +385 91 365 4431

E-mail: orhideja.gjenero@ericssonnikolatesla.com

E-mail: odnosi.investitori@ericssonnikolatesla.com

For more information about Ericsson Nikola Tesla's business, please visit: 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, 2025 to September 30, 2025 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.

Gordana Kovačević, MSc, President of the Management Board

Hrvoje Benčić, member of the Management Board

Damir Bušić, member of the Management Board

Milan Živković, MSc, member of the Management Board

Ericsson Nikola Tesla d.d.
Consolidated statement of comprehensive income
for the period ended 30 September 2025

	2025 EUR '000	2024 EUR '000
Sales revenue	165.593	168.063
Cost of sales	-144.669	-145.776
Gross profit	20.924	22.287
Selling expenses	-4.382	-3.921
Administrative expenses	-4.895	-4.879
Other operating income	4.359	4.472
Impairment (loss)/gain on financial assets	20	-12
Operating profit	16.026	17.947
Finance income	865	1.496
Finance expense	-374	-655
Finance income/(expense), net	491	841
Profit before tax	16.517	18.788
Income tax	-2.997	-6.901
Profit for the year	13.520	11.887
Other comprehensive income	-	-
Total comprehensive income for the year	13.520	11.887
Earnings per share (EUR)	11	9

Ericsson Nikola Tesla d.d.
Consolidated statement of financial position
as at 30 September 2025

	2025 EUR '000	2024 EUR '000
ASSETS		
Non-current assets		
Property, plant and equipment	13.727	14.896
Right of use assets	13.305	14.258
Intangible assets	1.906	1.150
Loans and receivables	268	1.267
Deferred tax assets	2.658	2.658
Total non-current assets	31.864	34.229
Current assets		
Inventories	14.214	9.567
Trade receivables	16.787	24.960
Receivables from related parties	36.050	39.458
Other receivables	2.752	4.662
Income tax receivable	1.167	1.133
Prepayments	2.267	2.549
Financial assets at fair value through profit or loss	4.704	4.393
Cash and cash equivalents	48.807	58.733
Total current assets	126.748	145.455
TOTAL ASSETS	158.612	179.684
EQUITY AND LIABILITIES		
Equity		
Share capital	17.674	17.674
Treasury shares	-1.691	-1.140
Legal and other reserves	2.780	2.020
Reserve for treasury shares	6.874	7.413
Retained earnings	41.484	42.045
Total equity	67.121	68.012
Non-current liabilities		
Borrowings	15	15
Lease liabilities	11.779	12.601
Other non-current liabilities	9	1
Employee benefits	1.196	1.047
Total non-current liabilities	12.999	13.664
Current liabilities		
Payables to related parties	5.967	16.428
Borrowings	1.265	-
Trade and other payables	28.745	39.656
Income tax payable	285	2.124
Provisions	2.358	1.227
Accrued charges and deferred revenue	16.148	15.662
Contract liabilities	21.459	20.789
Lease liabilities	2.265	2.122
Total current liabilities	78.492	98.008
Total liabilities	91.491	111.672
TOTAL EQUITY AND LIABILITIES	158.612	179.684

Ericsson Nikola Tesla d.d.
Consolidated statement of cash flows
for the period ended 30 September 2025

	2025 EUR '000	2024 EUR '000
Cash flows from operating activities		
<i>Profit before tax</i>	16.517	18.788
Adjustments for:		
Depreciation and amortisation	3.913	4.061
Impairment losses and reversals	20	36
(Gain)/loss on sale of property, plant and equipment	-146	-42
Net loss/(gain) on remeasurement of financial assets	-56	-109
Interest income	-801	-1.384
Dividend income	-8	-1
Interest expense	348	651
Foreign exchange (gain)/loss, net	120	-42
Share-based payments	654	252
<i>Changes in working capital</i>		
In receivables	15.378	17.425
In inventories	-4.647	-7.888
In provisions	1.279	-419
In payables	-13.813	-23.495
<i>Cash generated from operations</i>	18.758	7.833
Interest paid	-348	-657
Income taxes paid	-4.698	-5.989
Net cash from operating activities	13.712	1.187
Cash flows from investing activities		
Interest received	761	1.339
Dividends received	8	1
Proceeds from sale of property, plant and equipment	133	19
Purchases of property, plant and equipment, and intangible assets	-3.409	-2.093
Deposits given to financial institutions, net	690	-
Net change of financial assets at fair value through profit and loss	-256	-
Net cash from/(used in) investing activities	-2.073	-734
Cash flows from financing activities		
Repayment of borrowings	-4.617	-935
Purchase of treasury shares	-1.090	-258
Dividends paid	-14.125	-19.888
Payment of lease liabilities	-1.727	-1.557
Net cash used in financing activities	-21.559	-22.638
Effects of exchange rate changes on cash and cash equivalents	-6	-8
Net increase/(decrease) in cash and cash equivalents	-9.926	-22.193
Cash and cash equivalents at the beginning of the year	58.733	72.655
Cash and cash equivalents at the end of the year	48.807	50.462

Ericsson Nikola Tesla d.d.
Consolidated statement of changes in equity
for the period ended 30 September 2025

	Share capital	Treasury shares	Legal and other reserves	Reserve for treasury shares	Translation reserve	Retained earnings	Total
	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000	EUR '000
As at 1 January 2024	17.674	-1.256	1.230	4.157	-	50.660	72.465
Changes in equity for 2024							
Total comprehensive income	-	-	-	-	-	15.597	15.597
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	-	42.045	68.012
As at 1 January 2025	17.674	-1.140	2.020	7.413	-	42.045	68.012
Changes in equity for 2025							
Total comprehensive income	-	-	-	-	-	13.520	13.520
Dividend distribution for 2024	-	-	-	-	-	-13.976	-13.976
Purchase of treasury shares	-	-1.090	-	-	-	-	-1.090
Shares granted	-	539	-	-539	-	-	-
Transfer	-	-	760	-	-	-760	-
Share-based payments	-	-	-	-	-	655	655
Total contributions by and distributions to owners of the parent recognized directly in equity	-	-551	760	-539	-	-14.081	-14.411
As at 30 September 2025	17.674	-1.691	2.780	6.874	-	41.484	67.121

Annex 1

ISSUER'S GENERAL DATA

Reporting period:

1.1.2025

to

30.9.2025

Year:

2025

Quarter:

3.

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

2923

Consolidated report:

KD

(KN-not consolidated/KD-consolidated)

Audited:

RN

(RN-not audited/RD-audited)

Names of subsidiaries (according to IFRS):

Registered office:

MB:

Libratel d.o.o.

Zagreb, Selska 93

1449613

ETK BH d.o.o.

Mostar, Kralja Petra Krešimira 4

65-01-0996-11

Ericsson Nikola Tesla Servisi d.o.o.

Zagreb, Krapinska 45

80921748

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 30.9.2025

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	001	0	0	
B) FIXED ASSETS (ADP 003+010+020+031+036)	002	34 226 715	31 863 907	
INTANGIBLE ASSETS (ADP 004 to 009)	003	1 149 069	1 946 910	
1 Research and development	004	0	0	
2 Concessions, patents, licences, trademarks, software and other rights	005	334 388	240 548	
3 Goodwill	006	0	0	
4 Advances for the purchase of intangible assets	007	0	0	
5 Intangible assets in preparation	008	815 281	1 665 469	
6 Other intangible assets	009	0	0	
ITANGIBLE ASSETS (ADP 011 to 019)	010	25 154 035	27 032 321	
1 Land	011	2 071 185	2 071 185	
2 Buildings	012	18 407 274	16 956 666	
3 Plant and equipment	013	4 676 695	4 826 455	
4 Tools, working inventory and transportation assets	014	2 985 574	2 862 622	
5 Biological assets	015	0	0	
6 Advances for the purchase of tangible assets	016	0	0	
7 Tangible assets in preparation	017	1 398 862	905 221	
8 Other tangible assets	018	10 475	10 178	
9 Investment property	019	0	0	
II) FIXED FINANCIAL ASSETS (ADP 021 to 030)	020	892 346	120 826	
1 Investments in holdings (shares) of undertakings within the group	021	0	0	
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	852 346	120 826	
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)	031	419 189	147 231	
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	311 925	47 952	
4 Other receivables	035	103 264	99 278	
V) DEFERRED TAX ASSETS	036	2 657 505	2 657 505	
C) CURRENT ASSETS (ADP 038+040+053+063)	037	142 906 736	124 460 871	
INVENTORIES (ADP 038 to 045)	038	599 943	14 214 314	
1 Raw materials and consumables	039	4 620 205	4 307 263	
2 Work in progress	040	4 946 498	9 907 051	
3 Finished goods	041	0	0	
4 Merchandise	042	0	0	
5 Advances for inventories	043	239	0	
6 Fixed assets held for sale	044	0	0	
7 Biological assets	045	0	0	
II) RECEIVABLES (ADP 047 to 055)	046	89 623 734	58 023 131	
1 Receivables from undertakings within the group	047	0	0	
2 Receivables from companies linked by virtue of participating interests	048	39 457 767	36 049 977	
3 Customer receivables	049	24 959 828	16 786 517	
4 Receivables from employees and members of the undertaking	050	0	0	
5 Receivables from government and other institutions	051	1 358 692	1 615 646	
6 Other receivables	052	3 747 447	1 510 992	
III) CURRENT FINANCIAL ASSETS (ADP 054 to 062)	053	9 983 231	6 836 853	
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	4 393 065	4 704 343	
8 Loans, deposits, etc. given	061	690 159	732 116	
9 Other financial assets	062	0	0	
IV) CASH AT BANK AND IN HAND	063	58 732 887	48 806 965	
D) PREPAID EXPENSES AND ACCRUED INCOME	064	2 548 905	2 267 231	
E) TOTAL ASSETS (ADP 001+002+037+064)	065	175 684 406	156 812 026	
OFF-BALANCE SHEET ITEMS	066	0	0	
LIABILITIES				
A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+083+089+089)	067	69 012 242	67 120 505	
1 INITIAL (SUBSCRIBED) CAPITAL	068	17 674 030	17 674 030	
2 CAPITAL RESERVES	069	0	0	
3 RESERVES FROM PROFIT (ADP 071+072+073+074+075)	070	8 292 952	7 963 083	
1 Legal reserves	071	2 016 636	2 776 656	
2 Reserves for treasury shares	072	7 413 414	6 874 097	
3 Treasury shares and holdings (deductible item)	073	-1 140 398	-1 690 872	
4 Statutory reserves	074	0	0	
5 Other reserves	075	0	0	
IV) REVALUATION RESERVES	076	0	0	
V) FAIR VALUE RESERVES AND OTHER (ADP 078 to 082)	077	0	0	
1 Financial assets at fair value through other comprehensive income (i.e. available for sale)	078	0	0	
2 Cash flow hedge - effective portion	079	0	0	
3 Hedge of a net investment in a foreign operation - effective portion	080	0	0	
4 Other fair value reserves	081	0	0	
5 Exchange differences arising from the translation of foreign operations (consolidation)	082	0	0	
VI) RETAINED PROFIT OR LOSS BROUGHT FORWARD (ADP 084-086)	083	26 447 800	27 963 396	
1 Retained profit	084	26 447 800	27 963 396	
2 Loss brought forward	085	0	0	
VII) PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088)	086	15 297 492	13 519 999	
1 Profit for the business year	087	15 297 492	13 519 999	
2 Loss for the business year	088	0	0	
VIII) MINORITY (NON-CONTROLLING) INTEREST	089	0	0	
B) PROVISIONS (ADP 091 to 096)	090	1 047 240	1 195 556	
1 Provisions for pensions, termination benefits and similar obligations	091	1 047 240	1 195 556	
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)	097	12 816 479	11 803 730	
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	12 815 692	11 794 460	
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	787	9 266	
11 Deferred tax liability	108	0	0	
D) SHORT-TERM LIABILITIES (ADP 110 to 123)	109	79 853 063	50 376 634	
1 Liabilities to undertakings within the group	110	0	0	
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	16 428 258	5 966 501	
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	2 122 491	3 530 006	
7 Liabilities for advance payments	116	9 255 485	9 494 193	
8 Liabilities to suppliers	117	14 980 190	11 223 984	
9 Liabilities for securities	118	0	0	
10 Liabilities to employees	119	18 136 187	12 806 691	
11 Taxes, contributions and similar liabilities	120	8 663 597	5 000 704	
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	1 226 874	2 357 552	
E) ACCRUALS AND DEFERRED INCOME	124	27 155 364	28 113 581	
F) TOTAL - LIABILITIES (ADP 067+090+097+109+124)	125	179 684 406	156 812 026	
G) OFF-BALANCE SHEET ITEMS	126	0	0	

STATEMENT OF PROFIT OR LOSS
for the period 1.1.2025 to 30.9.2025

in EUR

Submitter: ERICSSON NIKOLA TESLA D.D.

Item	ADP code	Same period of the previous year		Current period	
		Cumulative	Quarter	Cumulative	Quarter
1	2	3	4	5	6
I OPERATING INCOME (ADP 002 to 006)	001	172.534.994	80.811.532	188.972.697	55.723.608
1 Income from sales with undertakings within the group	002	0	0	0	0
2 Income from sales (outside group)	003	168.063.032	69.194.915	165.593.307	54.830.149
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	0	0	0	0
5 Other operating income (outside the group)	006	4.471.962	1.616.617	4.379.390	893.457
II OPERATING EXPENSES (ADP 008+009+013+017+018+019+022+029)	007	154.587.882	55.978.821	153.947.009	51.083.958
1 Changes in inventories of work in progress and finished goods	008	-6.661.101	-215.792	-4.878.208	72.709
2 Material costs (ADP 010 to 012)	009	59.175.333	22.851.297	50.363.218	14.820.342
a) Costs of raw materials and consumables	010	41.584.201	14.782.684	34.025.126	9.780.635
b) Costs of goods sold	011	0	0	0	0
c) Other external costs	012	17.591.632	7.668.613	16.338.092	5.039.907
3 Staff costs (ADP 014 to 016)	013	91.135.308	29.950.169	94.853.248	31.429.908
a) Net salaries and wages	014	55.871.585	18.150.556	58.624.012	19.231.130
b) Tax and contributions from salary costs	015	24.785.695	8.233.204	25.263.051	8.453.466
c) Contributions on salaries	016	10.478.028	3.566.409	10.966.185	3.745.312
4 Depreciation	017	4.061.216	1.324.241	3.912.856	1.313.396
5 Other costs	018	6.690.721	2.287.968	8.049.975	2.880.374
6 Value adjustments (ADP 020+021)	019	-74.511	0	0	0
a) fixed assets other than financial assets	020	0	0	0	0
b) current assets other than financial assets	021	-74.511	0	0	0
7 Provisions (ADP 023 to 028)	022	248.741	169.263	1.645.920	567.029
a) Provisions for pensions, termination benefits and similar obligations	023	310.940	179.777	1.377.481	685.672
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	48.159	24.405	17.584	6.809
f) Other provisions	028	-110.358	-34.919	250.855	-125.452
8 Other operating expenses	029	11.675	11.675	0	0
III FINANCIAL INCOME (ADP 031 to 040)	030	1.496.503	410.135	864.976	227.245
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	0	0	0	0
5 Exchange rate differences and other financial income from operations with undertakings within the group	035	0	0	0	0
6 Income from other long-term financial investments and loans	036	0	0	0	0
7 Other interest income	037	1.384.290	372.703	0	0
8 Exchange rate differences and other financial income	038	0	-9.454	801.338	205.340
9 Unrealised gains (income) from financial assets	039	0	0	0	0
10 Other financial income	040	112.213	46.886	63.638	21.905
IV FINANCIAL EXPENSES (ADP 042 to 048)	041	655.381	109.138	373.611	108.629
1 Interest expenses and similar expenses with undertakings within the group	042	0	0	0	0
2 Exchange rate differences and other expenses from operations with undertakings within the group	043	0	0	0	0
3 Interest expenses and similar expenses	044	651.130	104.887	348.090	105.244
4 Exchange rate differences and other expenses	045	4.251	4.251	25.521	3.385
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 INTEREST	051	0	0	0	0
VIII SHARE IN LOSS OF JOINT VENTURES	052	0	0	0	0
IX TOTAL INCOME (ADP 001+030+049+050)	053	174.031.497	61.221.687	170.897.673	55.950.851
X TOTAL EXPENDITURE (ADP 007+008+009+051+052)	054	155.242.283	56.087.869	154.320.620	51.192.897
XI PRE-TAX PROFIT OR LOSS (ADP 053-054)	055	18.788.234	5.133.708	16.517.053	4.758.264
1 Pre-tax profit (ADP 053-054)	056	18.788.234	5.133.708	16.517.053	4.758.264
2 Pre-tax loss (ADP 054-053)	057	0	0	0	0
XII INCOME TAX	058	6.900.891	947.624	2.997.057	846.097
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)	059	11.887.343	4.186.084	13.519.996	3.912.167
1 Profit for the period (ADP 055-059)	060	11.887.343	4.186.084	13.519.996	3.912.167
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 063-064)	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	11.887.343	4.186.084	13.519.996	3.912.167
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 080+ 87)	079	0	0	0	0
III Items that will not be reclassified to 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 088+087-086 - 096)	097	0	0	0	0
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 078+097)	098	11.887.343	4.186.084	13.519.996	3.912.167
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	11.887.343	4.186.084	13.519.996	3.912.167
1 Attributable to owners of the parent	100	11.887.343	4.186.084	13.519.996	3.912.167
2 Attributable to minority (non-controlling) interest	101	0	0	0	0

STATEMENT OF CASH FLOWS - indirect method
for the period 1.1.2025 to 30.9.2025

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	18.788.234	16.517.053
2 Adjustments (ADP 003 to 010):	002	3.421.520	4.044.257
a) Depreciation	003	4.061.216	3.912.856
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	-42.363	-146.382
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	005	-108.560	-55.631
d) Interest and dividend income	006	-1.385.164	-809.345
e) Interest expenses	007	651.130	348.090
f) Provisions	008	0	0
g) Exchange rate differences (unrealised)	009	-43.018	120.212
h) Other adjustments for non-cash transactions and unrealised gains and losses	010	288.279	674.457
I Cash flow increase or decrease before changes in working capital (ADP 001+002)	011	22.209.754	20.561.310
3 Changes in the working capital (ADP 013 to 016)	012	-14.377.116	-1.803.407
a) Increase or decrease in short-term liabilities	013	17.425.165	-13.813.056
b) Increase or decrease in short-term receivables	014	-7.887.779	15.378.026
c) Increase or decrease in inventories	015	-419.058	-4.647.371
d) Other increase or decrease in working capital	016	-23.495.444	1.278.994
II Cash from operations (ADP 011+012)	017	7.832.638	18.757.903
4 Interest paid	018	-657.113	-348.036
5 Income tax paid	019	-5.988.773	-4.698.125
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)	020	1.186.752	13.711.742
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	021	19.428	132.874
2 Cash receipts from sales of financial instruments	022	0	0
3 Interest received	023	1.339.213	761.168
4 Dividends received	024	874	8.007
5 Cash receipts from repayment of loans and deposits	025	0	690.159
6 Other cash receipts from investment activities	026	0	0
III Total cash receipts from investment activities (ADP 021 to 026)	027	1.359.515	1.592.208
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-2.093.483	-3.409.769
2 Cash payments for the acquisition of financial instruments	029	0	-255.646
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	-2.093.483	-3.665.415
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)	034	-733.968	-2.073.207
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	-935.571	-4.616.528
2 Cash payments for dividends	041	-19.887.975	-14.125.126
3 Cash payments for finance lease	042	-1.556.536	-1.727.127
4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capital	043	-257.764	-1.089.791
5 Other cash payments from financing activities	044	0	0
VI Total cash payments from financing activities (ADP 040 to 044)	045	-22.637.846	-21.558.572
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)	046	-22.637.846	-21.558.572
1 Unrealised exchange rate differences in respect of cash and cash equivalents	047	-7.939	-5.885
D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047)	048	-22.193.001	-9.925.922
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	049	72.654.979	58.732.887
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)	050	50.461.978	48.806.965

STATEMENT OF CASH FLOWS - direct method
for the period 1.1.2025 to 30.9.2025

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 Cash receipts from customers	001	0	0
2 Cash receipts from royalties, fees, commissions and other revenue	002	0	0
3 Cash receipts from insurance premiums	003	0	0
4 Cash receipts from tax refund	004	0	0
5 Other cash receipts from operating activities	005	0	0
I Total cash receipts from operating activities (ADP 001 to 005)	006	0	0
1 Cash payments to suppliers	007	0	0
2 Cash payments to employees	008	0	0
3 Cash payments for insurance premiums	009	0	0
4 Interest paid	010	0	0
5 Income tax paid	011	0	0
6 Other cash payments from operating activities	012	0	0
II Total cash payments from operating activities (ADP 007 to 012)	013	0	0
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 006 + 013)	014	0	0
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	015	0	0
2 Cash receipts from sales of financial instruments	016	0	0
3 Interest received	017	0	0
4 Dividends received	018	0	0
5 Cash receipts from the repayment of loans and deposits	019	0	0
6 Other cash receipts from investment activities	020	0	0
III Total cash receipts from investment activities (ADP 015 to 020)	021	0	0
1 Cash payments for the purchase of fixed tangible and intangible assets	022	0	0
2 Cash payments for the acquisition of financial instruments	023	0	0
3 Cash payments for loans and deposits	024	0	0
4 Acquisition of a subsidiary, net of cash acquired	025	0	0
5 Other cash payments from investment activities	026	0	0
IV Total cash payments from investment activities (ADP 022 to 026)	027	0	0
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 021 + 027)	028	0	0
Cash flow from financing activities			
1 Cash receipts from the increase in initial (subscribed) capital	029	0	0
2 Cash receipts the from issue of equity financial instruments and debt financial instruments	030	0	0
3 Cash receipts from credit principals, loans and other borrowings	031	0	0
4 Other cash receipts from financing activities	032	0	0
V Total cash receipts from financing activities (ADP 029 to 032)	033	0	0
1 Cash payments for the repayment of credit principals, loans and other borrowings and debt financial instruments	034	0	0
2 Cash payments for dividends	035	0	0
3 Cash payments for finance lease	036	0	0
4 Cash payments for the redemption of treasury shares and decrease in initial (subscribed) capital	037	0	0
5 Other cash payments from financing activities	038	0	0
VI Total cash payments from financing activities (ADP 034 to 038)	039	0	0
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 033 +039)	040	0	0
1 Unrealised exchange rate differences in respect of cash and cash equivalents	041	0	0
D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 014 + 028 + 040 + 041)	042	0	0
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	043	0	0
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (042+043)	044	0	0

STATEMENT OF CHANGES IN EQUITY
for the period from **1.1.2025** to **30.9.2025**

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	Total attributable to owners of the parent				
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18 (3 to 6 + 7 + 8 to 17)	19	20 (18+19)		
Previous period																					
1 Balance on the first day of the previous business year	01	17.674.030	0	1.230.445	4.156.663	1.255.883	0	0	0	0	0	0	0	0	50.659.562	0	72.464.817	0	72.464.817		
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	17.674.030	0	1.230.445	4.156.663	1.255.883	0	0	0	0	0	0	0	0	50.659.562	0	72.464.817	0	72.464.817		
5 Profit/loss of the period	05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	15.597.460	15.597.460	0	15.597.460		
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	4.000.000	627.764	0	0	0	0	0	0	0	0	-4.000.000	0	-627.764	0	-627.764		
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	-19.879.530	0	-19.879.530	0	-19.879.530		
21 Other distributions and payments to members/shareholders	21	0	0	0	-743.249	-743.249	0	0	0	0	0	0	0	0	457.259	0	457.259	0	457.259		
22 Transfer to reserves according to the annual schedule	22	0	0	789.491	0	0	0	0	0	0	0	0	0	0	-789.491	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	2.019.936	7.413.414	1.140.398	0	0	0	0	0	0	0	0	26.447.800	15.597.460	68.012.242	0	68.012.242		
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	15.597.460	15.597.460	0	15.597.460		
III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 23)	27	0	0	789.491	3.256.751	-115.485	0	0	0	0	0	0	0	0	-24.211.782	0	-20.050.035	0	-20.050.035		
Current period																					
1 Balance on the first day of the current business year	28	17.674.030	0	2.019.936	7.413.414	1.140.398	0	0	0	0	0	0	0	0	42.045.260	0	68.012.242	0	68.012.242		
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	2.019.936	7.413.414	1.140.398	0	0	0	0	0	0	0	0	42.045.260	0	68.012.242	0	68.012.242		
5 Profit/loss of the period	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	13.519.996	13.519.996	0	13.519.996		
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	1.089.791	0	0	0	0	0	0	0	0	0	0	-1.089.791	0	-1.089.791		
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	-13.976.272	0	-13.976.272	0	-13.976.272		
21 Other distributions and payments to members/shareholders	48	0	0	0	-539.317	-539.317	0	0	0	0	0	0	0	0	654.330	0	654.330	0	654.330		
22 Carryforward per annual plan	49	0	0	759.922	0	0	0	0	0	0	0	0	0	0	-759.922	0	0	0	0		
23 Increase in reserves arising from the pre-bankruptcy settlement procedure	50	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0		
24 Balance on the last day of the current business year reporting period (ADP 31 to 50)	51	17.674.030	0	2.779.858	6.874.097	1.690.872	0	0	0	0	0	0	0	0	27.963.396	13.519.996	67.120.505	0	67.120.505		
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 to 52)	53	0	0	0	0	0	0	0	0	0	0	0	0	0	0	13.519.996	13.519.996	0	13.519.996		
III TRANSACTIONS WITH OWNERS IN THE CURRENT PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 42 to 50)	54	0	0	759.922	-539.317	550.474	0	0	0	0	0	0	0	0	-14.081.864	0	-14.411.733	0	-14.411.733		

NOTES TO FINANCIAL STATEMENTS - TF1

(drawn up for quarterly reporting periods)

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

Personal identification number (CIB): 84214771175

Reporting period: Q3 2025

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 (Items 15 to 15C 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 16A (a) IAS 34 - Interim financial reporting)
- d) a description of the financial performance in the case of the issuer whose business is seasonal (Items 37 and 38 IAS 34 - Interim financial reporting)
- e) other comments prescribed by IAS 34 - Interim financial reporting
- f) in the notes to quarterly periods financial statements, in addition to the information stated above, information in respect of the following matters shall be disclosed
1. undertaking's name, registered office (address), legal form, country of establishment, entity's registration number and, if applicable, the indication whether the undertaking is undergoing liquidation, bankruptcy proceedings, shortened termination proceedings or extraordinary administration
2. adopted accounting policies (only an indication of whether there has been a change from the previous period)
3. the total amount of any financial commitments, guarantees or contingencies that are not included in the balance sheet, and an indication of the nature and form of any valuable security which has been provided; any commitments concerning pensions of the undertaking within the group or company linked by virtue of participating interest shall be disclosed separately
4. the amount and nature of individual items of income or expenditure which are of exceptional size or incidence
5. amounts owed by the undertaking and falling due after more than five years, as well as the total debts of the undertaking covered by valuable security furnished by the undertaking, specifying the type and form of security
6. average number of employees during the financial year
7. where, in accordance with the regulations, the undertaking capitalised on the cost of salaries in part or in full, information on the amount of the total cost of employees during the year broken down into the amount directly debiting the costs of the period and the amount capitalised on the value of the assets during the period, showing separately the total amount of net salaries and the amount of taxes, contributions from salaries and contributions on salaries
8. where a provision for deferred tax is recognised in the balance sheet, the deferred tax balances at the end of the financial year, and the movement in those balances during the financial year
9. the name and registered office of each of the undertakings in which the undertaking, either itself or through a person acting in their own name but on the undertaking's behalf, holds a participating interest, showing the proportion of the capital held, the amount of capital and reserves, and the profit or loss for the latest financial year of the undertaking concerned for which financial statements have been adopted; the information concerning capital and reserves and the profit or loss may be omitted where the undertaking concerned does not publish its balance sheet and is not controlled by another undertaking
10. the number and the nominal value or, in the absence of a nominal value, the accounting par value of the shares subscribed during the financial year within the limits of the authorised capital
11. the existence of any participation certificates, convertible debentures, warrants, options or similar securities or rights, with an indication of their number and the rights they confer
12. the name, registered office and legal form of each of the undertakings of which the undertaking is a member having unlimited liability
13. the name and registered office of the undertaking which draws up the consolidated financial statements of the largest group of undertakings of which the undertaking forms part as a controlled group member
14. the name and registered office of the undertaking which draws up the consolidated financial statements of the smallest group of undertakings of which the undertaking forms part as a controlled group member and which is also included in the group of undertakings referred to in point 13
15. the place where copies of the consolidated financial statements referred to in points 13 and 14 may be obtained, provided that they are available
16. the nature and business purpose of the undertaking's arrangements that are not included in the balance sheet and the financial impact on the undertaking of those arrangements, provided that the risks or benefits arising from such arrangements are material and in so far as the disclosure of such risks or benefits is necessary for the purposes of assessing the financial position of the undertaking
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

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

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 reporting

	Networks		Digital Services		Managed Services		Other		Unallocated		Total	
	30.09.2025 EUR 000	30.09.2024 EUR 000	30.09.2025 EUR 000	30.09.2024 EUR 000	30.09.2025 EUR 000	30.09.2024 EUR 000	30.09.2025 EUR 000	30.09.2024 EUR 000	30.09.2025 EUR 000	30.09.2024 EUR 000	30.09.2025 EUR 000	30.09.2024 EUR 000
Segment sales revenue	114.031	106.103	50.037	59.551	1.134	2.013	391	396	0	0	165.593	168.063
Operating profit	15.058	16.347	6.480	7.244	-633	-768	17	24	-4.896	-4.880	16.026	17.947

From 2025, sales is additionally monitored by following segments:

	Digital society		R&D and services		Telecom		Total	
	30.09.2025 EUR 000	30.09.2024 EUR 000	30.09.2025 EUR 000	30.09.2024 EUR 000	30.09.2025 EUR 000	30.09.2024 EUR 000	30.09.2025 EUR 000	30.09.2024 EUR 000
Segment sales revenue	14.663	16.393	104.846	104.400	46.084	47.270	165.593	168.063
Operating profit	110	-1.266	10.761	16.667	5.155	4.536	16.026	19.947

Transactions with related parties:

	30.09.2025 EUR 000	30.09.2024 EUR 000
Sales	103.231	102.513
Purchases	23.279	29.124

Balances with related parties

	30.09.2025 EUR 000	31.12.2024 EUR 000
Receivable	36.050	39.458
Payable	5.967	16.428

f)

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 Group has no commitments concerning pensions that are in scope of IAS 19.
- 4.
5. In the reporting period there were no individual items of income or expenditure of exceptional size or incidence.
6. The Group has no debt falling due after more than five years.
7. At the balance sheet date, the Group does not have debts covered by valuable securities/insurance.
- 8.
9. The average number of employees during the reporting period is 2923 (Q3 2024: 2899). The Group does not categorise employees.
- 10.
11. No cost of salaries was capitalised in the reporting period.
- 12.
13. Provision for deferred tax is calculated annually, at balance sheet date 31 December. There were no movement in deferred tax balances during reporting period.
- 14.
15. The Group has no participating interest.
- 16.
17. There were no shares subscribed during the financial year within the limits of the authorised capital.
- 18.
19. The Group has no participation certificates, convertible debentures, warrants, options or similar securities or rights.
- 20.
21. The Group has no shares in companies having unlimited liability.
- 22.
23. The company Telefonaktiebolaget LM Ericsson (Sweden, Torshamnsgatan 21, SE-164 83 Stockholm) prepares the consolidated financial statements for the larger Group
- 24.
25. Those consolidated reports are available at www.ericsson.com/en/investors/financial-reports.
- 26.
27. 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.
- 28.
29. 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 TF1-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 TF1-POD form under AOP 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, Financial assets at fair value through profit or loss is indicated in TF1-POD form under AOP 051 Receivables from government and other institutions, 052 Other receivables, 060 Investments in securities, 061 Loans, deposits, etc. given.

Within the category Equity in Statement of financial position total amount of Retained earnings is indicated in TF1-POD form under AOP 083 Retained profits/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 TF1-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 TF1-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 TF1-POD form under AOP 123 Other short-term liabilities.

Additionally, within the category Current liabilities in Statement of Financial position total amount of Borrowings and Lease liabilities 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 TF1-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.