Enlightening
New
Technologies

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.

Statement of comprehensive income

for the period ended 30 September 2025

	2025 EUR '000	2024 EUR '000
Sales revenue	161.828	163.704
Cost of sales	-140.982	-141.379
Gross profit	**20.846**	**22.325**
Selling expenses	-4.371	-3.878
Administrative expenses	-4.612	-4.572
Other operating income	3.998	11.622
Impairment (loss)/gain on financial assets	34	-
Operating profit	**15.895**	**25.497**
Finance income	750	1.195
Finance expense	-366	-657
Finance income/(expense), net	384	538
Profit before tax	**16.279**	**26.035**
Income tax	-2.930	-6.855
Profit for the year	**13.349**	**19.180**
Other comprehensive income	-	-
Total comprehensive income for the year	**13.349**	**19.180**
Earnings per share (EUR)	**11**	**14**

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

	2025 EUR '000	2024 EUR '000
ASSETS		
Non-current assets		
Property, plant and equipment	13.523	14.769
Right of use assets	13.183	14.096
Intangible assets	1.903	1.146
Investments in subsidiaries	4	4
Loans and receivables	268	1.268
Deferred tax assets	2.556	2.556
Total non-current assets	**31.437**	**33.839**
Current assets		
Inventories	12.375	8.581
Trade receivables	16.130	23.606
Receivables from related parties	36.551	40.035
Other receivables	7.659	3.667
Income tax receivable	83	-
Financial assets at fair value through profit or loss	4.448	4.393
Prepayments	2.246	2.540
Cash and cash equivalents	40.398	49.316
Total current assets	**119.890**	**132.138**
TOTAL ASSETS	**151.327**	**165.977**
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	36.236	36.969
Total equity	**61.873**	**62.936**
Non-current liabilities		
Borrowings	15	15
Lease liabilities	11.724	12.545
Other non-curent liabilities	9	1
Employee benefits	1.191	1.044
Total non-current liabilities	**12.939**	**13.605**
Current liabilities		
Payables to related parties	11.636	15.969
Borrowings	1.265	-
Trade and other payables	28.282	38.924
Income tax payable	285	2.110
Provisions	2.066	1.189
Accrued charges and deferred revenue	15.735	14.755
Contract liabilities	15.055	14.475
Lease liabilities	2.191	2.014
Total current liabilities	**76.515**	**89.436**
Total liabilities	**89.454**	**103.041**
TOTAL EQUITY AND LIABILITIES	**151.327**	**165.977**

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

	2025	2024
	EUR '000	**EUR '000**
Cash flows from operating activities		
Profit before tax	*16.279*	*26.035*
Adjustments for:		
Depreciation and amortisation	3.781	3.856
Impairment losses and reversals	34	57
(Gain)/loss on sale of property, plant and equipment	-141	-41
Net loss/(gain) on remeasurement of financial assets	-55	-109
Interest income	-687	-1.083
Dividend income	-8	-7.001
Interest expense	343	654
Foreign exchange (gain)/loss, net	120	-43
Share-based payments	654	252
Changes in working capital		
In receivables	8.856	8.673
In inventories	-3.794	-6.750
In provisions	1.024	-418
In payables	-6.977	-16.055
Cash generated from operations	19.429	8.027
Interest paid	-343	-650
Income taxes paid	-4.670	-5.629
Net cash from operating activities	**14.416**	**1.748**
Cash flows from investing activities		
Interest received	654	1.036
Dividends received	8	7.001
Proceeds from sale of property, plant and equipment	129	19
Purchases of property, plant and equipment, and intangible assets	-3.391	-2.001
Deposits given to financial institutions, net	690	-
Net cash from investing activities	**-1.910**	**6.055**
Cash flows from financing activities		
Repayment of borrowings	-4.617	-936
Purchase of treasury shares	-1.090	-258
Dividends paid	-14125	-19.888
Payment of lease liabilities	-1.586	-1.466
Net cash used in financing activities	**-21.418**	**-22.548**
Effects of exchange rate changes on cash and cash equivalents	-6	-8
Net increase/(decrease) in cash and cash equivalents	**-8.918**	**-14.753**
Cash and cash equivalents at the beginning of the year	49.316	55.568
Cash and cash equivalents at the end of the year	**40.398**	**40.815**

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

	Share capital	Treasury shares	Legal and other reserves	Reserve for treasury shares	Retained earnings	Total
	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	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**
As at 1 January 2025	17.674	-1.140	2.020	7.413	36.969	62.936
Changes in equity for 2025						
Total comprehensive income	-	-	-	-	13.349	13.349
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	-	-	-	-	654	654
Total contributions by and distributions to owners of the parent recognized directly in equity	-	-551	760	-539	-14.082	-14.412
As at 30 September 2025	**17.674**	**-1.691**	**2.780**	**6.874**	**36.236**	**61.873**

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	**2810**		
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 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**	33.838.585	31.437.111
I INTANGIBLE ASSETS (ADP 004 to 009)	**003**	1.145.837	1.902.969
1 Research and development	**004**	0	0
2 Concessions, patents, licences, trademarks, software and other rights	**005**	330.556	237.500
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
II TANGIBLE ASSETS (ADP 011 to 019)	**010**	28.864.623	26.705.464
1 Land	**011**	2.071.185	2.071.185
2 Buildings	**012**	18.344.036	16.929.920
3 Plant and equipment	**013**	4.606.604	4.682.976
4 Tools, working inventory and transportation assets	**014**	2.433.461	2.507.620
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	503.585
8 Other tangible assets	**018**	10.475	10.178
9 Investment property	**019**	0	0
III FIXED FINANCIAL ASSETS (ADP 021 to 030)	**020**	856.687	125.169
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**	852.346	120.828
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**	415.159	147.230
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**	103.234	99.278
V DEFERRED TAX ASSETS	**036**	2.556.279	2.556.279
C) CURRENT ASSETS (ADP 038+046+053+063)	**037**	129.598.514	117.644.188
I INVENTORIES (ADP 039 to 045)	**038**	8.580.820	12.374.957
1 Raw materials and consumables	**039**	4.620.206	4.074.771
2 Work in progress	**040**	3.960.614	8.300.186
3 Finished goods	**041**	0	0
4 Merchandise	**042**	0	0
5 Advances for inventories	**043**	0	0
6 Fixed assets held for sale	**044**	0	0
7 Biological assets	**045**	0	0
II RECEIVABLES (ADP 047 to 052)	**046**	66.618.231	59.691.092
1 Receivables from undertakings within the group	**047**	683.981	599.336
2 Receivables from companies linked by virtue of participating interests	**048**	39.350.855	35.951.576
3 Customer receivables	**049**	23.606.100	16.130.286
4 Receivables from employees and members of the undertaking	**050**	0	0
5 Receivables from government and other institutions	**051**	0	41.278
6 Other receivables	**052**	2.977.295	6.968.616
III CURRENT FINANCIAL ASSETS (ADP 054 to 062)	**053**	5.083.224	5.179.964
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	4.447.848
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**	49.316.239	40.398.175
D) PREPAID EXPENSES AND ACCRUED INCOME	**064**	2.539.979	2.245.856
E) TOTAL ASSETS (ADP 001+002+037+064)	**065**	165.977.078	151.327.155
OFF-BALANCE SHEET ITEMS	**066**	0	0
LIABILITIES			
A) CAPITAL AND RESERVES (ADP 068 to 070+076+077+083+086+089)	**067**	62.936.129	61.872.898
I INITIAL (SUBSCRIBED) CAPITAL	**068**	17.674.030	17.674.030
II CAPITAL RESERVES	**069**	0	0
III RESERVES FROM PROFIT (ADP 071+072-073+074+075)	**070**	8.292.952	7.963.083
1 Legal reserves	**071**	2.019.936	2.779.858
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 084-085)	**083**	14.499.150	22.887.267
1 Retained profit	**084**	14.499.150	22.887.267
2 Loss brought forward	**085**	0	0
VII PROFIT OR LOSS FOR THE BUSINESS YEAR (ADP 087-088)	**086**	22.469.997	13.348.518
1 Profit for the business year	**087**	22.469.997	13.348.518
2 Loss for the business year	**088**	0	0
VIII MINORITY (NON-CONTROLLING) INTEREST	**089**	0	0
B) PROVISIONS (ADP 091 to 096)	**090**	1.044.255	1.190.634
1 Provisions for pensions, termination benefits and similar obligations	**091**	1.044.255	1.190.634
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**	12.560.241	11.748.411
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**	12.559.454	11.739.145
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**	63.499.187	49.322.829
1 Liabilities to undertakings within the group	**110**	195.345	6.128.057
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**	15.774.121	5.508.068
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**	2.014.266	3.456.102
7 Liabilities for advance payments	**116**	3.293.044	3.596.913
8 Liabilities to suppliers	**117**	14.609.633	11.082.849
9 Liabilities for securities	**118**	0	0
10 Liabilities to employees	**119**	17.922.871	12.595.301
11 Taxes, contributions and similar liabilities	**120**	8.500.785	4.889.060
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**	1.189.122	2.066.479
E) ACCRUALS AND DEFERRED INCOME	**124**	25.937.266	27.192.383
F) TOTAL – LIABILITIES (ADP 067+090+097+109+124)	**125**	165.977.078	151.327.155
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	175.325.388	66.503.400	165.860.291	55.267.102
1 Income from sales with undertakings within the group	002	573.703	149.126	732.179	487.724
2 Income from sales (outside group)	003	163.129.800	57.697.142	161.096.080	53.835.827
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	7.142.860	7.047.937	143.325	48.419
5 Other operating income (outside the group)	006	4.479.025	1.609.195	3.888.707	895.132
II OPERATING EXPENSES (ADP 08+009+013+017+018+019+022+029)	007	149.828.226	54.505.627	149.965.704	50.586.321
1 Changes in inventories of work in progress and finished goods	008	-5.352.013	278.279	-4.257.227	51.718
2 Material costs (ADP 010 to 012)	009	56.405.279	21.576.052	49.094.446	15.264.641
a) Costs of raw materials and consumables	010	38.348.297	13.803.791	31.763.209	9.544.156
b) Costs of goods sold	011	0	0	0	0
c) Other external costs	012	18.056.982	7.772.261	17.331.237	5.720.485
3 Staff costs (ADP 014 to 016)	013	88.254.693	29.028.768	92.146.074	30.512.753
a) Net salaries and wages	014	53.892.653	17.569.360	56.920.749	18.650.710
b) Tax and contributions from salary costs	015	24.175.435	7.988.065	24.521.113	8.197.684
c) Contributions on salaries	016	10.186.605	3.471.343	10.704.212	3.664.359
4 Depreciation	017	3.856.127	1.252.662	3.781.154	1.268.138
5 Other costs	018	6.417.059	2.200.602	7.810.999	2.797.399
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	247.081	169.264	1.390.258	691.672
a) Provisions for pensions, termination benefits and similar obligations	023	310.940	179.777	1.375.544	685.267
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	46.499	24.406	14.714	6.405
f) Other provisions	028	-110.358	-34.919	0	0
8 Other operating expenses	029	0	0	0	0
III FINANCIAL INCOME (ADP 031 to 040)	030	1.194.799	326.873	750.260	192.526
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	1.082.586	289.654	687.471	171.470
8 Exchange rate differences and other financial income	038	0	-9.667	0	0
9 Unrealised gains (income) from financial assets	039	0	0	0	0
10 Other financial income	040	112.213	46.886	62.789	21.056
IV FINANCIAL EXPENSES (ADP 042 to 048)	041	656.972	106.120	366.166	106.866
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	653.753	102.901	343.242	103.743
4 Exchange rate differences and other expenses	045	3.219	3.219	22.924	3.123
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 VRITUE 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	176.520.187	66.830.273	166.610.551	55.459.628
X TOTAL EXPENDITURE (ADP 007+041+051 + 052)	054	150.485.198	54.611.747	150.331.870	50.693.187
XI PRE-TAX PROFIT OR LOSS (ADP 053-054)	055	26.034.989	12.218.526	16.278.681	4.766.441
1 Pre-tax profit (ADP 053-054)	056	26.034.989	12.218.526	16.278.681	4.766.441
2 Pre-tax loss (ADP 054-053)	057	0	0	0	0
XII INCOME TAX	058	6.855.368	939.335	2.930.163	857.960
XIII PROFIT OR LOSS FOR THE PERIOD (ADP 055-059)	059	19.179.621	11.279.191	13.348.518	3.908.481
1 Profit for the period (ADP 055-059)	060	19.179.621	11.279.191	13.348.518	3.908.481
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 COMPRHENSIVE INCOME (to be filled in by undertakings subject to IFRS)					
I PROFIT OR LOSS FOR THE PERIOD	078	19.179.621	11.279.191	13.348.518	3.908.481
II OTHER COMPREHENSIVE INCOME/LOSS BEFORE TAX (ADP 80+ 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 080+087-086 - 096)	097	0	0	0	0
VI COMPREHENSIVE INCOME OR LOSS FOR THE PERIOD (ADP 078+097)	098	19.179.621	11.279.191	13.348.518	3.908.481
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	19.179.621	11.279.191	13.348.518	3.908.481
1 Attributable to owners of the parent	100	19.179.621	11.279.191	13.348.518	3.908.481
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	26.034.989	16.278.681
2 Adjustments (ADP 003 to 010):	002	-3.457.495	4.041.738
a) Depreciation	003	3.856.127	3.781.154
b) Gains and losses from sale and value adjustment of fixed tangible and intangible assets	004	-40.871	-140.967
c) Gains and losses from sale and unrealised gains and losses and value adjustment of financial assets	005	-108.560	-54.782
d) Interest and dividend income	006	-8.083.461	-695.477
e) Interest expenses	007	653.753	343.241
f) Provisions	008	0	0
g) Exchange rate differences (unrealised)	009	-42.924	120.097
h) Other adjustments for non-cash transactions and unrealised gains and losses	010	308.441	688.472
I Cash flow increase or decrease before changes in working capital (ADP 001+002)	011	22.577.494	20.320.419
3 Changes in the working capital (ADP 013 to 016)	012	-14.550.686	-891.996
a) Increase or decrease in short-term liabilities	013	8.672.822	-6.977.392
b) Increase or decrease in short-term receivables	014	-6.749.963	8.855.796
c) Increase or decrease in inventories	015	-417.555	-3.794.137
d) Other increase or decrease in working capital	016	-16.055.990	1.023.737
II Cash from operations (ADP 011+012)	017	8.026.808	19.428.423
4 Interest paid	018	-649.656	-343.241
5 Income tax paid	019	-5.628.739	-4.670.105
A) NET CASH FLOW FROM OPERATING ACTIVITIES (ADP 017 to 019)	020	1.748.413	14.415.077
Cash flow from investment activities			
1 Cash receipts from sales of fixed tangible and intangible assets	021	18.883	128.570
2 Cash receipts from sales of financial instruments	022	0	0
3 Interest received	023	1.036.395	653.786
4 Dividends received	024	7.000.874	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	8.056.152	1.480.522
1 Cash payments for the purchase of fixed tangible and intangible assets	028	-2.001.604	-3.390.745
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	-2.001.604	-3.390.745
B) NET CASH FLOW FROM INVESTMENT ACTIVITIES (ADP 027 +033)	034	6.054.548	-1.910.223
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	-1.465.983	-1.585.588
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	-22.547.293	-21.417.033
C) NET CASH FLOW FROM FINANCING ACTIVITIES (ADP 039 +045)	046	-22.547.293	-21.417.033
1 Unrealised exchange rate differences in respect of cash and cash equivalents	047	-8.150	-5.885
D) NET INCREASE OR DECREASE IN CASH FLOWS (ADP 020+034+046+047)	048	-14.752.482	-8.918.064
E) CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	049	55.567.777	49.316.239
F) CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD(ADP 048+049)	050	40.815.295	40.398.175

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 andother 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: Initial (subscribed) capital	Capital reserves	Legal reserves	Reserves for treasury shares	Treasury shares and holdings (deductible item)	Statutory reserves	Other reserves	Revaluation reserves	Fair value of financial assets through other comprehensive income (available for sale)	Cash flow hedge - effective portion	Hedge of a net investment in a foreign operation - effective portion	Other fair value reserves	Exchange rate differences from translation of foreign operations	Retained profit / loss brought forward	Profit/loss for the business year	Total attributable to owners of the parent	Minority (non-controlling) interest	Total capital and reserves
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	1.230.444	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	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	1.230.444	4.156.663	1.255.883	0	0	0	0	0	0	0	0	38.710.913	0	60.516.167	0	60.516.167
5 Profit/loss of the period	05	0	0	0	0	0	0	0	0	0	0	0	0	0	0	22.469.997	22.469.997	0	22.469.997
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	789.492	0	0	0	0	0	0	0	0	0	0	-789.492	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	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 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	22.469.997	22.469.997	0	22.469.997
III TRANSACTIONS WITH OWNERS IN THE PREVIOUS PERIOD RECOGNISED DIRECTLY IN EQUITY (ADP 15 to 23)	27	0	0	789.492	3.256.751	-115.485	0	0	0	0	0	0	0	0	-24.211.763	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	36.969.147	0	62.936.129	0	62.936.129
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) (AOP 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	36.969.147	0	62.936.129	0	62.936.129
5 Profit/loss of the period	32	0	0	0	0	0	0	0	0	0	0	0	0	0	0	13.348.518	13.348.518	0	13.348.518
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	654.314	0	654.314	0	654.314
22 Carryforward per annual plane	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	22.887.267	13.348.518	61.872.898	0	61.872.898
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	13.348.518	13.348.518	0	13.348.518
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	-14.081.880	0	-14.411.749	0	-14.411.749

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

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

Personal identification number (OIB): 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 16.A (a) IAS 34 - Interim financial reporting)

d) a description of the financial performance in the case of the issuer whose business is seasonal (items 37 and 38 IAS 34 - Interim financial reporting)
e) other comments prescribed by IAS 34 - Interim financial reporting
f) 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

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.
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 bussines activities.

e)

Segment report

	Networks		Digital Services		Managed Services		Other		Unallocated		Total	
	30.9.2025	**30.9.2024**	**30.9.2025**	**30.9.2024**	**30.9.2025**	**30.9.2024**	**30.9.2025**	**30.9.2024**	**30.9.2025**	**30.9.2024**	**30.9.2025**	**30.9.2024**
	EUR 000	**EUR 000**	**EUR 000**	**EUR 000**	**EUR 000**	**EUR 000**	**EUR 000**	**EUR 000**	**EUR 000**	**EUR 000**	**EUR 000**	**EUR 000**
Segment sales revenue	111.229	103.801	49.076	58.027	1.132	1.480	391	396	0	0	**161.828**	**163.704**
Operating profit	14.411	20.429	6.517	9.497	-437	102	17	41	-4.613	-4.572	**15.895**	**25.497**

From 2025. sales is additionally monitored by following segments:

	Digital society		R&D and services		Telecom		Total	
	30.9.2025	**30.9.2024**	**30.9.2025**	**30.9.2024**	**30.9.2025**	**30.9.2024**	**30.9.2025**	**30.9.2024**
	EUR 000	**EUR 000**	**EUR 000**	**EUR 000**	**EUR 000**	**EUR 000**	**EUR 000**	**EUR 000**
Segment sales revenue	14.095	15.806	104.636	104.196	43.097	43.702	**161.828**	**163.704**
Operating profit	-39	676	10.689	18.906	5.245	5.915	**15.895**	**25.497**

Transactions with related parties:

	30.9.2025 **EUR 000**	**30.9.2024** **EUR 000**
Sales	104.370	104.092
Purchases	23.577	27.147

Balances with related parties

	30.9.2025 **EUR 000**	**31.12.2024** **EUR 000**
Receivable	36.551	40.035
Payable	11.636	15.969

1.
Issuer's name, registered office (address), legal form, country of establishment, entity's registration number are disclosed in the sheet General data of this document.
2.
Accounting policies have not been changed in relation to previous reporting period.
3.
Financial commitments in term of guarantees that are not included in the balance sheet are not material and Management Board believes that possibility of any outflow is remote. The Company has no commitments concerning pensions that are in scope of IAS 19.
4.
In the reporting period there were no individual items of income or expenditure of exceptional size or incidence.
5.
The Company has no debt falling due after more than five years.
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 2798 (Q3 2024: 2772). The Company does not categorise employees.
7.
No cost of salaries was capitalised in the reporting period.
8.
Provision for deferred tax is calculated annualy, at balance sheet date 31 December. There were no movement in deferred tax balances during reporting period.
9.
The Company has no participating interest.
10.
There were no shares subscribed during the financial year within the limits of the authorised capital.
11.
The Company has no participation certificates, convertible debentures, warrants, options or similar securities or rights.
12.
The Company has no shares in companies having unlimited liability.
13. and 14.
The company Telefonaktiebolaget LM Ericsson (Sweden, Torshamnsgatan 21, SE-164 83 Stockholm) prepares the consolidated financial statements for the larger Group of companies, in which Ericsson Nikola Tesla Group is included as an associate member of Ericsson.
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 arrising due to structure and classification of the positions in TFI-POD in XLS format compared to classification of the positions in the audited annual report in PDF):

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

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

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

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

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

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

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

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

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