

## INFO

March 7, 2022



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 - PR

The situation caused by the invasion of Ukraine has shocked us all and provoked numerous reactions in social, political and economic terms. We at Ericsson Nikola Tesla Group sympathize with the Ukrainian people and express our solidarity as a company and as individuals in different ways.

These tragic events have led to a tectonic shift and significantly hinder Ericsson Nikola Tesla Group's business in certain markets. The Group has no contractual obligations in Russia and Ukraine; however, political and economic uncertainty that has grown into a riskier form of business conditions for now adversely affects both the implementation of Ericsson Nikola Tesla's contracted business in Belarus and new planned business opportunities.

In Belarus, we have a local company with 25 employees, and one of our most important activities is the expansion of LTE networks for their operators and the informatization of the central health system of that country.

In 2021, revenue from these activities accounted for about 4% of the Group's total sales results and significantly contributed to operating cash flow.

The Management Board and Executive Management continuously monitor the situation in order to react in a timely manner and mitigate risks. In doing so, we act in accordance with binding legislation, sanctions and restrictive measures, among which we single out the decisions of the EU, the Republic of Croatia, the Croatian Bank for Reconstruction and Development, the World Bank and Ericsson guidelines.

Although the situation is challenging and uncertain in several markets, the Management Board and Executive Management have assessed that Ericsson Nikola Tesla Group maintains business and financial stability. Potential cessation of our market activities in the Belarus market would certainly affect our plans and results, especially the planned sales

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revenue, operating margin and operating cash flow, but it would not ultimately disrupt Ericsson Nikola Tesla Group's business and financial stability.

Given the wide range of jobs and markets in which our experts work, we are taking action to reduce the negative impact of this crisis on business by increasing the engagement of our experts in research and development and other high-value services within the global organization.

Our focus remains on our priorities; we act with integrity, responsibility and empathy for all our stakeholders.

### **Communications Ericsson Nikola Tesla**

*Ericsson Nikola Tesla is an associated company of the Ericsson Group which leads and supports modern communications. The company's activities include marketing and sales, research and development, design of the total communications solution, services in the multi-service and mobile networks area including the mobile Internet and complex system integration in all business areas. The company provides innovative ICT solutions that constantly improve people's life and create new value. Shares of Ericsson Nikola Tesla are traded in the Regular Market of the Zagreb Stock Exchange under the stock exchange symbol ERNT-R-A.*

Related

[www.ericsson.hr](http://www.ericsson.hr)

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