

Ericsson Nikola Tesla d.d.  
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SECURITY: ERNT (ISIN: HRERNTRA0000)  
LEI: 5299001W91BFWSUOVD63  
HOME MEMBER STATE: Republic of Croatia  
REGULATED MARKET SEGMENT: Regular Market of the Zagreb Stock Exchange

## Ericsson Nikola Tesla Group

Zagreb, February 19, 2025

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

### Highlights:

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

Gordana Kovačević, President of Ericsson Nikola Tesla, commented:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

#### Financial highlights for the Group:

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

- Selling and administrative expenses decreased by 6.5% year-over-year and amounted to EUR 12.1 million (2023: EUR 13.0 million), primarily due to lower costs of use of corporate trademark, despite increased investments in the development of new business opportunities as well as the company's 75th anniversary celebration costs and the introduction of new visual identity. The share of selling and administrative expenses in the total sales revenue was 4.8% (2023: 4.3%).
- Operating profit amounted to EUR 22.1 million (2023: EUR 24.8 million), down by 10.6% year-over-year, primarily as a result of lower sales revenue and gross profit. Operating margin was 8.9% (2023: 8.1%).
- Profit from financial activities amounted to EUR 1.1 million (2023: EUR 0.5 million), as a result of higher interest income due to an increase in interest rates.
- Profit before tax decreased by 7.9% year-over-year and amounted to EUR 23.2 million (2023: EUR 25.2 million).
- Net profit amounted to EUR 15.6 million (2023: EUR 22.2 million), down by 29.7% year-over-year, partially also due to additionally calculated one-time tax expense from the previous years due to subsequent change in interpretation of cost eligibility for tax deduction. Return on sales (ROS) was 6.3% (2023: 7.3%).
- Cash flow from operating activities was EUR 10.3 million (2023: EUR 16.7 million).
- Working capital efficiency, expressed in Working Capital Days (WCD), was 38 days (2023: 32 days). Excluding services to Ericsson, Working Capital Efficiency was 28 days (2023: 48 days). WCD is affected by the demanding projects in terms of work and capital engagement, with extended dynamics of collection of receivables in the domestic and export markets, including Ericsson.
- Cash and cash equivalents, including the short-term financial assets, as at December 31, 2024, amounted to EUR 63.1 million (35.1% of the total assets), and at the end of 2023 they amounted to EUR 76.9 million (39.9% of the total assets).
- The Group has a solid balance sheet with the total assets of EUR 179.7 million as at December 31, 2024, down by 6.7% compared to the end of 2023, mainly as the result of lower cash and cash equivalents. Changes in inventory and work in progress are the reflection of regular contract execution activities. End of 2024, equity ratio was 37.9% (end of 2023: 37.6%).
- With related parties, the transactions were as follows: sale of products and services amounted to EUR 138.2 million (2023: EUR 141.7 million), while the procurement of products and services amounted to EUR 43.5 million (2023: EUR 40.2 million).
- As at December 31, 2024, balances outstanding with related parties were as follows: receivables amounted to EUR 39.5 million (end of 2023: EUR 37.4 million), and payables amounted to EUR 16.4 million (end of 2023: EUR 15.1 million).

## Business situation in major markets

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

With Hrvatski Telekom we have been cooperating on the modernization and extension of the radio part of mobile network in line with the multi-year agreement signed at the beginning of 2024, based on which Ericsson Nikola Tesla will be the exclusive supplier of the radio part of Hrvatski Telekom's mobile network (RAN) until the end of 2027. Furthermore, the activities of implementation of Ericsson dual-mode 5G Core for 4G/5G core network are ongoing as planned.

With A1 Hrvatska, the activities are ongoing on the extension of coverage and capacity of the 5G radio network, as well as on the modernization and construction of the convergent core network and the modernization of microwave transmission systems.

In Digital Society segment, several new contracts were signed with key customers in Croatia, such as Ministry of Justice, Public Administration and Digital Transformation, Ministry of the Interior, Ministry of Health, Ministry of Tourism and Sport, Ministry of Culture and Media, State Geodetic Administration, Croatian Employment Service, Central State Office for the Development of Digital Society, City of Split and City of Osijek. In Q4, we would like to highlight new contracts with the Ministry of Health related to the support and corrective maintenance of the CEZIH system Subsystem 1 software, with CARNET for the implementation and maintenance of the register of documents issued in the education system, and with the City of Zagreb related to the preparation of a traffic analysis with the aim of preparing a feasibility study for the construction of bridges in the western part of Zagreb.

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

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

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

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



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

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

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

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

Experts from the Customer Services and Solutions Center, in addition to customers of Ericsson Nikola Tesla Group, were engaged on projects for Ericsson customers through activities of creating solutions and defining network parameters, and optimization and integration of solutions and technologies in many EU Member States and other countries such as: the United Kingdom, Switzerland, Norway, the United States of America, Canada, Australia, India, Mexico, etc. These are complex projects that, among other activities, included the introduction of 5G technology, operational and business support systems, as well as projects of introduction of core solutions in Cloud.

The activities have also continued on the development and implementation of software tools for management and optimization of mobile networks which are used in network rollout by many operators worldwide, and additional responsibilities were also gained.

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

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

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

### Other information

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

For additional information, please contact:

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



Pursuant to the Articles 462 to 468 of the Capital Market Law (Official Gazette 65/18) the Managing Director of the joint stock company Ericsson Nikola Tesla d.d. Zagreb, Krapinska 45 gives the following:

Statement  
of the Management Board responsibility

The accompanying consolidated and non-consolidated financial statements have been prepared in compliance with the International Financial Reporting Standards (IFRS). The financial statements also comply with the provisions of the Croatian Financial Accounting Law valid as of the date of these financial statements.

Unaudited financial statements for the period January 1, 2024 to December 31, 2024 present a true and fair view of the financial position of the Company and the Group and of the financial performance and cash flows in compliance with applicable accounting standards.

Managing Director:

Gordana Kovačević, MSc



Ericsson Nikola Tesla d.d.  
Consolidated statement of comprehensive income  
for the period ended 31 December 2024

	<b>2024</b>	<b>2023</b>
	<b>EUR '000</b>	<b>EUR '000</b>
Sales revenue	249.473	304.231
Cost of sales	-221.053	-272.421
<b>Gross profit</b>	<b>28.420</b>	<b>31.810</b>
Selling expenses	-5.769	-5.810
Administrative expenses	-6.377	-7.178
Other operating income	5.909	6.706
Other operating expenses	-	-554
Impairment loss on financial assets	-39	-217
<b>Operating profit</b>	<b>22.144</b>	<b>24.757</b>
Finance income	1.881	717
Finance expense	-777	-238
Finance income/(expense), net	1.104	479
<b>Profit before tax</b>	<b>23.248</b>	<b>25.236</b>
Income tax	-7.651	-3.042
<b>Profit for the year</b>	<b>15.597</b>	<b>22.194</b>
Other comprehensive income	-	3
<b>Total comprehensive income for the year</b>	<b>15.597</b>	<b>22.197</b>
<b>Earnings per share (EUR)</b>	<b>12</b>	<b>17</b>

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

	<b>2024</b>	<b>2023</b>
	<b>EUR '000</b>	<b>EUR '000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	14.896	14.729
Right of use assets	14.258	15.028
Intangible assets	1.150	385
Loans and receivables	1.267	2.587
Deferred tax assets	2.658	2.506
<b>Total non-current assets</b>	<b>34.229</b>	<b>35.235</b>
<b>Current assets</b>		
Inventories	9.567	9.931
Trade receivables	24.960	28.603
Receivables from related parties	39.458	37.402
Other receivables	4.662	1.496
Income tax receivable	1.133	786
Prepayments	2.549	2.254
Financial assets at fair value through profit or loss	4.393	4.235
Cash and cash equivalents	58.733	72.655
<b>Total current assets</b>	<b>145.455</b>	<b>157.362</b>
<b>TOTAL ASSETS</b>	<b>179.684</b>	<b>192.597</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	17.674	17.674
Treasury shares	-1.140	-1.256
Legal and other reserves	2.020	1.230
Reserve for treasury shares	7.413	4.157
Retained earnings	42.045	50.660
<b>Total equity</b>	<b>68.012</b>	<b>72.465</b>
<b>Non-current liabilities</b>		
Borrowings	15	114
Lease liabilities	12.601	13.250
Other non-current liabilities	1	12
Employee benefits	1.047	943
<b>Total non-current liabilities</b>	<b>13.664</b>	<b>14.319</b>
<b>Current liabilities</b>		
Payables to related parties	16.428	15.062
Borrowings	-	469
Trade and other payables	39.656	38.467
Income tax payable	2.124	690
Provisions	1.227	1.583
Accrued charges and deferred revenue	15.662	20.400
Contract liabilities	20.789	27.085
Lease liabilities	2.122	2.057
<b>Total current liabilities</b>	<b>98.008</b>	<b>105.813</b>
<b>Total liabilities</b>	<b>111.672</b>	<b>120.132</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>179.684</b>	<b>192.597</b>

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

	2024 EUR '000	2023 EUR '000
<b>Cash flows from operating activities</b>		
<i>Profit before tax</i>	23.248	25.236
Adjustments for:		
Depreciation and amortisation	5.277	6.036
Impairment losses and reversals	-39	335
Gain on sale of property, plant and equipment	-37	5
Net loss/(gain) on remeasurement of financial assets	-158	-111
Amortisation of discount	-2	-12
Interest income	-1.717	-595
Dividend income	-1	-
Interest expense	759	245
Foreign exchange (gain)/loss, net	-28	-21
Share-based payments	457	607
<i>Changes in working capital</i>		
In receivables	1.877	-18.724
In inventories	439	3.295
In provisions	-252	-695
In payables	-12.110	4.234
<i>Cash generated from operations</i>	17.713	19.835
Interest paid	-762	-232
Income taxes paid	-6.654	-2.858
<b>Net cash from operating activities</b>	<b>10.297</b>	<b>16.745</b>
<b>Cash flows from investing activities</b>		
Interest received	1.705	641
Dividends received	1	-
Proceeds from sale of property, plant and equipment	356	9
Purchases of property, plant and equipment, and intangible assets	-2.392	-2.109
Deposits given to financial institutions - net	-	792
<b>Net cash from/(used in) investing activities</b>	<b>-330</b>	<b>-667</b>
<b>Cash flows from financing activities</b>		
Repayment of borrowings	-1.255	-2.408
Purchase of treasury shares	-628	-184
Dividends paid	-19.897	-7.934
Payment of lease liabilities	-2.097	-2.779
<b>Net cash used in financing activities</b>	<b>-23.877</b>	<b>-13.305</b>
Effects of exchange rate changes on cash and cash equivalents	-12	10
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>-13.922</b>	<b>2.783</b>
Cash and cash equivalents at the beginning of the year	72.655	69.872
<b>Cash and cash equivalents at the end of the year</b>	<b>58.733</b>	<b>72.655</b>

Ericsson Nikola Tesla d.d.  
Consolidated statement of changes in equity  
for the period ended 31 December 2024

	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 2023	17.674	-2.268	884	5.353	-3	36.174	57.814
Changes in equity for 2023							
Total comprehensive income	-	-	-	-	3	22.194	22.197
Dividend distribution for 2022	-	-	-	-	-	-7.927	-7.927
Purchase of treasury shares	-	-184	-	-	-	-	-184
Shares granted	-	1.196	-	-1.196	-	-	-
Transfer	-	-	346	-	-	-346	-
Disposal of foreign operation	-	-	-	-	-	-42	-42
Share-based payments	-	-	-	-	-	607	607
Total contributions by and distributions to owners of the parent recognized directly in equity	-	1.012	346	-1.196	-	-7.708	-7.546
<b>As at 31 December 2023</b>	<b>17.674</b>	<b>-1.256</b>	<b>1.230</b>	<b>4.157</b>	<b>-</b>	<b>50.660</b>	<b>72.465</b>
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
<b>As at 31 December 2024</b>	<b>17.674</b>	<b>-1.140</b>	<b>2.020</b>	<b>7.413</b>	<b>-</b>	<b>42.045</b>	<b>68.012</b>

Ericsson Nikola Tesla d.d.  
Statement of comprehensive income  
for the period ended 31 December 2024

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

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

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



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

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

Ericsson Nikola Tesla d.d.  
Statement of changes in equity  
for the period ended 31 December 2024

	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 2023	17.674	-2.268	884	5.353	27.537	49.180
Changes in equity for 2023						
Total comprehensive income	-	-	-	-	18.841	18.841
Dividend distribution for 2022	-	-	-	-	-7.927	-7.927
Purchase of treasury shares	-	-184	-	-	-	-184
Shares granted	-	1.196	-	-1.196	-	-
Transfer	-	-	346	-	-346	-
Share-based payments	-	-	-	-	606	606
Total contributions by and distributions to owners of the parent recognized directly in equity	-	1.012	346	1.196	-7.667	-7.505
<b>As at 31 December 2023</b>	<b>17.674</b>	<b>-1.256</b>	<b>1.230</b>	<b>4.157</b>	<b>38.711</b>	<b>60.516</b>
As at 1 January 2024	17.674	-1.256	1.230	4.157	38.711	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
<b>As at 31 December 2024</b>	<b>17.674</b>	<b>-1.140</b>	<b>2.020</b>	<b>7.413</b>	<b>36.969</b>	<b>62.936</b>