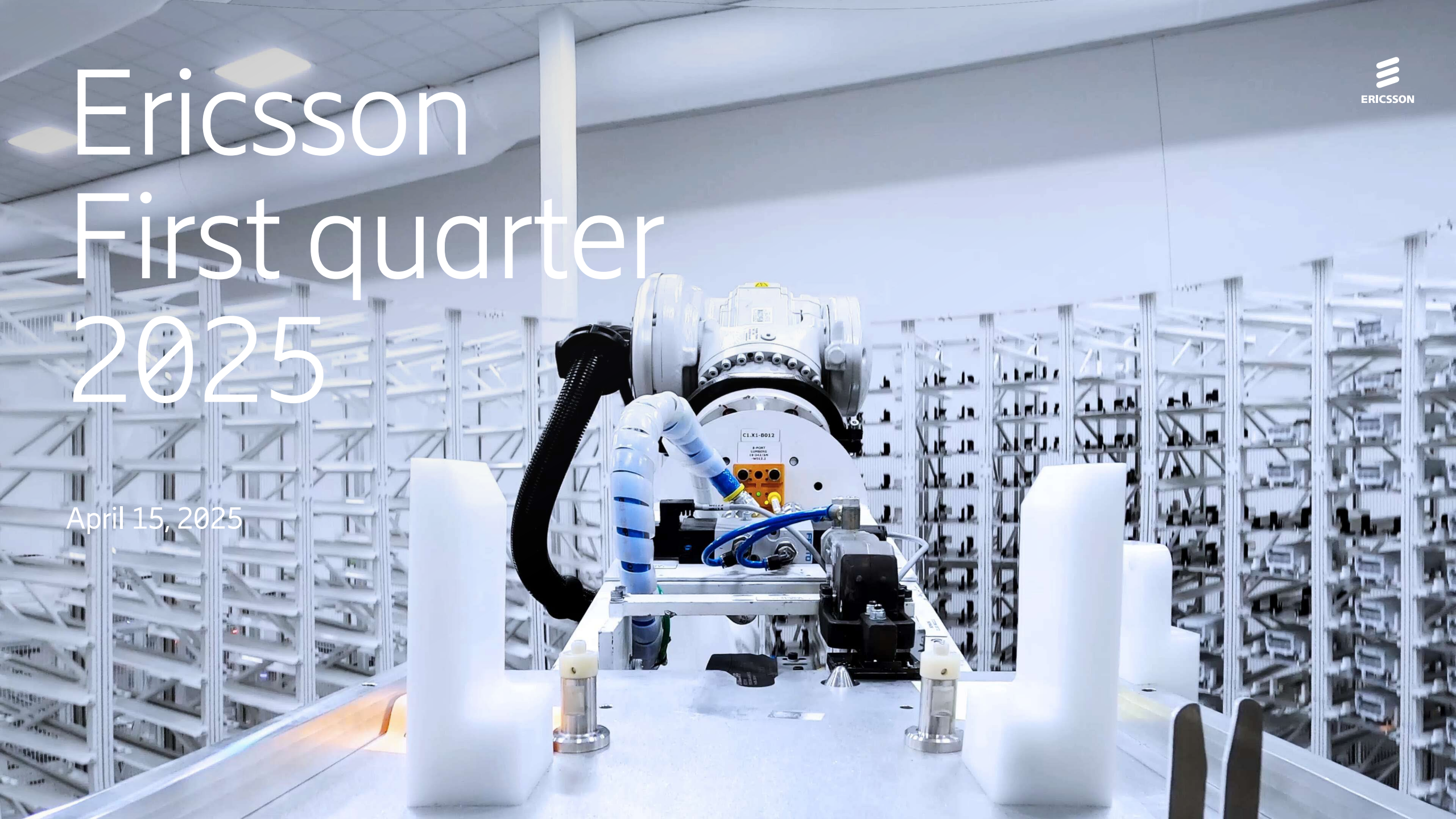


Ericsson First quarter 2025

April 15, 2025



First quarter 2025



This presentation contains forward-looking statements. Such statements are based on our current expectations and are subject to risks and uncertainties that could materially affect our business and results. Please read our earnings reports and our most recent annual report for a better understanding of these risks and uncertainties and please see the last page in this presentation for further information about forward-looking statements. Any forward-looking statement made during this presentation speaks only as of the date of this presentation and Ericsson expressly disclaim a duty to provide updates to these forward-looking statements, and the estimates and assumptions associated with them.

Business Overview



Börje Ekholm
President and CEO



Q1 2025 – Key takeaways

- Good progress on strategic and operational priorities
- Extending technology leadership in Mobile Networks
 - Portfolio of 130 radios supporting programmable networks
 - First programmable network in Asia Pacific, including 5G Advanced
- Improving commercial traction in Enterprise
 - JLR implementing Ericsson Private 5G to fully digitalize manufacturing
 - Top 3 US operators to launch fraud detection network APIs together with Aduna
- Increased macroeconomic uncertainty
 - Supply chain resilience by design
 - Preemptive actions to help mitigate near-term impacts

Organic¹ sales YoY:

0%

Adjusted² gross margin:

48.5%

Adjusted² EBITA margin:

12.6%

Actions position Ericsson to succeed across varying market conditions

¹ Sales adjusted for the impact of acquisitions and divestments and effects of foreign currency fluctuations.

² Excluding restructuring charges.

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Q1 sales development



Market area net sales (Q1 2025, SEK b.)	Organic growth (Q1 2025 YoY)	Networks	Cloud Software and Services	Enterprise	% of 2024 net sales	
		64%	25%	10%		
Americas ¹	20.8	20%	↑	↓	34%	
Europe, Middle East and Africa ¹	14.5	-7%	↓	↓	29%	
South East Asia, Oceania and India	7.2	-17%	↓	↑	13%	
North East Asia	3.2	-8%	↓	↓	8%	
Other (IPR and most of Enterprise)	9.3	-6%	↑	↑	↓	16%
Total	55.0	0%	↑	↓	↓	100%

↑ Indicates direction of year-on-year organic sales development.

¹In February 2025, the Company announced a consolidation of its regional structure, organizing the market areas in a more efficient way. This consolidation resulted in two new market areas: Market Area Americas and Market Area Europe, Middle East and Africa.

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Financial Overview



Lars Sandström
Chief Financial Officer



Financial update Q1 2025

Financial performance (adjusted)



SEK b.	Q1-25	Q1-24	YoY	Q4-24
Net sales	55.0	53.3	3%	72.9
Organic sales growth			0%	
Gross income	26.7	22.8	17%	33.7
Gross margin	48.5%	42.7%		46.3%
R&D expenses	-12.0	-11.6		-13.5
SG&A expenses	-8.5	-8.6		-10.3
Other op. income & expenses	0.0	2.0		-0.1
EBIT	6.2	4.3		9.6
EBIT margin	11.3%	8.1%		13.1%
EBITA	6.9	5.1	36%	10.2
EBITA margin	12.6%	9.6%		14.1%
Net income ¹	4.2	2.6		4.9
Free cash flow before M&A	2.7	3.7		15.8

¹ Including restructuring charges.

Organic sales stable YoY

- Strong growth in North America of 29%
- Stable sales in Europe, other markets declined

Adjusted gross margin 48.5%

- Improved in all segments
- Benefiting from product and market mix, supply chain efficiency and improved delivery performance

Adjusted EBITA margin 12.6%

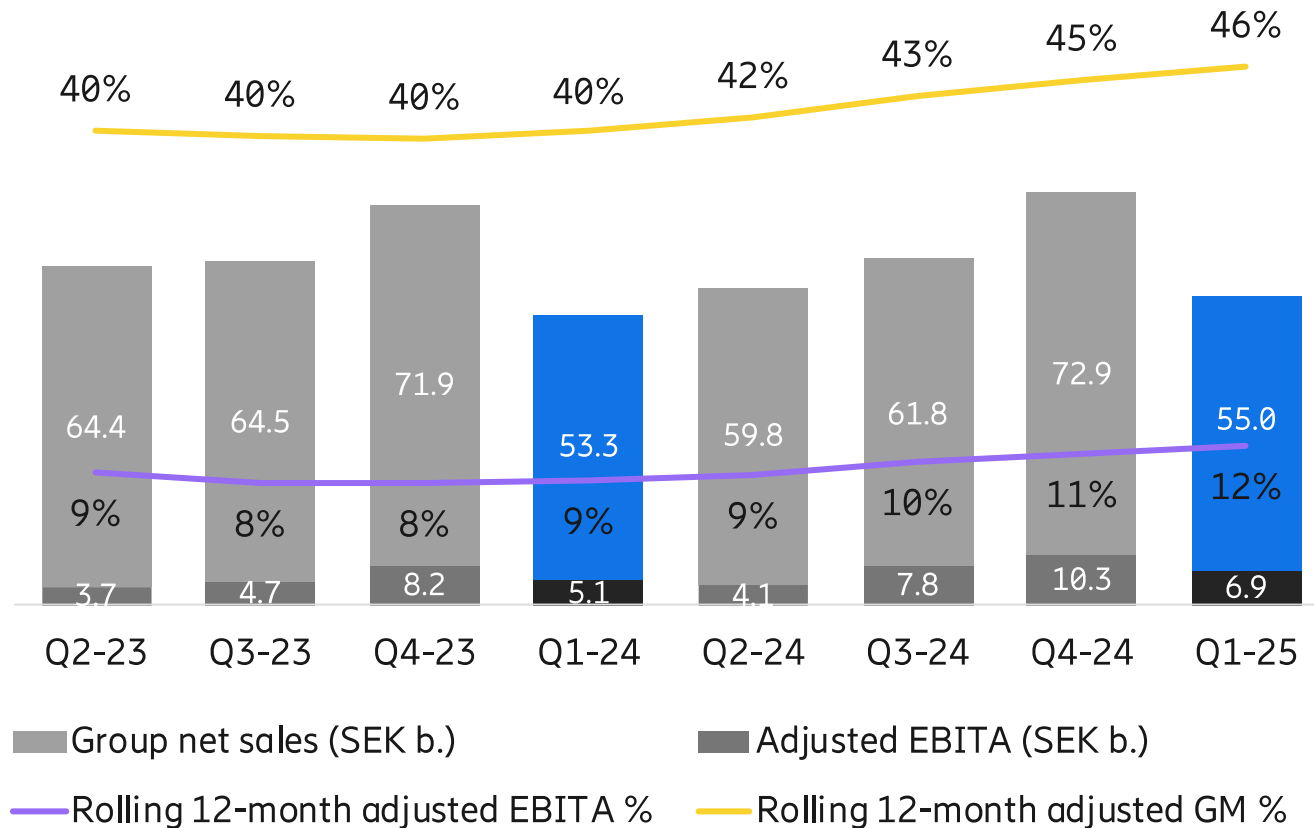
- Higher gross income and stable operating expenses
- Q1 2024 included a one-time gain of SEK 1.9 b.

Free cash flow before M&A SEK 2.7 b.

- Increased earnings and lower interest costs
- Higher variable incentive and restructuring payments

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Key financial trends



Sales

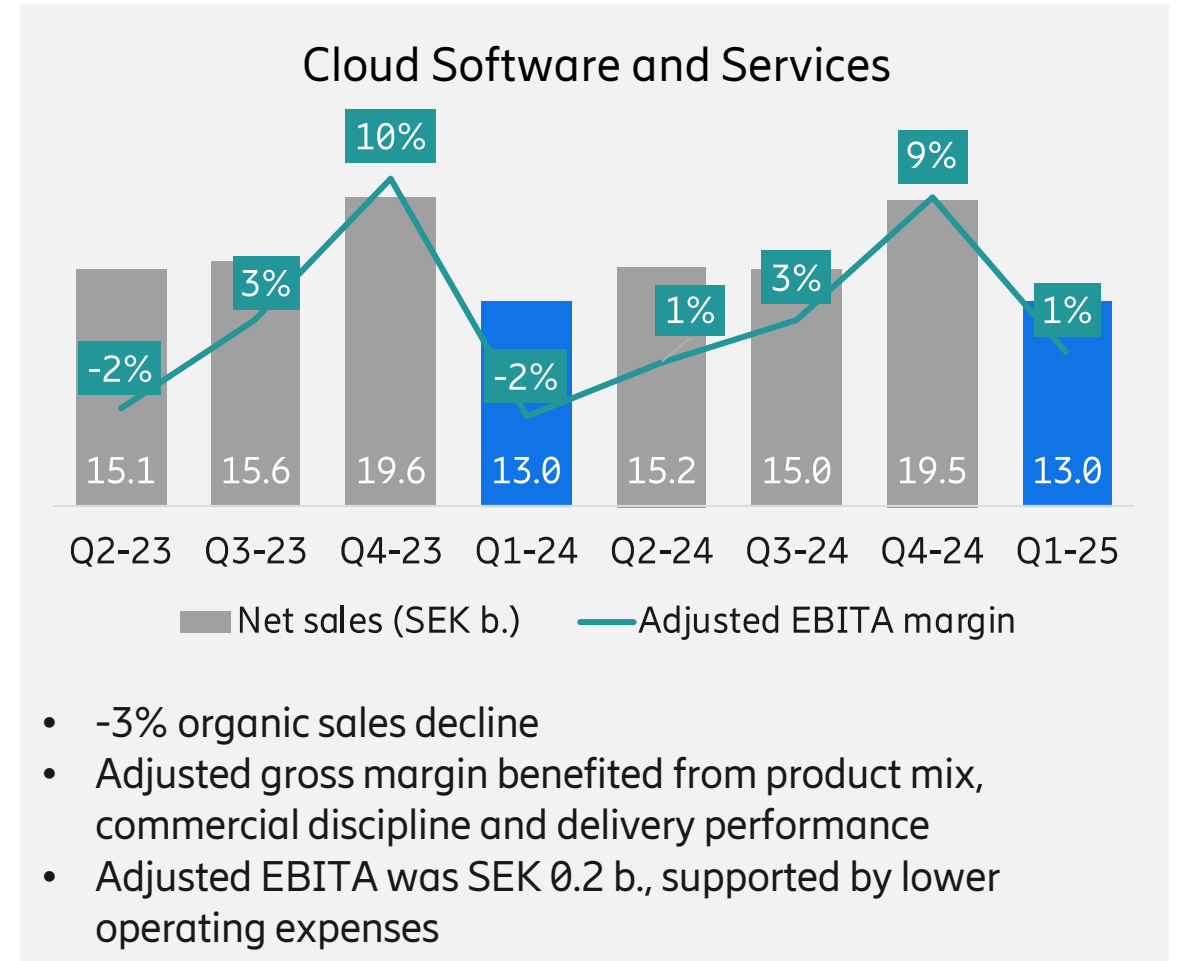
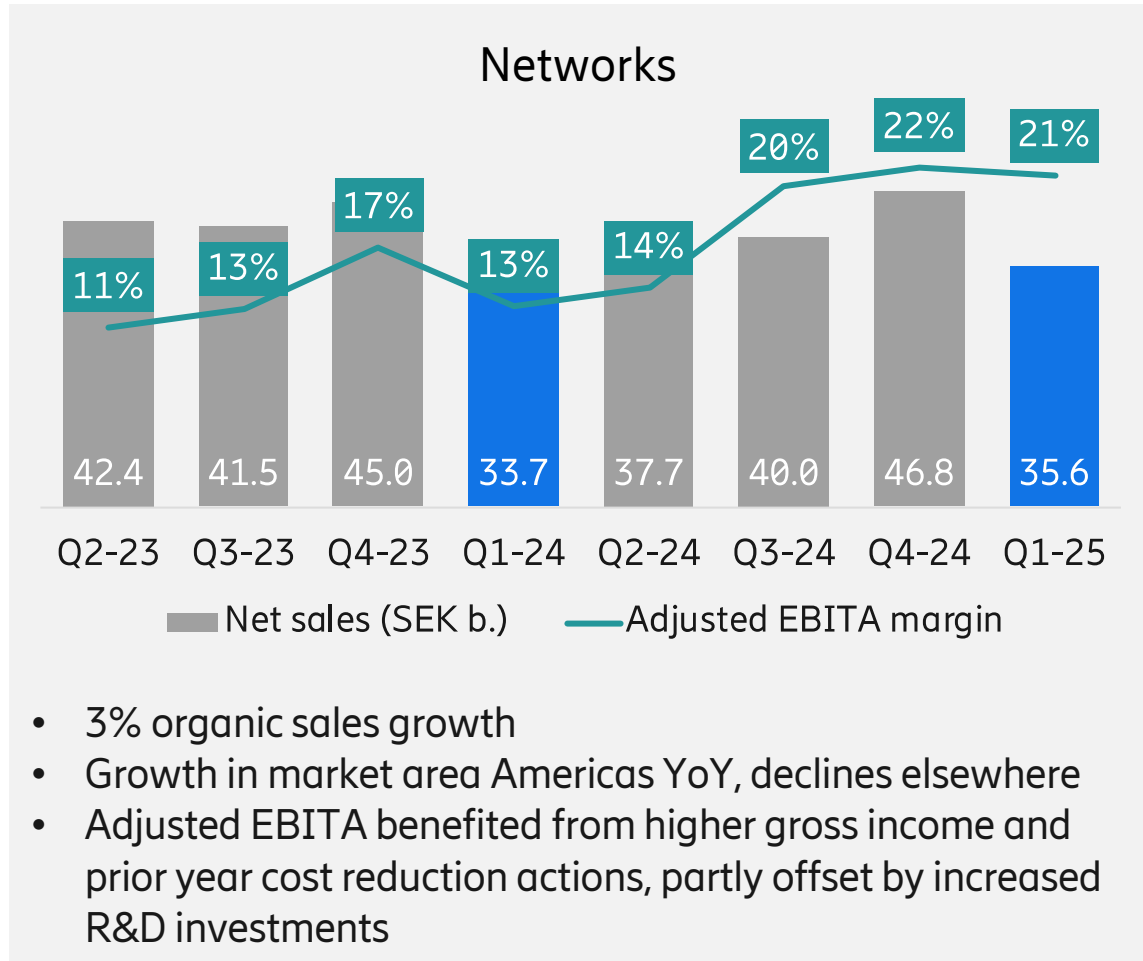
- Stable sales again in Q1, supported by growth in market area Americas

Adjusted gross margin and adjusted EBITA

- Increased adjusted gross margin and adjusted EBITA margin
 - Product and market mix
 - Supply chain efficiency
 - Cost actions
 - IPR growth

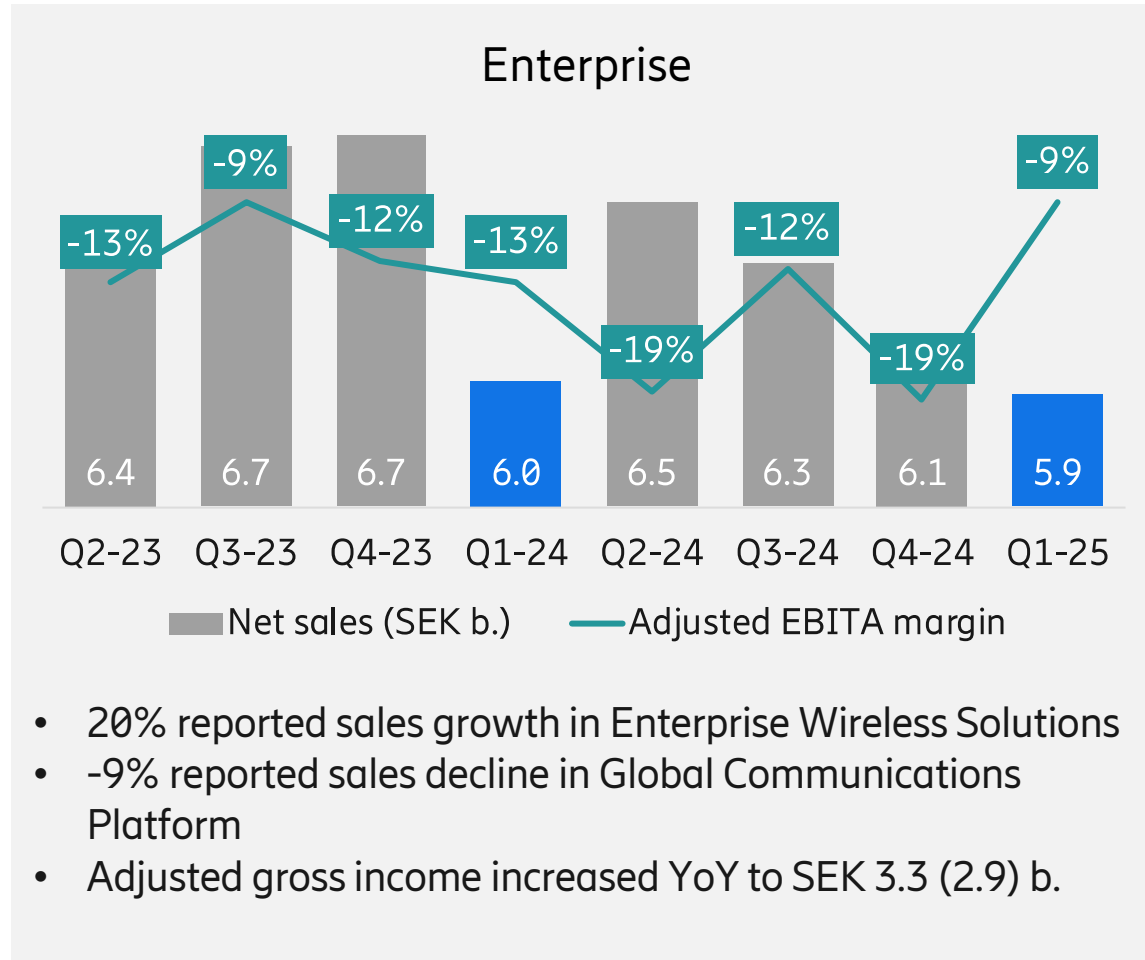
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Mobile Networks Q1 2025



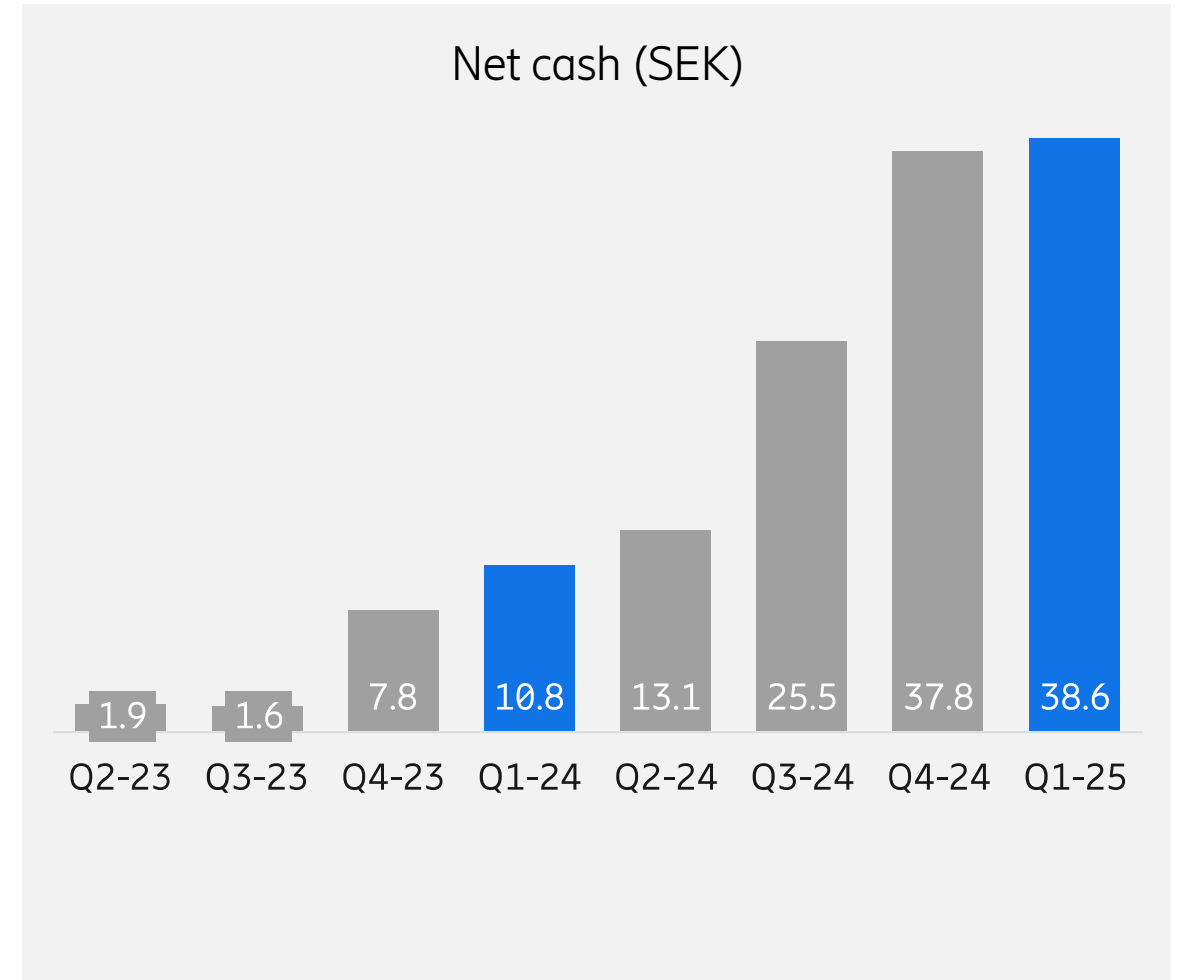
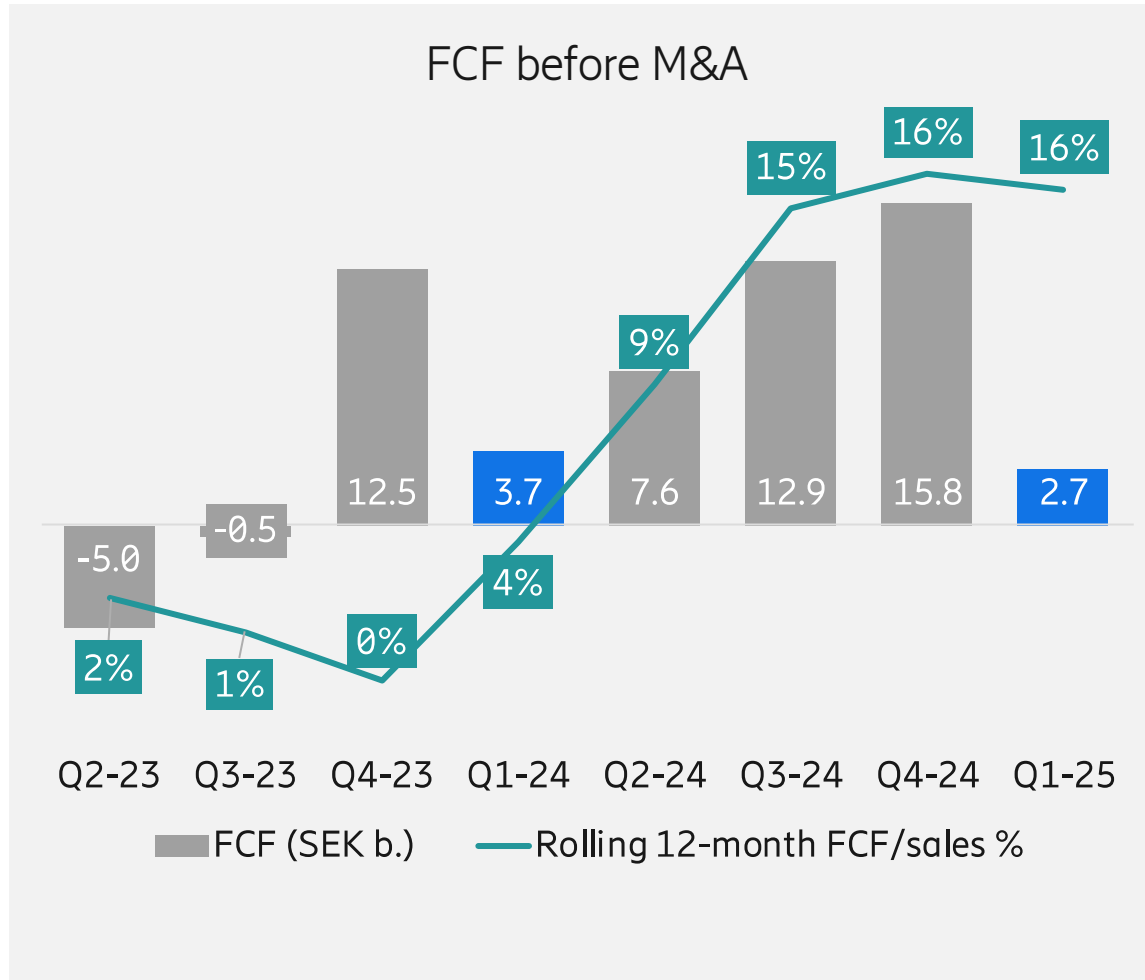
This slide contains forward-looking statements. Actual result may be materially different. See the last page in this presentation for further information about forward-looking statements.

Enterprise Q1 2025



This slide contains forward-looking statements. Actual result may be materially different. See the last page in this presentation for further information about forward-looking statements.

Cash flow and financial position



This slide contains forward-looking statements. Actual result may be materially different. See the last page in this presentation for further information about forward-looking statements.

Outlook¹

There remains increased uncertainty on the outlook for Q2 2025, both in terms of potential for further tariff changes as well as in the broader macroeconomic environment

Sales Networks	Sales growth in Q2 2025 is expected to be broadly similar to 3-year average seasonality
Sales Cloud Software and Services	Sales growth in Q2 2025 is expected to be broadly similar to 3-year average seasonality
Adjusted gross margin Networks	Adjusted gross margin in Q2 is expected to be in the range 48%-50% ²
Amortization Intangible assets	Around SEK -0.5 b. per quarter, of which c. SEK -0.4 b. related to Enterprise
Restructuring charges	Restructuring charges for 2025 are expected to remain at elevated levels

¹See key data points, page 8, first quarter report 2025.

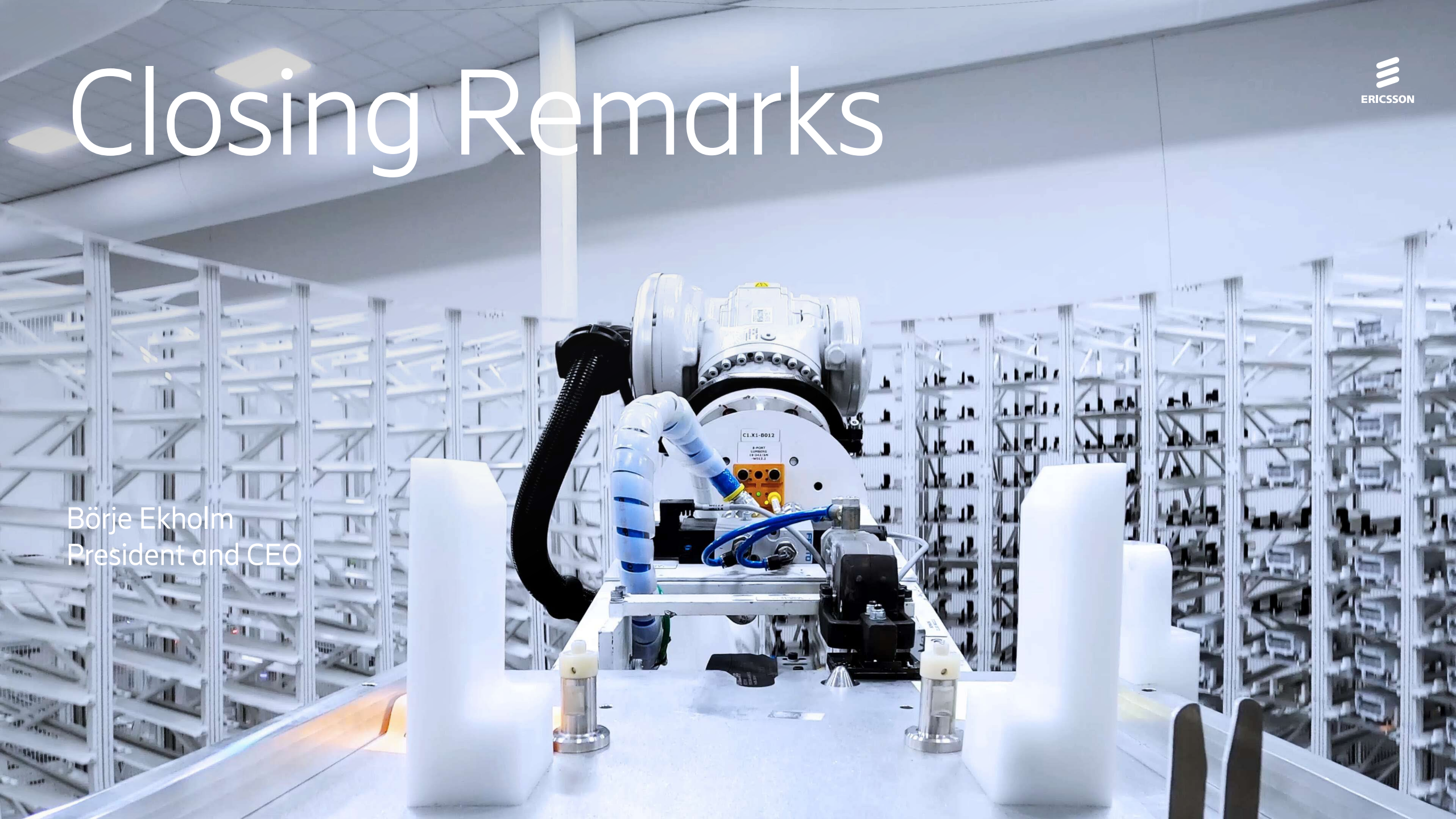
²Based on our current assessment of announced tariffs, and including a negative impact from tariffs estimated at approximately 1 percentage point

This slide contains forward-looking statements. Actual result may be materially different. See the last page in this presentation for further information about forward-looking statements.

Closing Remarks



Börje Ekholm
President and CEO



Summary

- Looking ahead
 - Strong competitive position in Mobile Networks
 - Target Enterprise stabilization during 2025
- Growing industry focus on network monetization
 - North America investing in programmable networks
 - Further network investments needed elsewhere
- External environment increases uncertainty
 - Prudently managing our business
 - Resilient by design

Taking actions to ensure Ericsson is well positioned for the long term

Q&A



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Appendices

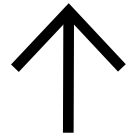
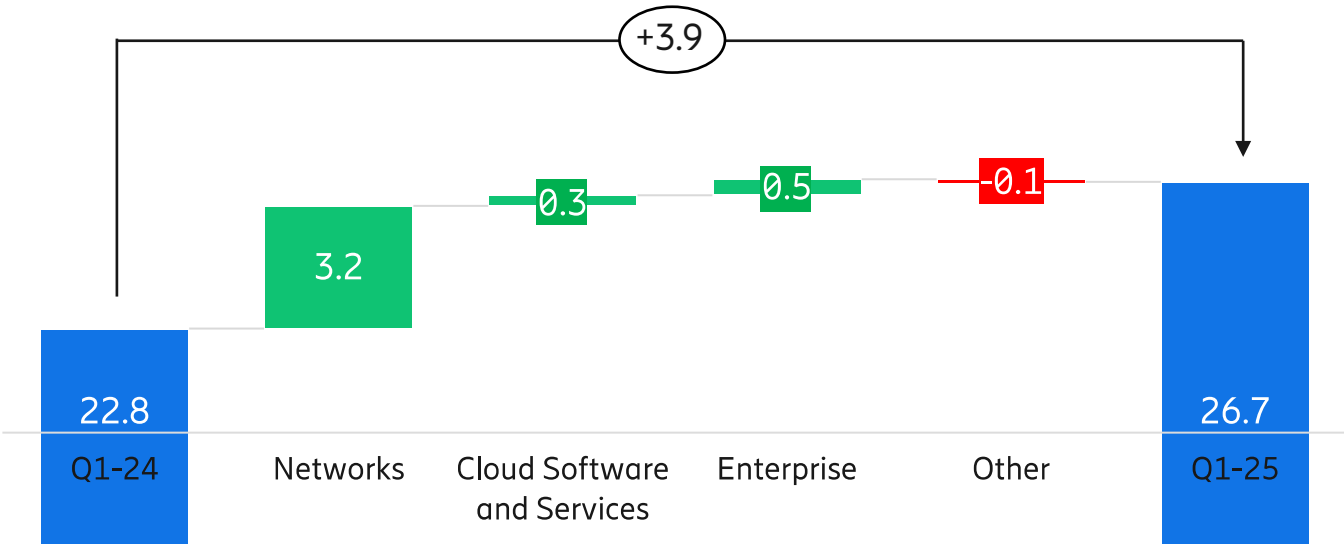
- Appendix 1 – Adjusted gross margin and income development
- Appendix 2 – Adjusted EBITA development
- Appendix 3 – Ericsson Mobility Report, November 2024
- Appendix 4 – Resilience
- Appendix 5 – More information

Appendix 1 – Adjusted gross margin and gross income development

Adjusted gross margin (%)
(YoY change)

42.7%	51.0%	39.9%	56.2%	4.2%	48.5%
	(+6.7 p.p.)	(+2.5 p.p.)	(+8.1 p.p.)	(-14.0 p.p.)	

Adj. gross income, SEK b.



- + Adjusted gross income and margin increase
- + Product and market mix
- + Cost-reduction actions

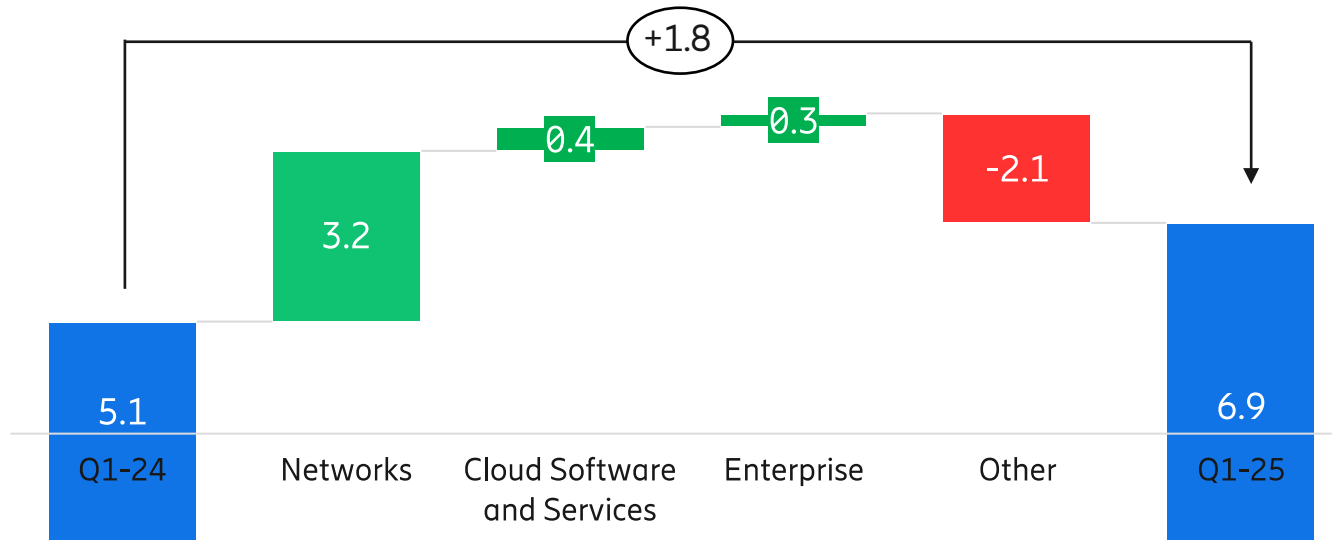
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Appendix 2 – Adjusted EBITA margin and EBITA development

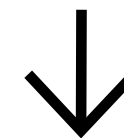
Adjusted EBITA margin (%)
(YoY change)

9.6%	21.0%	1.2%%	-8.9%	-34.6%	12.6%
	(+8.3 p.p.)	(+3.5 p.p.)	(+4.2 p.p.)	(-354.1p.p.)	

Adj. EBITA, SEK b.



+ Adjusted gross income and margin increase
+ Stable operating expenses



- Q1 2024 included a one-time gain of SEK 1.9 b.

This slide contains forward-looking statements. Actual result may be materially different. See the last page in this presentation for further information about forward-looking statements.

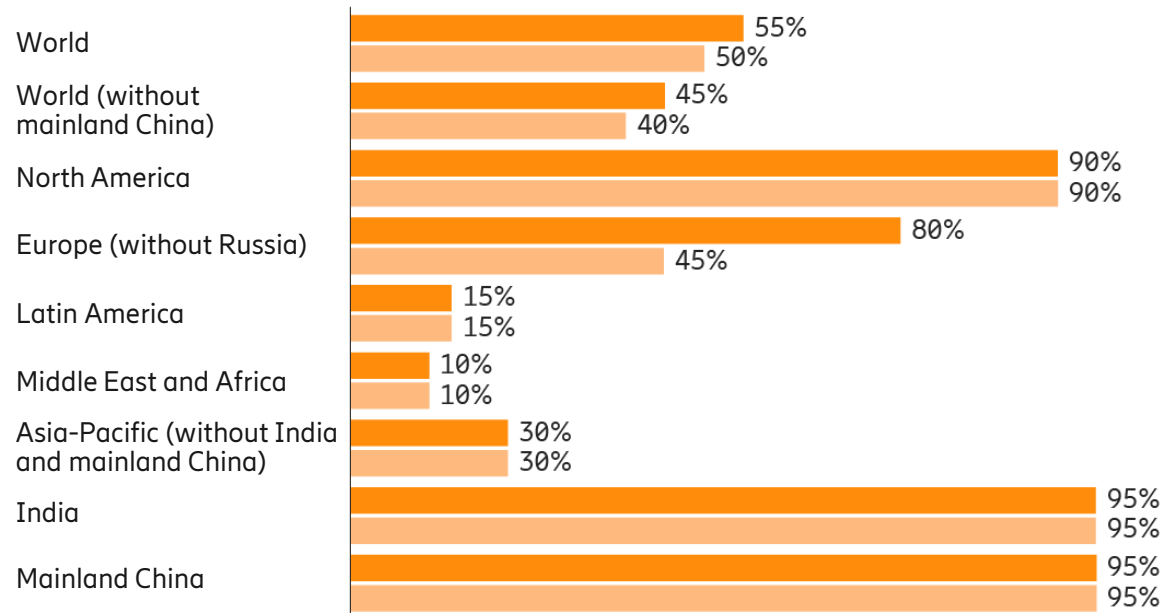
Appendix 3 – Ericsson Mobility report, Nov 2024



Download the report [here](#) and Q4 2024 (Feb 2025) update [here](#)

World population and mid-band coverage split by region (end of 2024)

■ 5G total ■ 5G mid-band



40%

End 2024, 5G mid-band population coverage outside of mainland China

6.3 B

Global 5G mobile subscriptions are expected to reach 6.3 billion in 2030

3.6 B

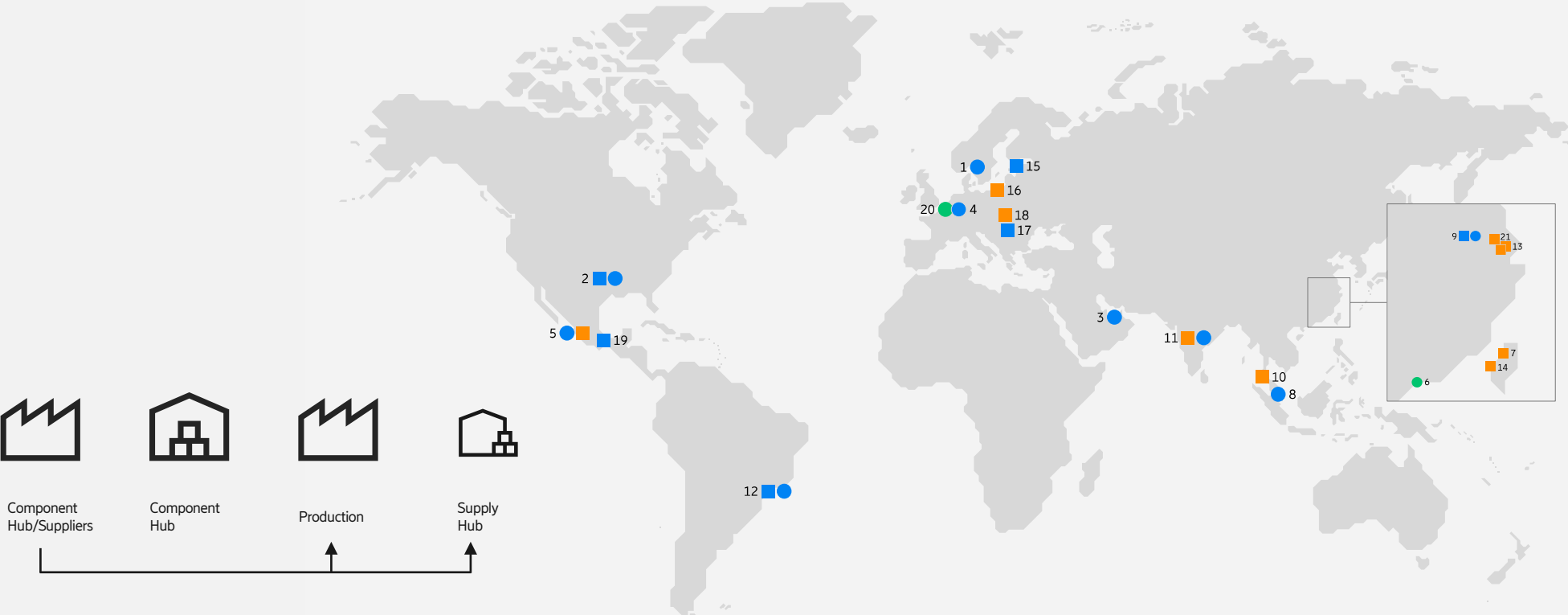
5G SA subscriptions are forecast to reach 3.6 billion by end of 2030

6G

In 2030, 6G is expected to arrive, following launches of 5G SA and 5G Advanced

This slide contains forward-looking statements. Actual result may be materially different. See the last page in this presentation for further information about forward-looking statements.

Appendix 4 – Resilience



Manufacturing sites
 ■ Ericsson manufacturing site
 ■ Third-party manufacturing site

Hubs
 ● Supply
 ● Component

- Locations**
- | | | | |
|----------------|-------------------------|------------------|--------------|
| 1. Borås | 7. Hsinchu City | 13. Suzhou (2) | 19. Tlaxcala |
| 2. Dallas | 8. Kuala Lumpur | 14. Tainan City | 20. Venlo |
| 3. Dubai | 9. Nanjing | 15. Tallinn | 21. Wuxi |
| 4. Duisburg | 10. Penang | 16. Tczew | |
| 5. Guadalajara | 11. Pune | 17. Timisoara | |
| 6. Hong Kong | 12. São José dos Campos | 18. Tiszaújváros | |

Source : Sustainability and Corporate Responsibility Report, 2024 Annual Report.

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Appendix 5 – More information

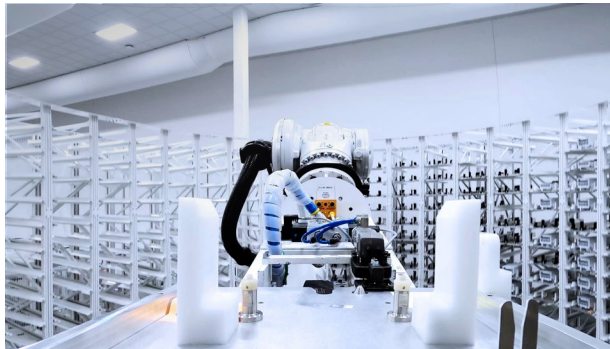
Latest Event



[Annual General Meeting 2025](#)

Telefonaktiebolaget LM Ericsson's Annual General Meeting (AGM) 2025 was held on Tuesday, March 25, 2025, at 13:00 CET

Latest Information



[First quarter report 2025](#)

April 15, 2025

Q1 results 2025: [English](#) | [Swedish](#)
[Financial statements](#) (xls) [Webcast](#)



[Annual Report 2024](#)

The Ericsson Annual Report 2024 was published on February 27, 2024.



[Ericsson Investor Relations homepage](#)

This slide contains forward-looking statements. Actual result may be materially different. See the last page in this presentation for further information about forward-looking statements.

Forward-looking statements



This report includes forward-looking statements. All statements other than statements of historical fact are forward-looking statements. The words "believe," "expect," "foresee," "anticipate," "assume," "intend," "likely," "projects," "may," "could," "plan," "estimate," "forecast," "will," "should," "would," "predict," "aim," "ambition," "seek," "potential," "target," "might," "continue," or, in each case, their negative or variations, and similar words or expressions are used to identify forward-looking statements. These statements are subject to risks and uncertainties that could cause actual results to differ materially and adversely from those expressed in, or implied or projected by, the forward-looking statements, including, in particular the following:

- Potential material additional liability resulting from past conduct, including allegations of past conduct that remains unresolved or unknown in multiple jurisdictions including Iraq, which remains the subject of ongoing investigations by Ericsson and US governmental authorities
- Risks related to internal controls and governance, including the potential to incur material liability in connection with internal controls surrounding payments made to third parties in connection with past conduct in multiple jurisdictions including Iraq which remains the subject of ongoing investigations by Ericsson and US governmental authorities
- The risk that the ongoing investigations by Ericsson and US governmental authorities result in a conclusion by Ericsson or US governmental authorities that the Company's past conduct included making or having responsibility for making payments to a terrorist organization or other improper payments, which could lead to material additional liability
- Risks related to our ongoing compliance with obligations under the National Security Agreement entered into in connection with Ericsson's acquisition of Vonage, which may adversely affect the Vonage business and subject the Company to additional liabilities
- Our goals, strategies, planning assumptions and operational or financial performance expectations
- Macroeconomic conditions, including inflationary pressures and effects on customer investments, market recovery and growth
- Ongoing geopolitical and trade uncertainty, including challenging global economic conditions, market trends and the imposition of tariffs and sanctions
- Continued growth of mobile communications, the success of our existing and targeted customer base, and our ability to maintain technology leadership
- Success in implementing key strategies, including improving profitability, capturing 5G market opportunities, capitalizing on network API and Enterprise opportunities, and expected benefits from restructuring activities
- Risks related to cybersecurity and privacy, security and data localization
- Industry trends, future characteristics and development of the markets in which we operate
- Risks of global operations, including legal and regulatory requirements and uncertainties, and unfavorable lawsuits and legal proceedings
- Our future liquidity, capital resources, capital expenditures, cost savings and profitability, and risks related to financial condition
- The expected demand for our existing and new products and services as well as plans to launch new products and services including research and development expenditures
- Our ability to deliver on future plans and achieve future growth
- The expected operational or financial performance of strategic cooperation activities and joint ventures
- Risks related to acquisitions and divestments that may be disruptive and incur significant expenses, including our ability to successfully consummate such transactions, protect the value of acquisitions during integration, or achieve the value anticipated with an acquisition
- Trends related to our industry, including our regulatory environment, competition and customer structure
- Intense competition from existing competitors, and new entrants, including vendor consolidation
- Limited number of third-party suppliers, large, multi-year agreements with limited number of key customers, and operator consolidation
- Risks related to intellectual property, key employees, and unforeseen risks and disruptions due to natural or man-made events
- Risks related to environmental, social and business conduct
- Extent of impairment impacts on cash flow and dividend capacity in future periods, which is assessed based on full-year performance and is impacted by a variety of factors, including earnings, business outlook and financial position
- Other factors included in our filings with the SEC, including the factors described throughout this report, included in the section Risk Factors, and in "Risk Factors" in the Annual Report 2024, as updated by subsequent reports filed with the SEC.

These forward-looking statements also represent our estimates, assumptions and expectations only as of the date that they were made, and to the extent they represent third-party data, we have not undertaken to independently verify such third-party data and do not intend to do so. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements and are urged to carefully review and consider the various disclosures made in this report and in other documents we file from time to time with our regulators that disclose risks and uncertainties that may affect our business. We expressly disclaim a duty to provide updates to these forward-looking statements, and the estimates and assumptions associated with them, after the date of this report, to reflect events or changes in circumstances or changes in expectations or the occurrence of anticipated events, whether as a result of new information, future events or otherwise, except as required by applicable law or stock exchange regulations.



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