Third quarter 2023

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 statements 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.
Strategic overview
Q3 2023 – Key takeaways

- Q3 in line with guidance
- Challenging environment and macroeconomic uncertainty
- Committed to long-term EBITA margin target but not giving guidance beyond Q4, 2023
- Underlying drivers, including mobile data growth, points to market mix recovery
- SEK 31.9 b. impairment of goodwill relating to Vonage

<table>
<thead>
<tr>
<th>Organic sales YoY:</th>
<th>-10%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross margin¹:</td>
<td>39.2%</td>
</tr>
<tr>
<td>EBITA margin¹:</td>
<td>7.3%</td>
</tr>
</tbody>
</table>

¹Excluding restructuring charges

Executing on strategy and taking actions to ensure competitive position
Global Network Platform

Börje Ekholm
President and CEO
Our digital future

A world where limitless connectivity improves lives, redefines business and pioneers a sustainable future

Enterprise digitalization  Advanced applications  A sustainable world  Improved lives
Establishing a platform for innovation

Superior experience for consumers
- Video
- Communication
- Real-time gaming
- AR/XR
- ...

Reliable & easy to use solutions for businesses
- Collaboration
- Remote health
- Autonomous vehicles
- Digital twins
- ...

Device APIs
- Mobile Broadband
- Fixed Wireless Access
- Extended reality (XR)
- Mission Critical NW
- ...

Communication & Network APIs

- Limitless connectivity
  - Highly efficient, open, multi-purpose mobile networks

- Cognitive network
  - Intent driven, AI-based orchestration, deployment and zero touch operations

- Network compute fabric
  - Cloud native principles in core, RAN, edge computing and network slicing

- Trustworthy systems
  - Automated security assurance, secure identities and protocols

Cloud APIs
- Pre-packaged enterprise solutions
  - Wireless WAN/Security
  - Private Networks
  - Edge

Clouds
Communications and network APIs

Communications APIs
- Voice
- SMS
- Video
- Auth
- IP Chat

Network APIs
- QoS
- Silent Auth
- Location
- Device Data

High speed & Low latency
Reliability
Wireless edge solutions
Security
Network slicing

Worldwide 4G and 5G networks
Communications and network APIs

*Pivotal industry proof point and foundational to accelerate market adoption*

**Existing CPaaS and new Network APIs**

<table>
<thead>
<tr>
<th>Communications APIs</th>
<th>Network APIs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Voice</td>
<td>QoS</td>
</tr>
<tr>
<td>SMS</td>
<td>Silent Auth</td>
</tr>
<tr>
<td>Video</td>
<td>Location</td>
</tr>
<tr>
<td>Auth</td>
<td>Device Status</td>
</tr>
<tr>
<td>IP Chat</td>
<td>QoD</td>
</tr>
</tbody>
</table>

**Vonage CPaaS Resell (MagentaBusiness APIs)**

- DT Video App leveraging Vonage CPaaS platform
- Engagement via leadership keynotes and customer panels (incl DT Board members)

**DT Digital X: Launch of co-branded resell portal**

- DT co-branded CPaaS portal with “Powered by Vonage” brand attribution
- CPaaS and Network APIs resell via a co-branded dashboard and portal
  - All CPaaS APIs from vonage.com
  - 3 CAMARA Network APIs Location, Device Status, QoD
- Engagement via leadership keynotes and customer panels (incl DT Board members)

**Expected outcome | Brand Awareness for Ericsson+Vonage. Generating interest from other CSPs**
A flywheel to accelerate industry growth

- More network capabilities ➔ Global APIs ➔ Differentiated High-performing networks ➔ Increased network investments ➔ More CSPs join ➔ CSP revenue ➔ Enhanced applications

- Developers join ➔ More users ➔ Service innovation ➔ Global Network Platform ➔ More CSPs join ➔ CSP revenue ➔ Enhanced applications

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Financial overview

Carl Mellander
Chief Financial Officer
## Financial update Q3 2023

<table>
<thead>
<tr>
<th>Financial Performance</th>
<th>23Q3</th>
<th>22Q3</th>
<th>YoY</th>
<th>23Q2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net sales</td>
<td>64.5</td>
<td>68.0</td>
<td>-5%</td>
<td>64.4</td>
</tr>
<tr>
<td>Organic and FX adj. sales</td>
<td>-10%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross income</td>
<td>25.3</td>
<td>28.2</td>
<td>-10%</td>
<td>24.7</td>
</tr>
<tr>
<td>Gross margin</td>
<td>39.2%</td>
<td>41.4%</td>
<td>38.3%</td>
<td></td>
</tr>
<tr>
<td>R&amp;D expenses</td>
<td>-11.7</td>
<td>-11.9</td>
<td>-12.1</td>
<td></td>
</tr>
<tr>
<td>SG&amp;A expenses</td>
<td>-9.5</td>
<td>-9.4</td>
<td>-9.7</td>
<td></td>
</tr>
<tr>
<td>Other op. income &amp; expenses</td>
<td>-32.0</td>
<td>0.2</td>
<td>0.3</td>
<td></td>
</tr>
<tr>
<td>EBIT (loss)</td>
<td>-28.0</td>
<td>7.2</td>
<td>2.8</td>
<td></td>
</tr>
<tr>
<td>EBIT margin</td>
<td>-43.5%</td>
<td>10.6%</td>
<td>4.4%</td>
<td></td>
</tr>
<tr>
<td>EBIT ex. goodwill impairments</td>
<td>3.9</td>
<td>7.2</td>
<td>-46%</td>
<td>2.8</td>
</tr>
<tr>
<td>EBIT margin ex. goodwill impairments</td>
<td>6.0%</td>
<td>10.6%</td>
<td>4.4%</td>
<td></td>
</tr>
<tr>
<td>EBITA</td>
<td>4.7</td>
<td>7.7</td>
<td>-39%</td>
<td>3.7</td>
</tr>
<tr>
<td>EBITA margin</td>
<td>7.3%</td>
<td>11.3%</td>
<td>5.7%</td>
<td></td>
</tr>
<tr>
<td>Net income (loss)</td>
<td>-30.5</td>
<td>5.4</td>
<td>-0.6</td>
<td></td>
</tr>
<tr>
<td>Free cash flow b. M&amp;A</td>
<td>-0.5</td>
<td>2.5</td>
<td>-5.0</td>
<td></td>
</tr>
</tbody>
</table>

- Organic and FX adjusted sales: -10% YoY
  - Networks -16% decline partly offset with 5% growth in Cloud Software and Services and 11% in Enterprise
- Gross margin: 39.2%
  - Lower sales and gross margin in Networks partly mitigated with IPR revenues and cost optimization
- EBITA margin in line with guidance
  - Opex stable – cost-out impact and investment in Enterprise
- Goodwill impairment of SEK -31.9 b.
- Free cash flow before M&A: SEK -0.5 b.
- Cost saving ambition increased to SEK 12 b.

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1 Including restructuring charges and impairment of goodwill

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
### Outlook\(^1\)

| Sales                         | • Networks: Seasonality in sales between Q3 and Q4 will be somewhat less than normal.  
|                              | • Cloud Software and Services: Seasonality in sales between Q3 and Q4 will be lower than normal. |
| Gross margin                 | • Networks: Gross margin\(^2\) in the range of 39-41% in Q4. |
| Operating expenses           | • Average seasonality between Q3 and Q4 last 3 years (2020–2022)\(^3\): increase of SEK 2.4 b. |
| Amortization                 | • Amortization of intangible assets SEK -0.9 b. per quarter, SEK -0.8 b. related to segment Enterprise. |
| EBITA                        | • Group: Q4 EBITA margin\(^2\) around 10%  
|                              | • Cloud Software and Services: EBITA\(^2\) expected to reach at least break-even for full-year 2023. |
| Restructuring charges        | • Restructuring charges approx. SEK 7 b. for full-year 2023. |

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\(^1\) See key data points, page 9, third quarter results  
\(^2\) Excluding restructuring charges  
\(^3\) Excluding Vonage  

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Closing remarks

Börje Ekholm
President and CEO
Summary

• Executing on strategy to put Ericsson on higher growth trajectory:
  – extending our leadership in mobile networks
  – growing our enterprise business
  – driving lasting cultural transformation

• Taking actions to strengthen Ericsson’s position to become more profitable and returning to cash flow target level

• Building platform business to capture the next major wave of networks innovation

Our long-term EBITA\textsuperscript{1} target of 15-18% remains and we aim to reach it as soon as possible

\textsuperscript{1}Excluding restructuring charges

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Q&A
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”, “anticipate”, “intend”, “likely”, “may”, “could”, “plan”, “estimate”, “forecast”, “will”, “should”, “would”, “predict”, “aim”, “seek”, “potential”, “target”, “might”, “continue”, 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 costs and liability resulting from our ongoing compliance with the terms of the Plea Agreement with the DOJ and extended monitorship
- Potential to become a target for public scrutiny as a result of entering into the Plea Agreement with the DOJ, which could damage our reputation and materially and adversely affect our business and prospects
- Risks resulting from entering into the Plea Agreement, including potential debarment from government contracting in the United States and elsewhere, reputational risk, as well as potential counterparty reluctance to continue business relationships
- 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
- 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 pandemics such as COVID-19
- Industry trends, future characteristics and development of the markets in which we operate
- Our ability to comply with legal and regulatory requirements internationally
- Risks related to cybersecurity and privacy
- Our future liquidity, capital resources, capital expenditures, cost savings and profitability
- 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, 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
- Other factors included in our filings with the U.S. Securities and Exchange Commission (the “SEC”), including the factors described throughout this report, included in the section Risk Factors, and in “Risk Factors” in the Annual Report 2022, 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, except as required by applicable law or stock exchange regulations.