

Financial Statement 2022

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Summary full year 2022

**Strong market demand enabled solid revenue growth,
adjusted EBIT was lower due to increased costs**

	FY 2022	FY 2021	
▪ Net sales	165,0 M€	144,0 M€	+14,6 %
▪ Adjusted EBIT	2,0 M€	5,5 M€	-64,3 %
▪ EBIT	-4,8 M€	8,7 M€	
▪ Adjusted earnings per share	-0,01 €	0,21 €	
▪ Cash flow from operations	-7,8 M€	13,5 M€	
▪ Orders received	188,5 M€	175,5 M€	+7,4 %
▪ Order book	132,2 M€	108,6 M€	+21,6 %

Highlights in Q4



Advisory board for North American market

Teleste formed an Advisory Board to provide guidance and support on the North American cable market. The members are **Hanno Narjus**, **Esa Harju**, **Sandy Howe** (former executive with Arris, Cisco and Technetix), **Stephanie Mitchko Beale** (former CTO, Charter Communications) and **Neil Tang** (President, Antronix).



Big steps forward in North America

The DOCSIS 4.0 technology is **gaining momentum in the US**: we have received first **customer orders** and discussions are ongoing with many operators. Samples of our **ICON 1.8 GHz amplifiers** have been delivered to key customers. First **distributed access nodes** have been commissioned for live traffic.

Highlights in Q4



Record-high production in passenger information solutions

During Q4, production of our passenger information systems reached **record-high volumes**, and this is estimated to continue in 2023. We have strengthened our **production capacity** to prepare for the growing volumes.



EcoVadis rating confirmed and new environmental objectives set for future

We renewed a **silver medal** in the EcoVadis business sustainability rating. Our scoring went up to **65/100** and we are aiming for **gold in future**. The sustainability work continued also with new environmental objectives set for 2025 and 2030. Their main focus is on reducing Scope 1, 2 and 3 **carbon emissions**.



Dividend for 2022

The Board of Directors proposes to the AGM that no dividend be distributed on the basis of the balance sheet to be adopted for the financial period that ended on 31 December 2022.

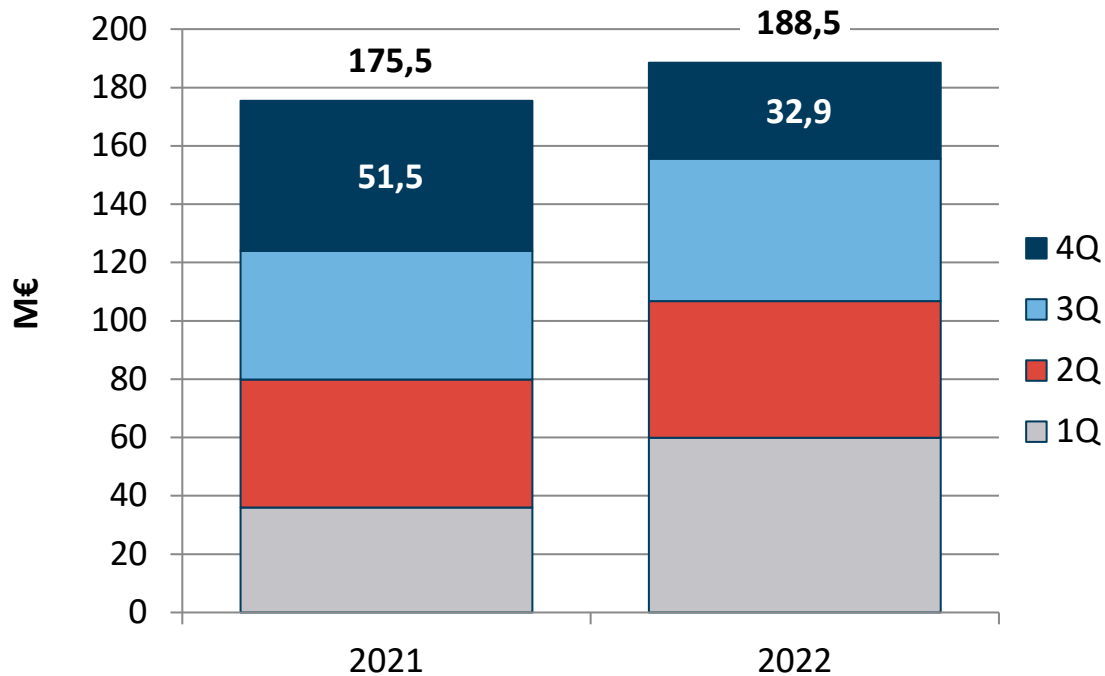
Teleste Group – Q4 2022



- Orders received decreased from the record level of the reference period. Order book increased 21.6 % to EUR 132.2 M (108,6). Order book increased in access network products and public transport information solutions. EUR 82 M (62%) of the orders are scheduled for deliveries in 2023.
- Net sales grew Year-on-Year and Quarter-on-Quarter. Net sales increased in access network products, public transport information solutions and video security solutions. Material and component shortages continued to limit deliveries to customers.
- Adjusted EBIT decreased Year-on-Year and Quarter-on-Quarter. Increased material costs, personnel expenses and other operating expenses had a negative effect on the adjusted EBIT. Increase of other operating expenses included items such as business premises costs, machinery and equipment costs and business travel. Increases to the sales prices of Teleste's products have a delayed compensating effect for the negative impact of material costs.
- In addition to the reasons above the decrease of EBIT was driven by restructuring expenses and expenses related to strategic development projects.
- Adjusted earnings per share decreased Year-on-Year and Quarter-on-Quarter.
- Cash flow from operations increased Year-on-Year and Quarter-on-Quarter due to the reduction of net working capital.

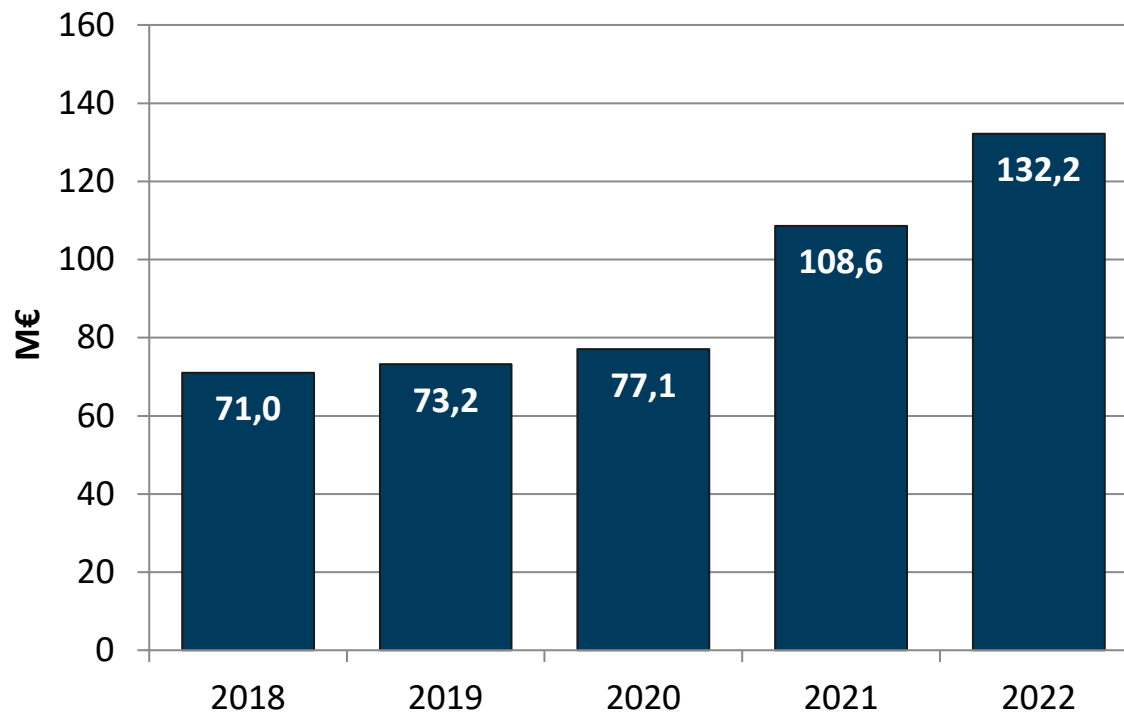
	Q4 2022	Q4 2021	YoY change	Q3 2022	QoQ change
Orders received, M€	32,9	51,5	-36,1 %	48,9	-32,7 %
Net sales, M€	46,0	38,9	18,5 %	42,6	8,0 %
Adjusted EBIT, M€	0,4	0,6	-27,6 %	1,1	-60,1 %
Adjusted EBIT-%	0,9 %	1,6 %		2,6 %	
EBIT, M€	-0,3	0,6	-148,5 %	-4,8	
Net profit, M€	-0,3	0,6	-150,2 %	-4,2	
Adjusted EPS, €	0,02	0,03	-48,0 %	0,04	-49,4 %
EPS, €	-0,01	0,03	-140,5 %	-0,22	
Operative cash flow, M€	2,5	-1,8		-9,7	

Orders Received

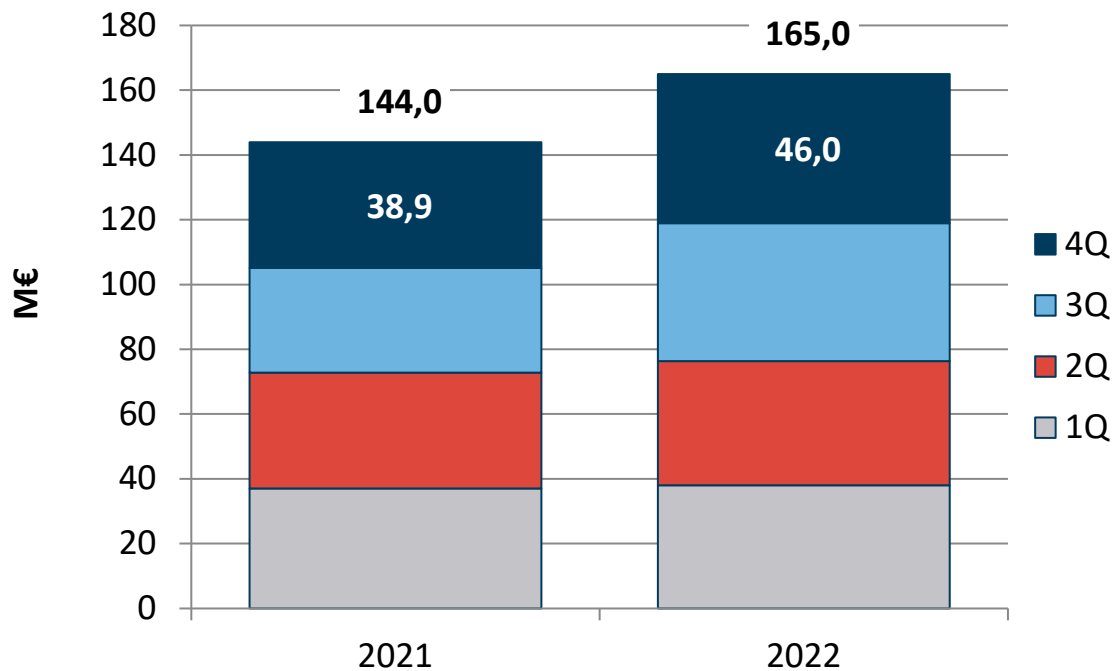


Order Book (at the end of period)

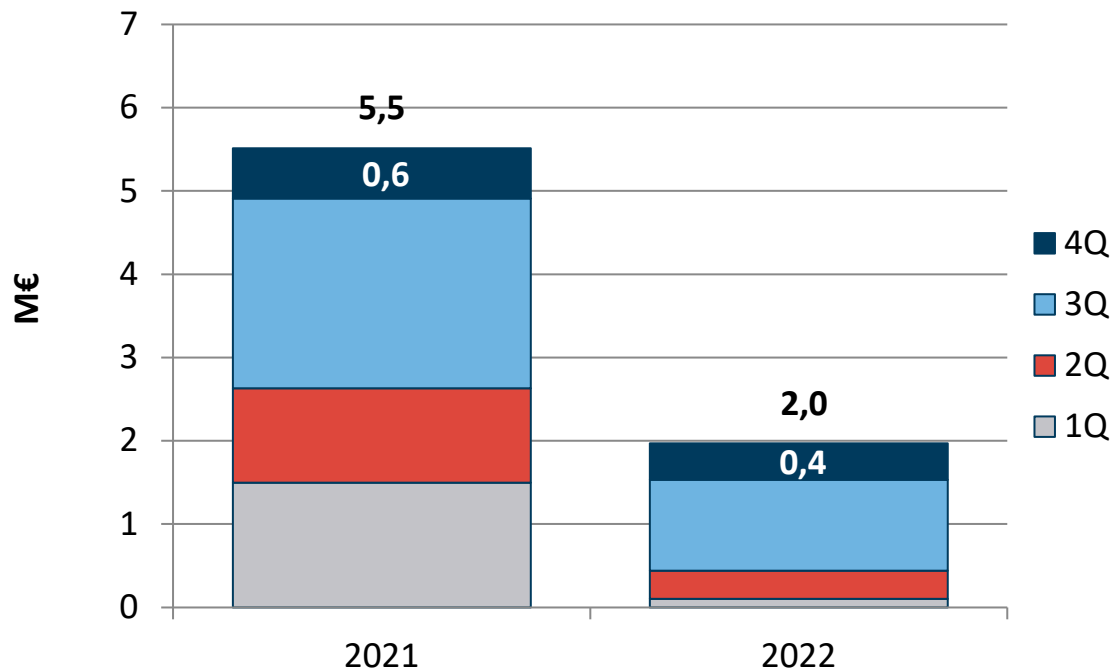
Teleste Group, M€



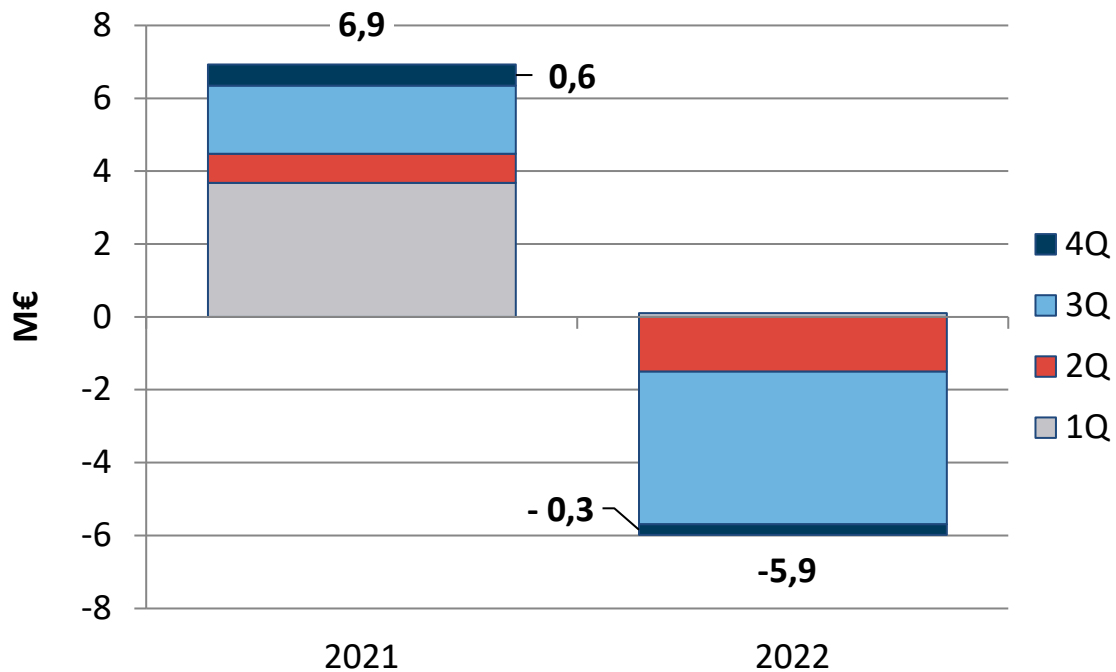
Net Sales



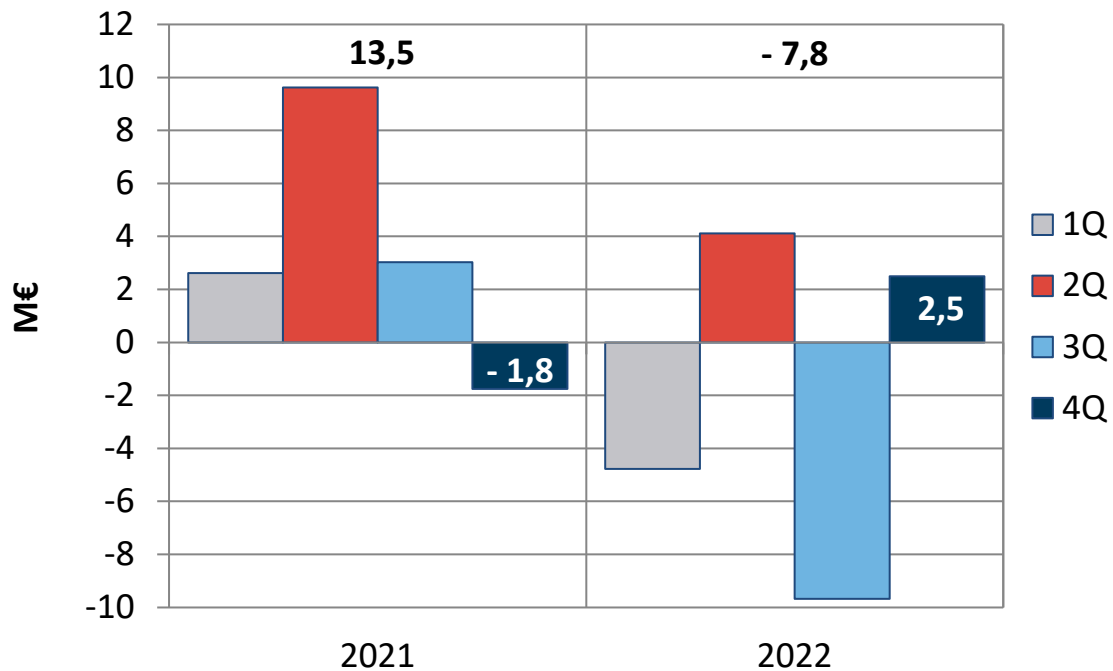
Adjusted Operating Profit



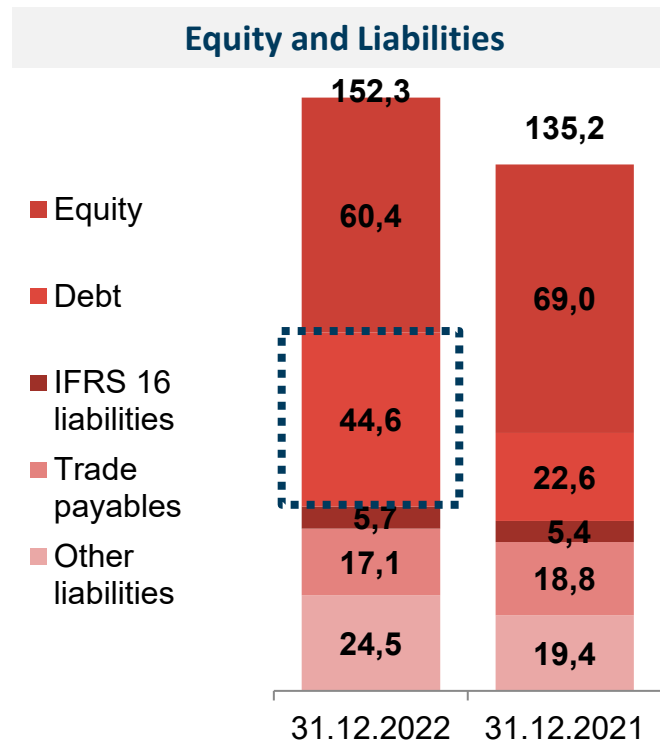
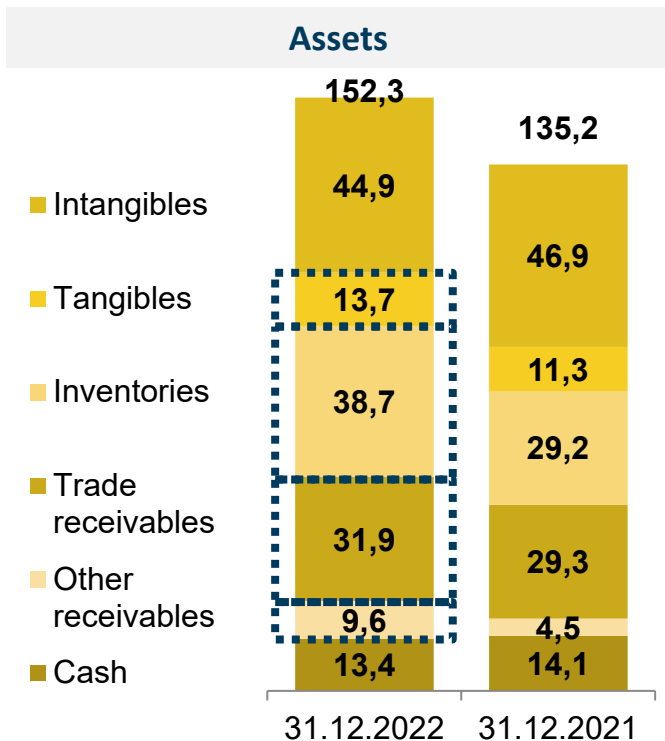
Net Profit



Cash Flow From Operations

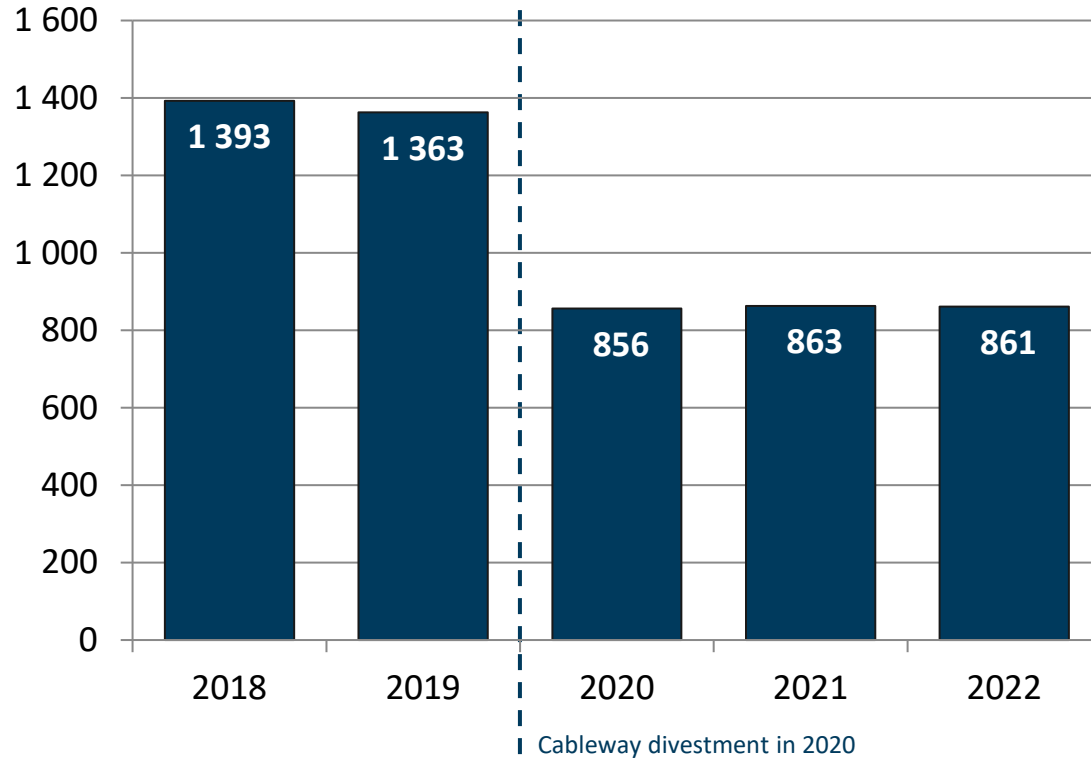


Balance sheet 31 December 2022



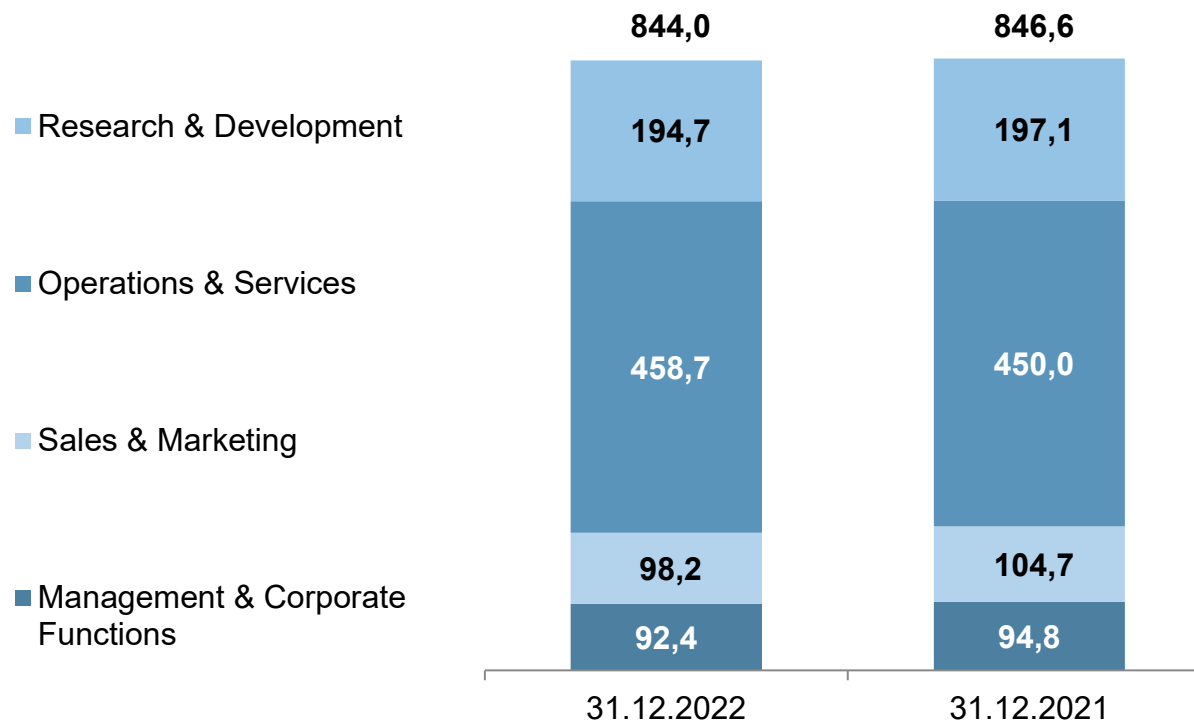
Personnel (average during the period)

Discontinued operations excluded 2020 onwards



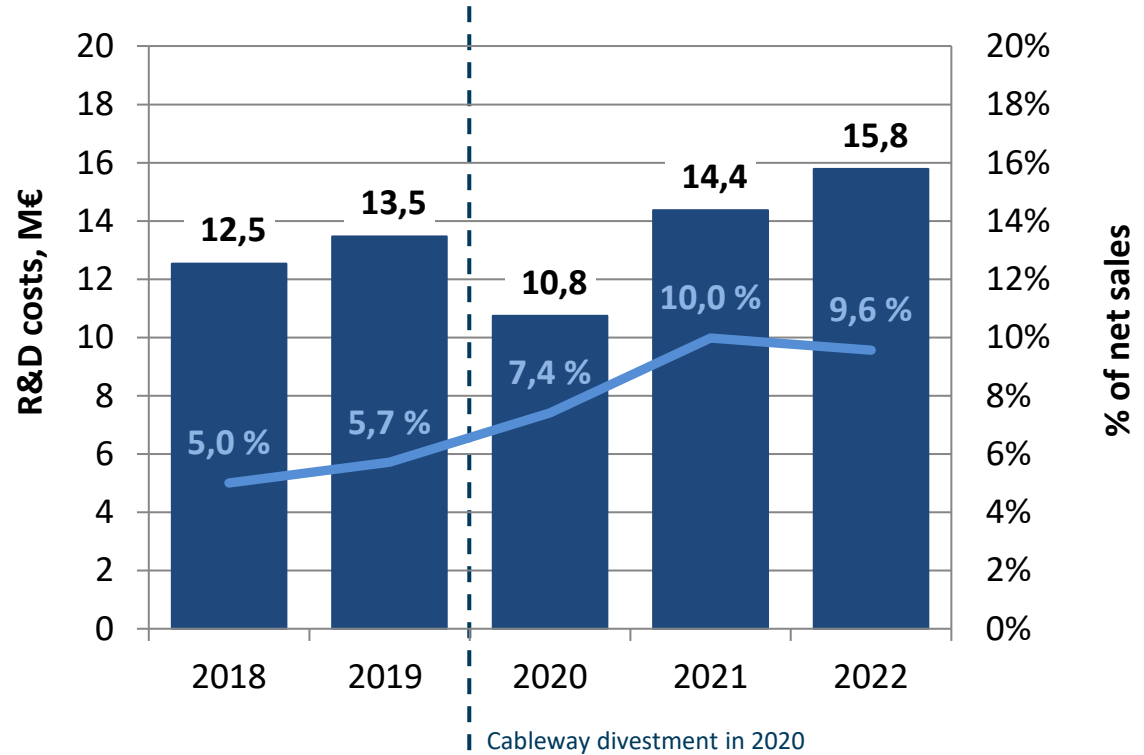
Personnel

Full-time equivalent at the end of period



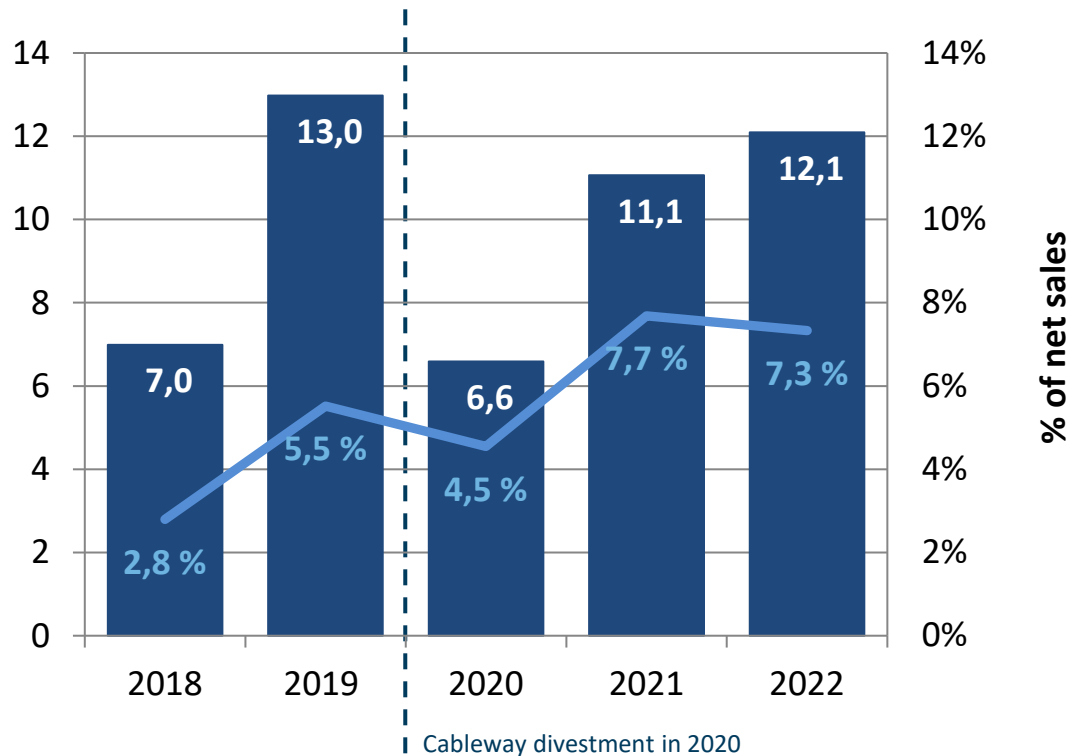
R&D costs

	1-12 2022	1-12 2021
M€	15,8	14,4
% of sales	9,6 %	10,0 %



Investments

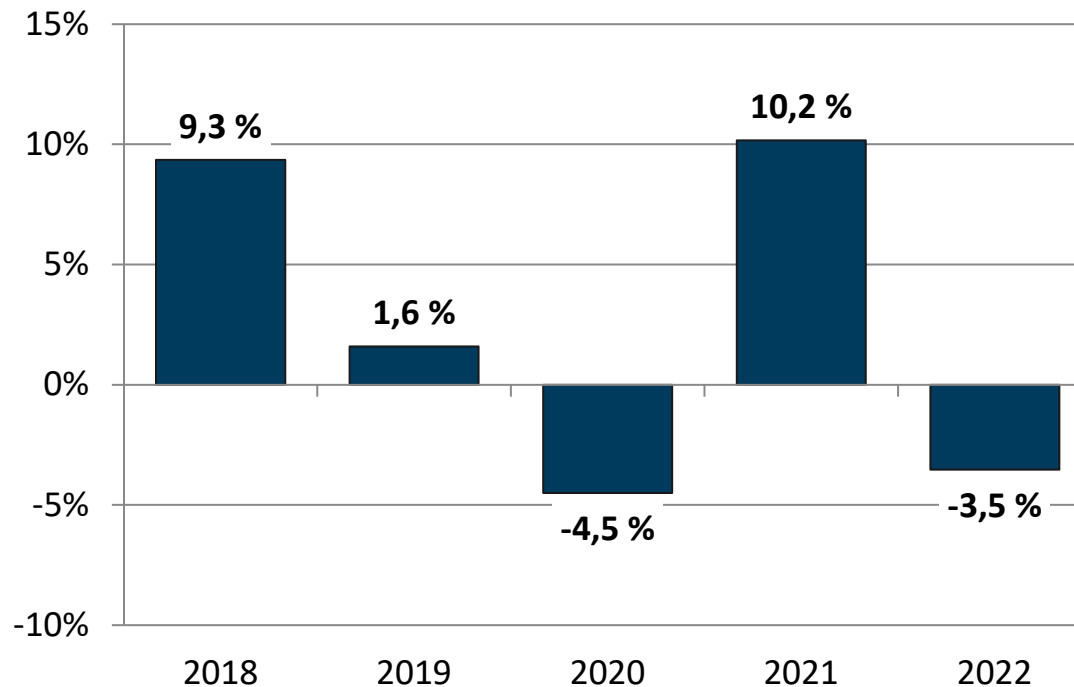
	1-12 2022	1-12 2021
M€	12,1	11,1
% of sales	7,3 %	7,7 %



Return on Capital Employed

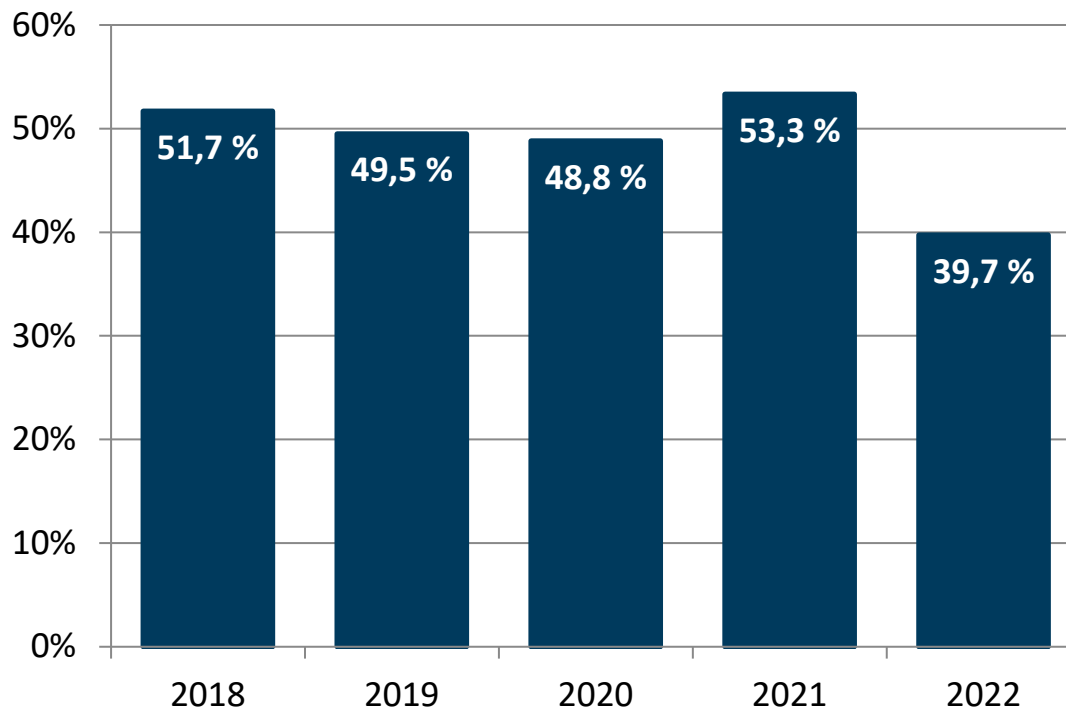
Including discontinued operations

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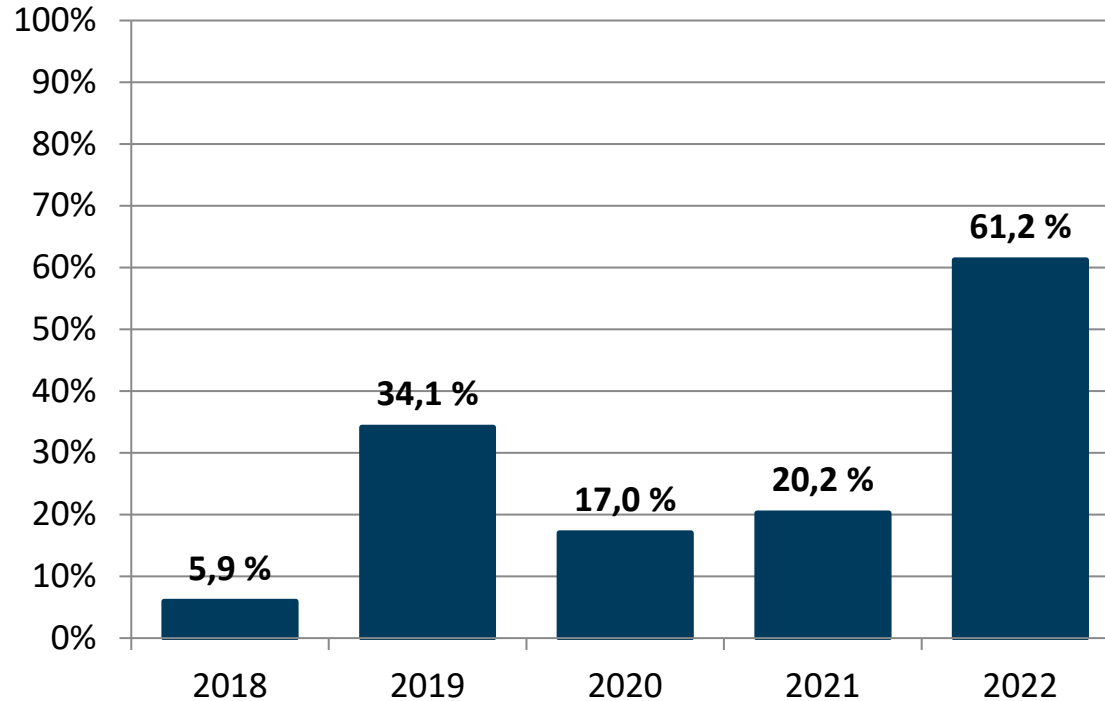
Equity Ratio (at the end of period)

Including discontinued operations



Net gearing (at the end of period)

Including discontinued operations





Guidance for 2023

Teleste estimates that net sales in 2023 will amount to EUR 150-175 million and that the adjusted operating result in 2023 will amount to EUR 2-5 million.

This guidance is subject to supply chain problems not becoming worse in 2023 than they are at present.