

Interim report January - September 2025

5.11.2025

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Teleste

International technology company building a networked and safe society while minimizing environmental impacts.

Value Drivers

- We enable fast broadband services
- We guide smooth public transport
- We ensure safety in public spaces

Broadband Networks



Public Safety and Mobility



Our businesses and customers

Broadband Networks



Our customers serve
100 million
Internet-users

Public Safety and Mobility



In public transportation

1.5 billion
passengers using our
technology annually

Key Figures Q3 2025

Strong growth in net sales and profit

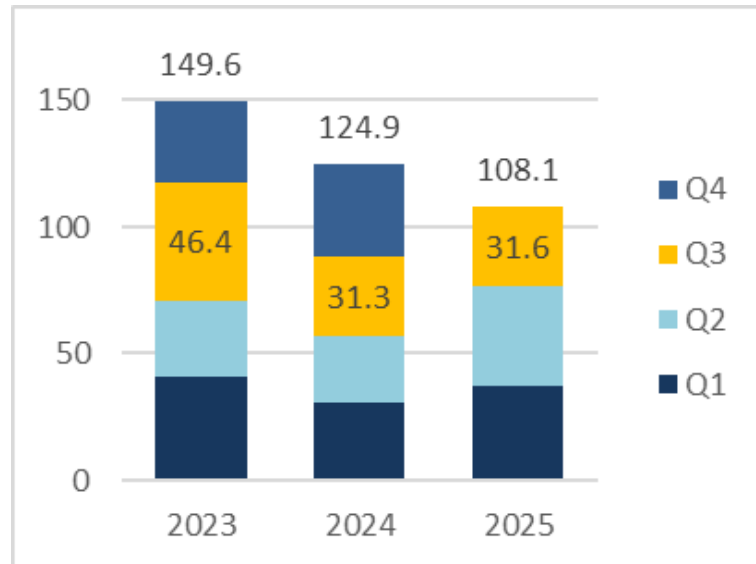
EUR million	7-9 2025	7-9 2024	change	1-9 2025	1-9 2024	change	1-12 2024
Net sales	34.5	29.9	15.2%	102.5	96.0	6.8%	132.5
Adjusted EBITDA	3.5	2.5	38.1%	9.6	7.2	34.0%	9.3
Adjusted EBIT	2.3	1.3	72.9%	5.9	3.3	77.9%	4.2
EBIT	2.2	1.1	91.7%	5.6	0.3	1998,5%	-5.4
Cashflow from operations	4.6	3.4	35.8%	11.1	10.6	4.5%	12.4
Orders received	31.6	31.3	0.7%	108.1	88.6	22.0%	124.9
Order book				123.9	118.5	4.5%	118.3

Orders received Q3 2025

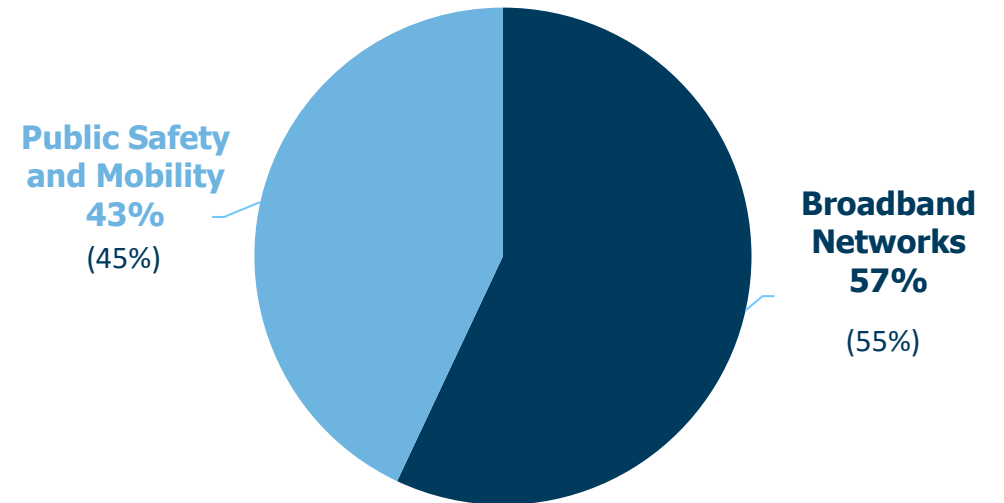
Orders stayed on the same level

Orders received

EUR million



Orders received by business units, 1-9 2025



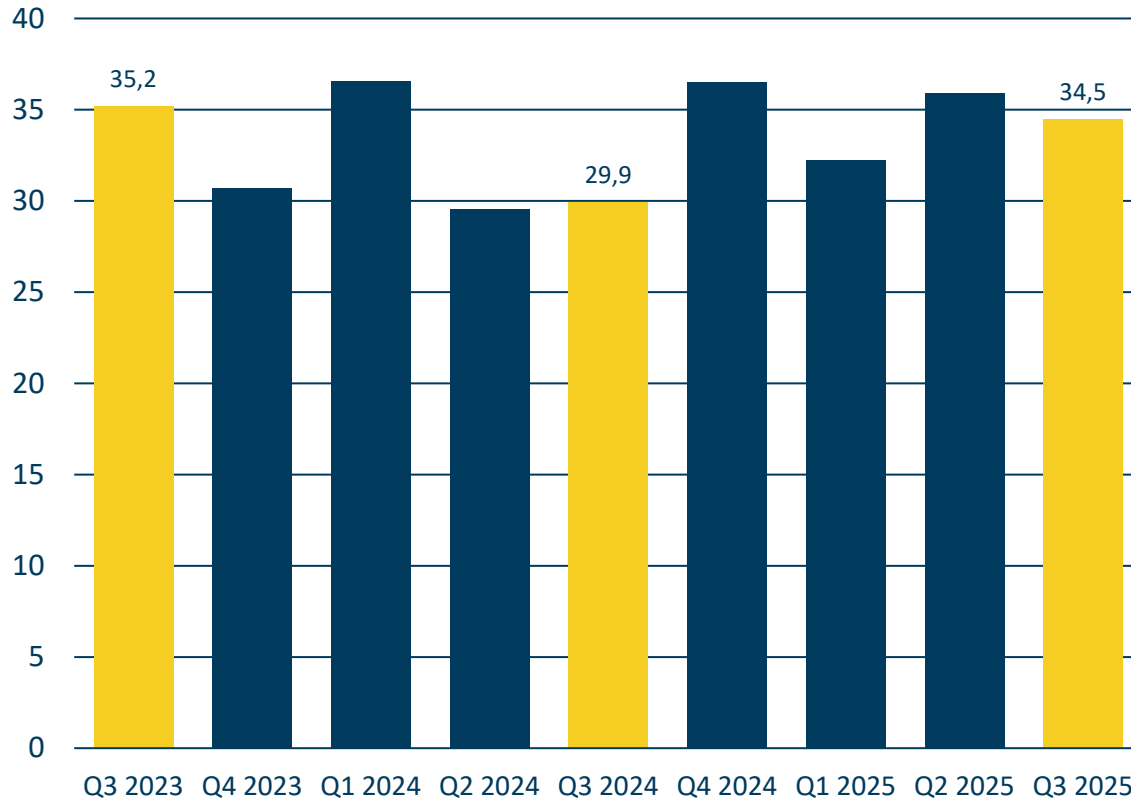
- Broadband Networks Q3 order intake decreased by 11.4% YoY. Orders in Europe increased, while orders in North America were at lower level due to the strong order intake in previous months.
- Public Safety and Mobility Q3 order intake increased by 13.3%, driven by a significant increase in orders from public transport operators, which nearly tripled compared to the reference period.

Net Sales Q3 2025

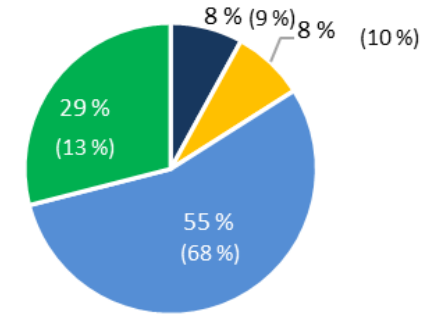
Strong growth in Net Sales, both segments performed well

Net sales

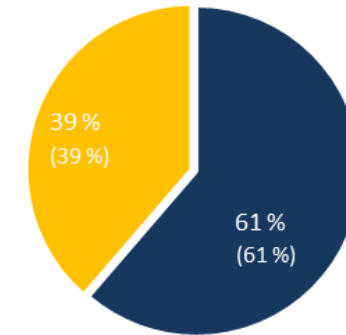
EUR million



Net sales, 1-9 2025



- Finland
- Other Nordic countries
- Other Europe
- North America and other countries



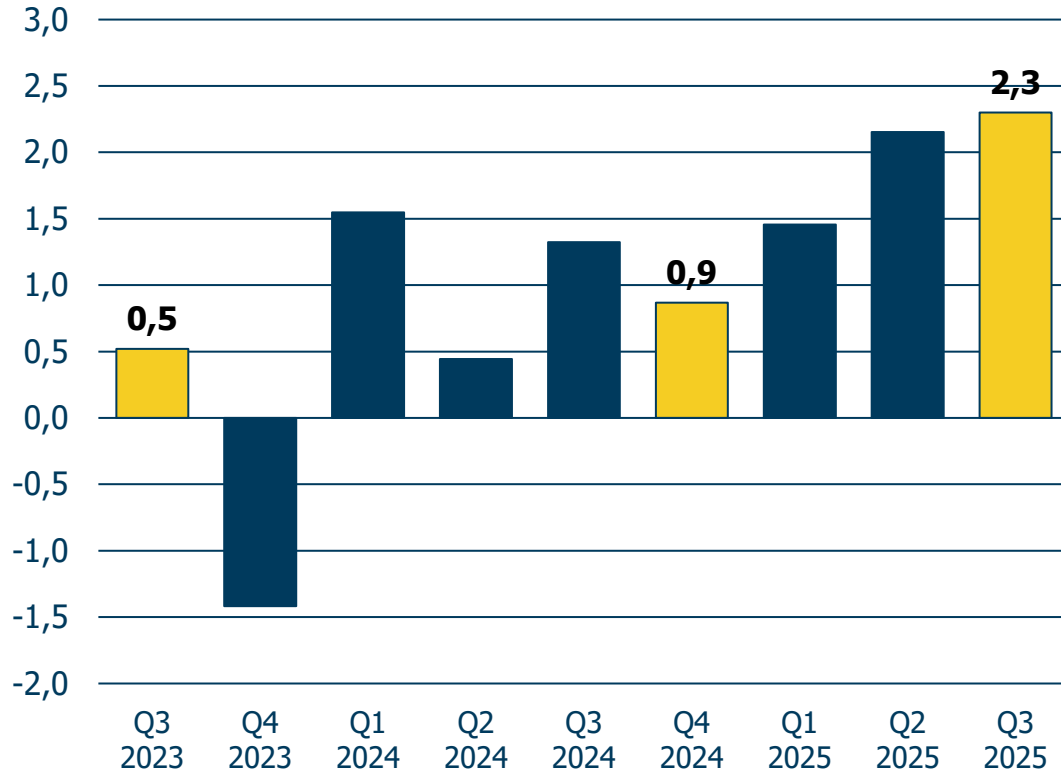
- Broadband Networks
- Public Safety and Mobility

Adjusted operating result Q3 2025

Adjusted EBIT and EBIT continued improving

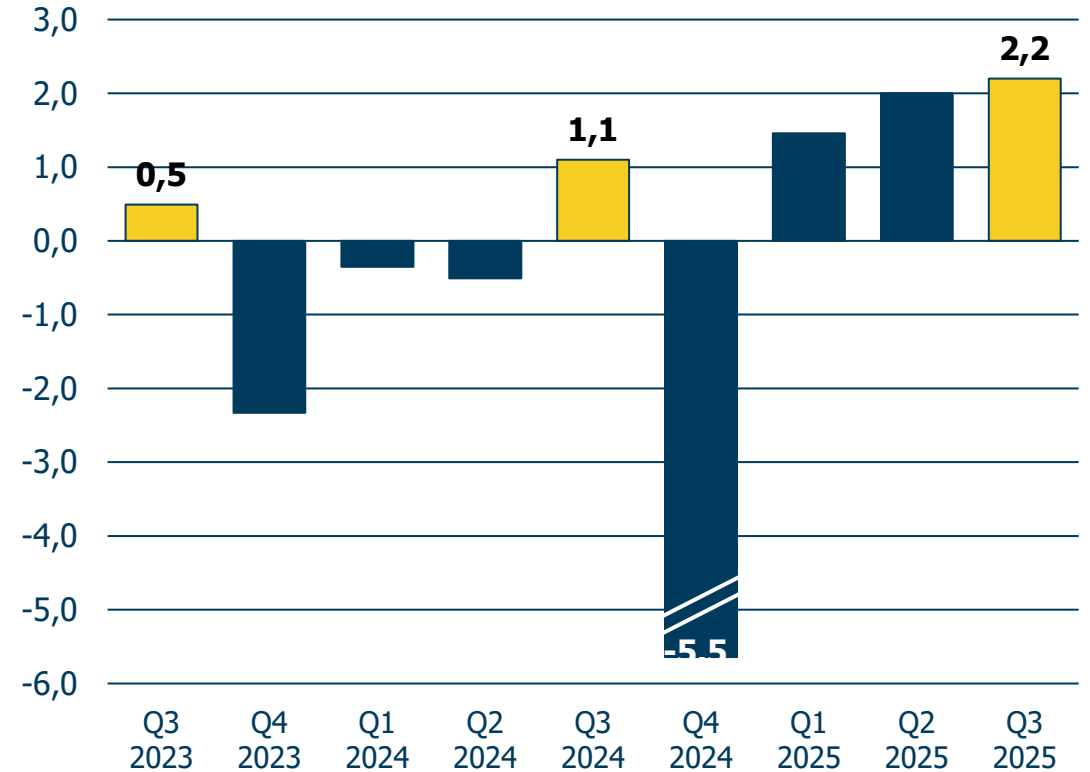
Adjusted EBIT

EUR million



EBIT

EUR million





Market outlook for 2025

Broadband Networks:

- Demand in the European market is expected to remain at the previous year's level. The first investments in DOCSIS 4.0 technology have started during 2025 in parts of the market.
- The North American investments in DOCSIS 4.0 technology are expected to drive a clear market growth trend starting in 2025. However, the US tariffs are causing uncertainty in the short-term.
- The North America's relative share of net sales is expected to continue to grow.

Public Safety and Mobility:

- The operating environment has developed in a more favorable and predictable direction, supporting steady growth in public transportation and critical infrastructure information and security solutions.
- The business typically consists of comprehensive projects that include development, delivery, and maintenance phases.
- We are looking for profitable growth and increasing value creation in all product categories.



Financial outlook for 2025 (specified)

Teleste estimates revenue for 2025 to be between 135 and 150 million euros, with adjusted operating profit in the range of 4 to 7 million euros. The company anticipates that profit for the period will be toward the upper end of the guidance range. Import tariffs in the United States continue to create uncertainty and may impact profitability in the short term.

Earlier Teleste estimated revenue for 2025 to be between 135 and 150 million euros, with adjusted operating profit in the range of 4 to 7 million euros. Import tariffs in the United States continue to create uncertainty and may impact profitability in the short term.

Content

1. Q3 2025 highlights

2. Q3 2025 financial review



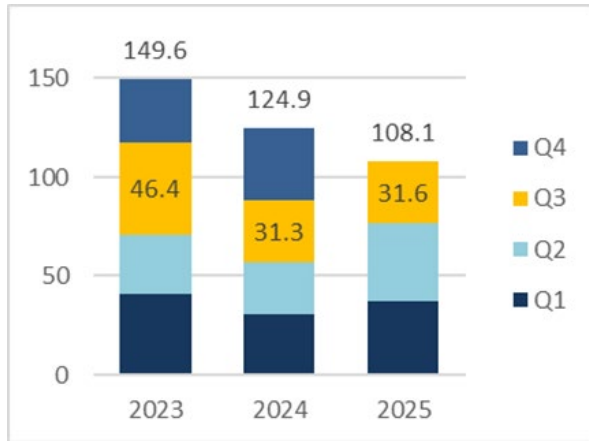
Teleste Group, Q3 2025

Strong growth in net sales and profit

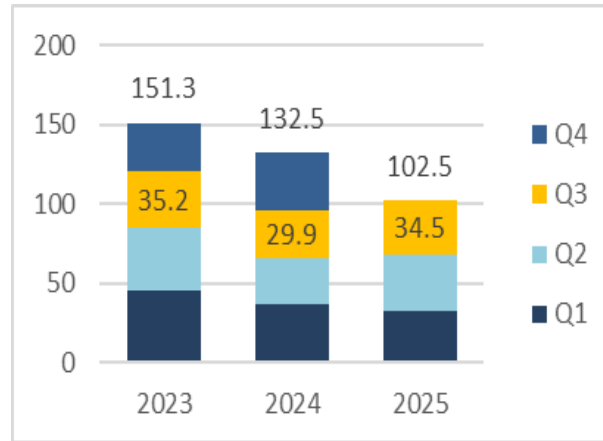
EUR million	7-9 2025	7-9 2024	Change	1-9 2025	1-9 2024	Change	2024
Net sales	34.5	29.9	15.2%	102.5	96.0	6.8%	132.5
Adjusted EBITDA	3.5	2.5	38.1%	9.6	7.2	34.0%	9.3
Adjusted EBITDA, %	10.2%	8.5%	1.7 ppt	9.4%	7.5 %	1.9 ppt	7.0%
Adjusted EBIT 1)	2.3	1.3	72.9%	5.9	3.3	77.9%	4.2
Adjusted EBIT, %	6.6%	4.4%	2.2 ppt	5.8%	3.5 %	2.3 ppt	3.2%
EBIT	2.2	1.1	91.7%	5.6	0.3	1998.5%	-5.4
Operating result, %	6.3%	3.8%	2.5 ppt	5.5%	0.3 %	5.2 ppt	-4.1%
Net result for the period	1.3	0.6	125.6%	2.2	-1.1	n/a	-6.1
Earnings per share, EUR	0.07	0.04	100.3%	0.13	-0.05	n/a	-0.32
Cash flow from operations	4.6	3.4	35.8%	11.1	10.6	4.5%	12.4
Orders received	31.6	31.3	0.7%	108.1	88.6	22.0%	124.9
Order book				123.9	118.5	4.5 %	118.3
Personnel (average)				635	689	-7.8 %	630

Group Financials, Q3'2025

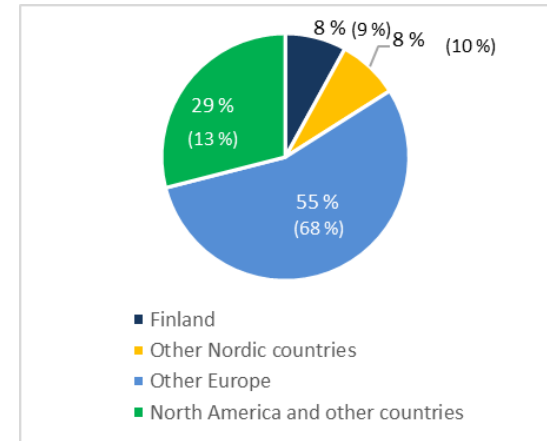
Orders received Q3'25



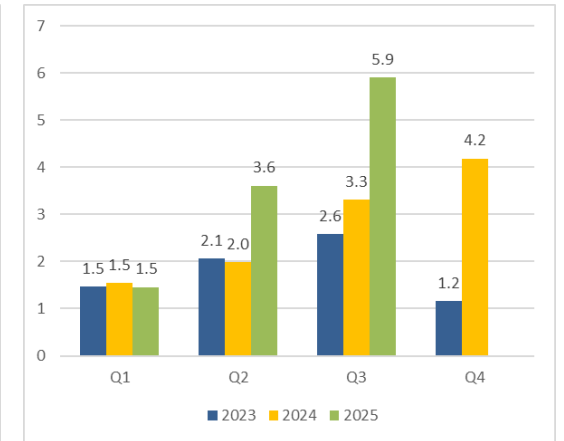
Net Sales Q3'25



Net Sales by geography Jan-Sept'25



Cumulative Adjusted EBIT Q3'25



- Order intake was on the last year's level. Broadband Networks orders grew in Europe, while North America's order intake was strong in previous months. Public Safety and Mobility orders grew primarily by public transport operators.
- Strong Net Sales growth was driven by both segments. Broadband Networks grew primarily in North America. Public Safety and Mobility's growth was from public transport operator business, while rail business deliveries remained stable.
- Cumulative Adjusted EBIT almost doubled compared to previous years, due to improved Net Sales and gross margin. Personnel costs increased due to cost savings in 2024 and new investments to North America growth.

Operating segments Q3 2025

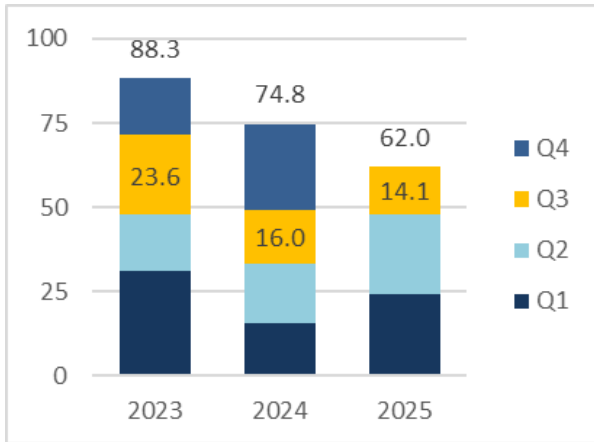
Both segments demonstrated significant profitability improvements

Broadband Networks	7-9 2025	7-9 2024	Change	1-9 2025	1-9 2024	Change	2024
Net sales, MEUR	20.8	18.1	14.9%	62.9	58.2	8.0%	78.2
Adjusted EBITDA, MEUR	3.1	2.2	40.8%	8.6	7.1	19.7%	8.9
<i>Adjusted EBITDA, %</i>	14.9%	12.2%	2.7 ppt	13.6%	12.3%	1.3 ppt	11.4%
Adjusted EBIT, MEUR	2.5	1.5	62.4%	6.6	5.1	29.0%	6.3
<i>Adjusted EBIT, %</i>	11.8%	8.3%	3.4 ppt	10.6%	8.8%	1.7 ppt	8.0%
Orders received, MEUR	14.1	16.0	-11.4%	62.0	49.1	26.2%	74.8
Order book, MEUR				24.1	19.3	25.1%	25.0

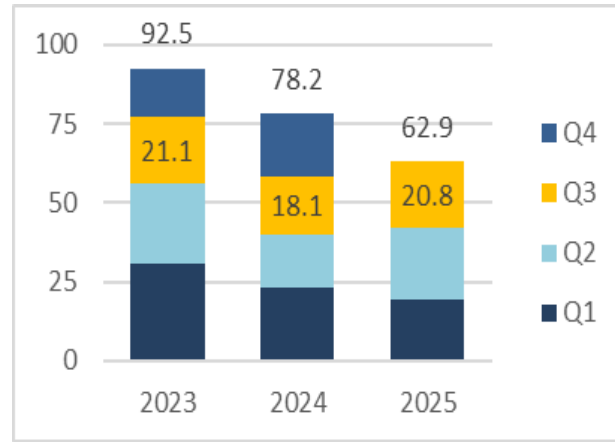
Public Safety and Mobility	7-9 2025	7-9 2024	Change	1-9 2025	1-9 2024	Change	2024
Net sales, MEUR	13.6	11.8	15.7%	39.6	37.8	4.9%	54.3
Adjusted EBITDA, MEUR	1.5	1.1	35.3%	4.4	3.0	47.3%	4.5
<i>Adjusted EBITDA, %</i>	10.8%	9.2%	1.6 ppt	11.1%	7.9%	3.2 ppt	8.2%
Adjusted EBIT, MEUR	0.9	0.6	60.0%	2.6	1.1	130.0%	2.0
<i>Adjusted EBIT, %</i>	6.5%	4.7%	1.8 ppt	6.5%	3.0%	3.6 ppt	3.7%
Orders received, MEUR	17.4	15.4	13.3%	46.1	39.5	16.9%	50.1
Order book, MEUR				99.8	99.2	0.6%	93.3

Broadband Networks, Q3'2025

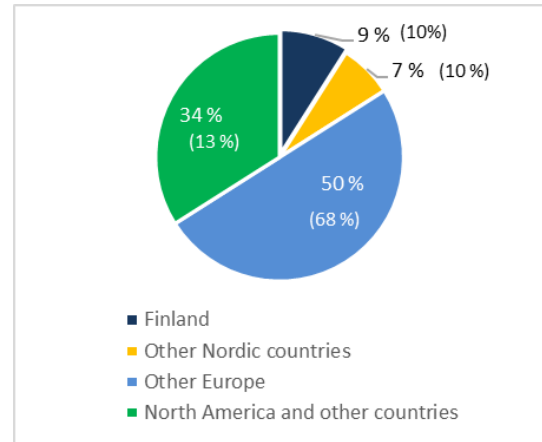
Orders received Q3'25



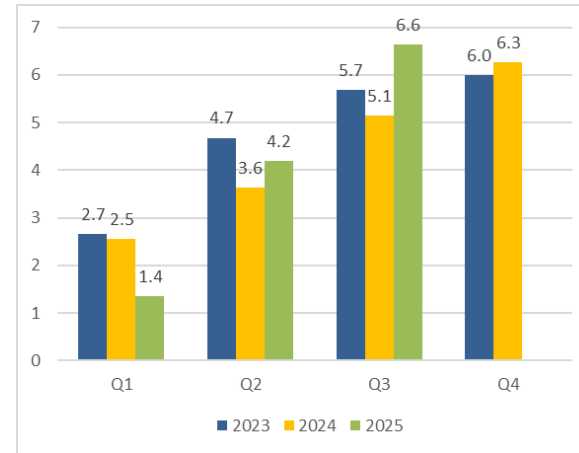
Net Sales Q3'25



Net Sales by geography Jan-Sept'25



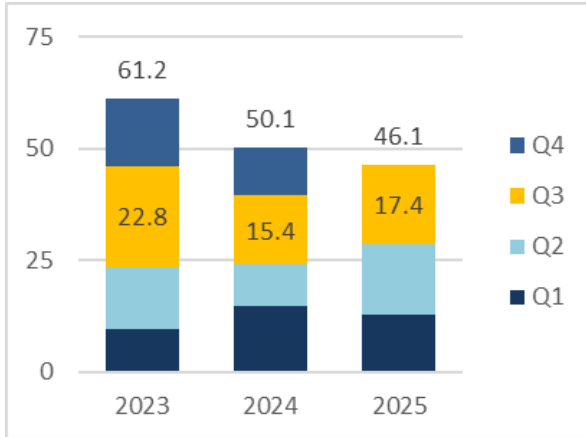
Cumulative Adjusted EBIT Q3'25



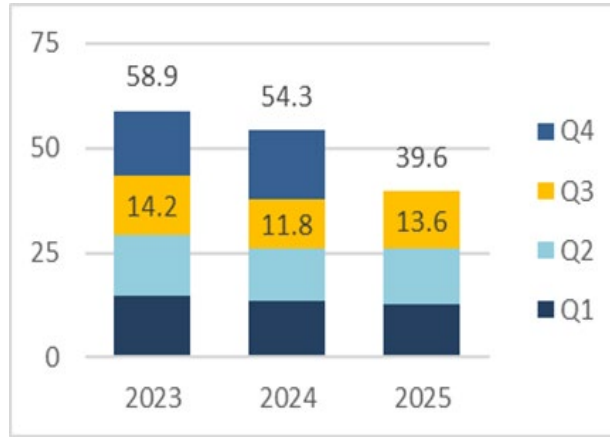
- Q3'25 orders in Europe increased in both DOCSIS 4.0 intelligent networks and the video business, while in North America orders were at lower level due to the strong order intake in previous months. Year-to-date order intake represent 26% growth from last year.
- Net Sales increased primarily in North America, offsetting the decline in certain regions, e.g. service business in the UK.
- The revenue share of North America and other countries increased to 34% (13%), where Europe other than Finland or Nordic decline to 50% (68%).
- Adjusted EBIT continued improving, taking Jan-Sept'25 EBIT to EUR 6.6M€, driven by net sales growth, different product and market mix, partly offset by investments to North America.

Public Safety and Mobility, Q3'2025

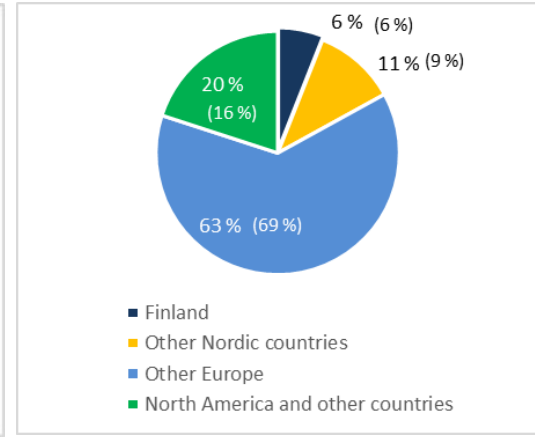
Orders received Q3'25



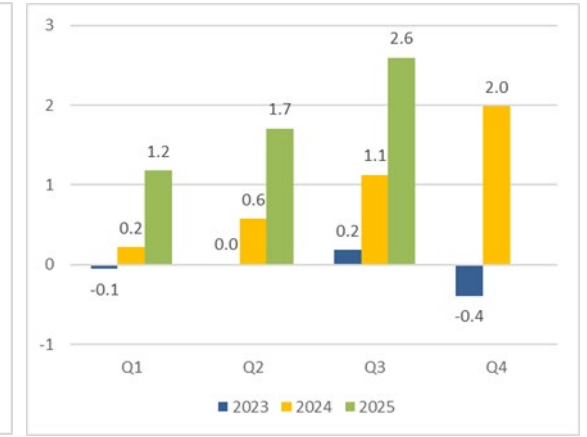
Net Sales Q3'25



Net Sales by geography Jan-Sept'25



Cumulative Adjusted EBIT Q3'25

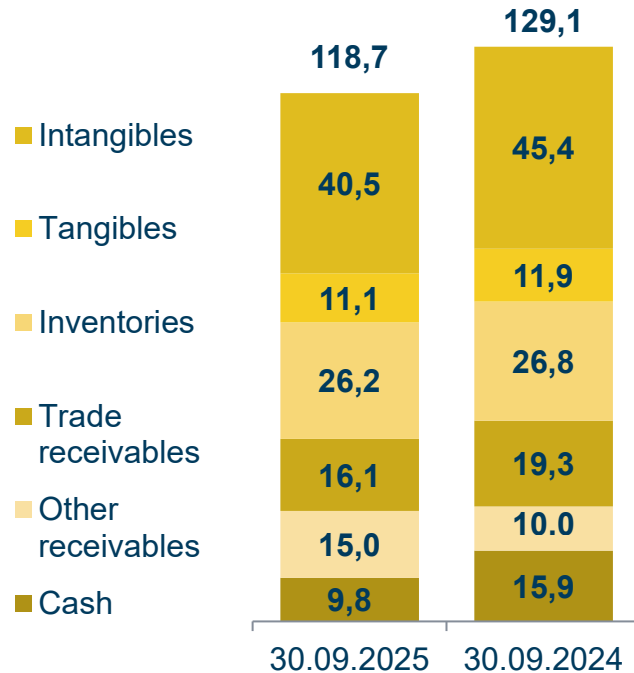


- Order intake increased during Jan-Sept by 17%. The growth during this year has been primarily driven by a strong increase in orders from public transport operators and rolling stock manufactures.
- Net Sales increased during Q3 by 16% and during Jan-Sept by 5%. Performance varied among the different business areas within the segment. The Video security business developed favorably, particularly in North America and Middle East. Deliveries to public transport operators have been particularly strong compared to the reference period
- Cumulative Adjusted EBIT grew to 2.6 (1.1) million EUR as a result of favorable project mix and lower material and production service costs.

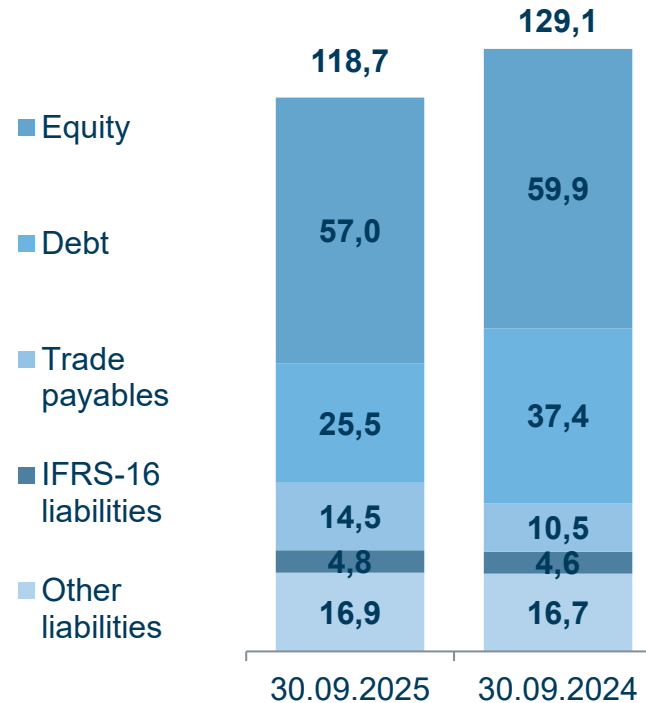
Balance sheet 30 September 2025, EUR million

Net working capital improved year-on-year, interest bearing net debt decreased

Assets



Equity and liabilities



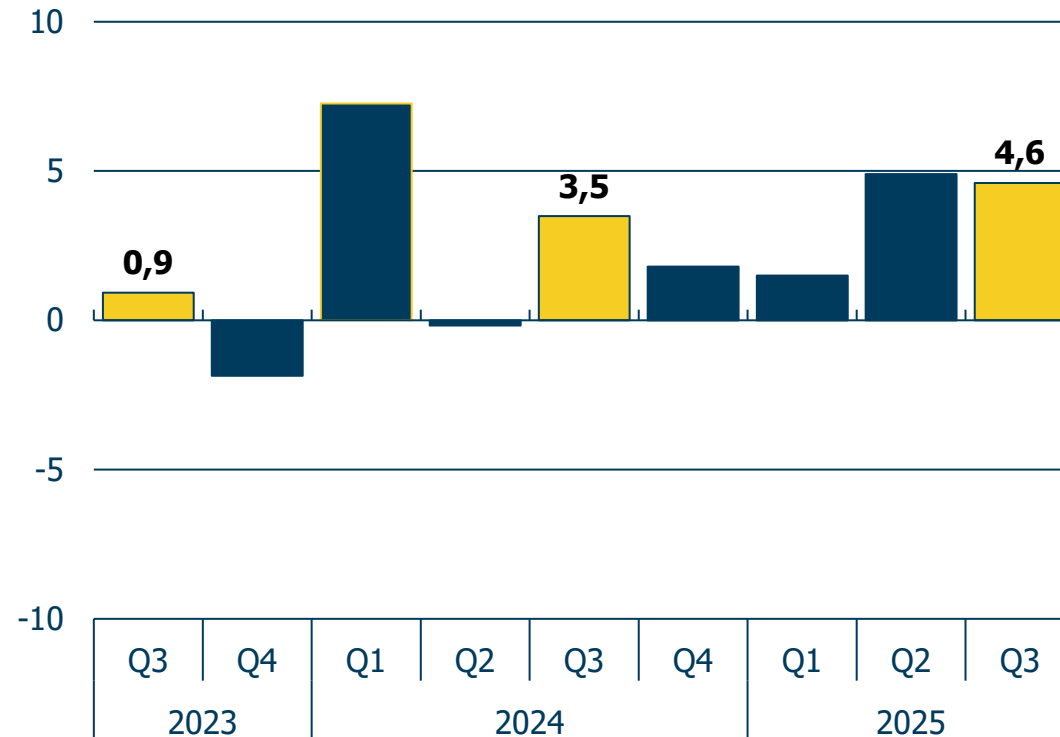
- Intangibles decreased 4.9 million due to impairment on R&D capitalizations in Q4 2024.
- Net Working Capital improved by ~8Meur compared to Q3 2024.
- Equity decreased due to R&D impairment in Q4 2024, partly offset by profitable quarters.
- Interest bearing net debt was EUR 25.5 million and decreased by EUR 11.9 million due to efficient use of RCF facilities.
- Cash and unused credit facilities amounted to EUR 25.8 million.

Cash flow from operations

Operative cash flow in Q3 2025 was positive due to higher net sales and efficient working capital management

Cash flow from operations

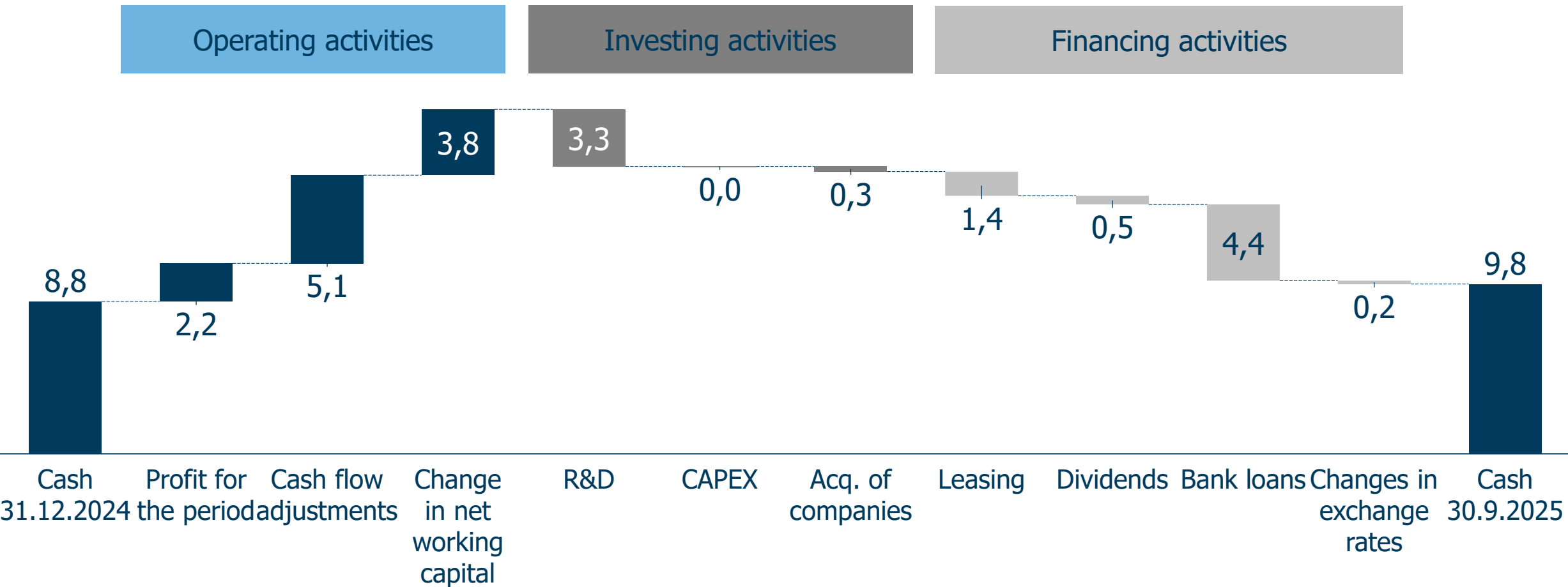
EUR million



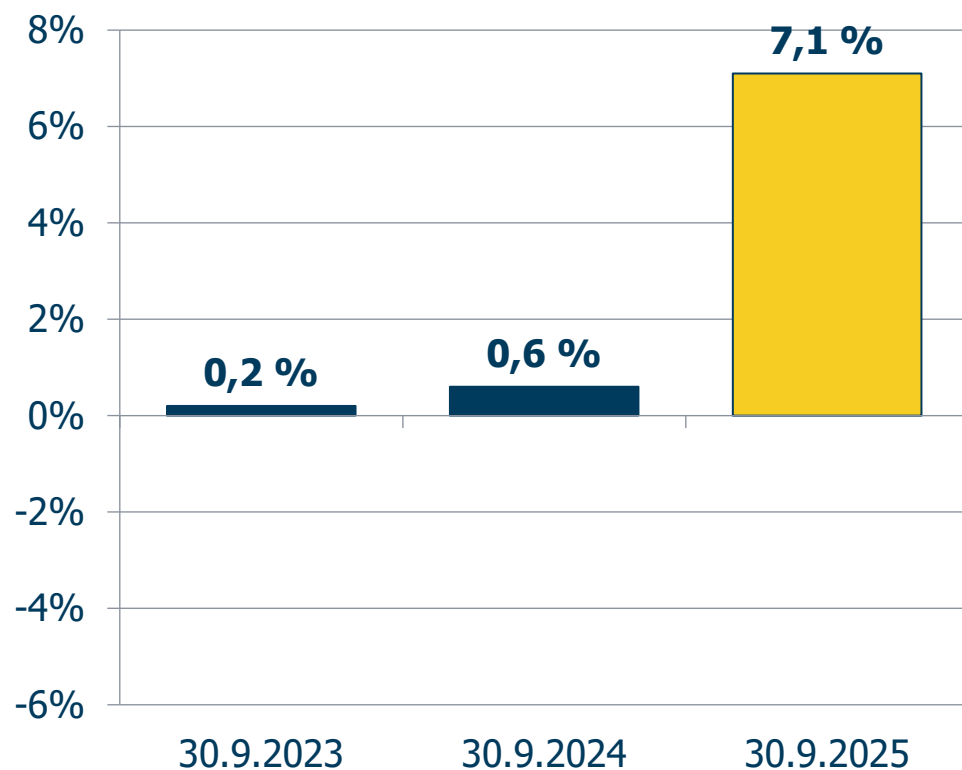
- Q3 2025 operative cash flow was EUR 4.6M due to positive effects from net working capital and operating result

Cash flow Q3 2025:

Working capital released due to improved profitability and networking capital management



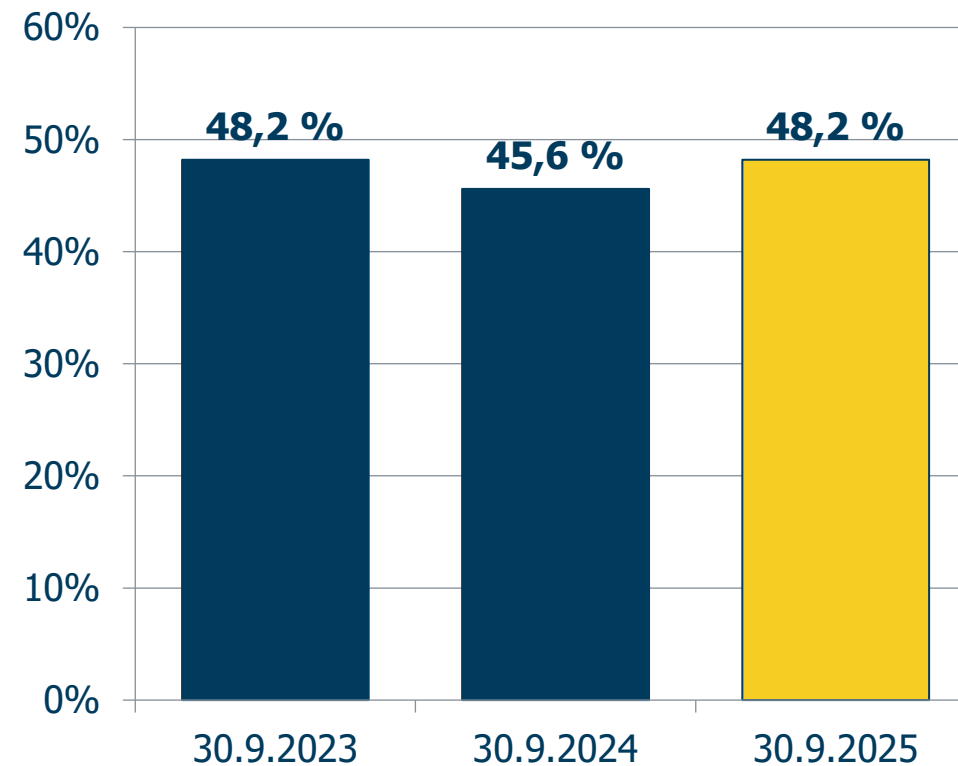
Return on capital employed



- Return on Capital Employed (ROCE) was 7.1%.

Equity ratio

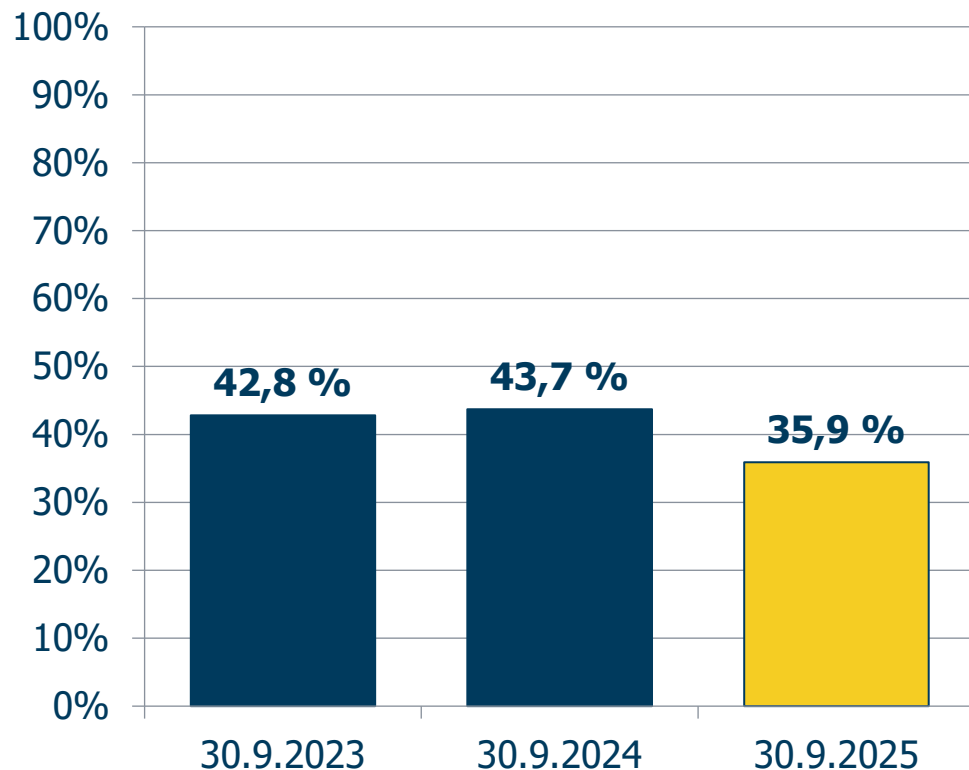
At the end of the period



- The equity ratio has increased due to decrease in debts and improved results.

Net gearing

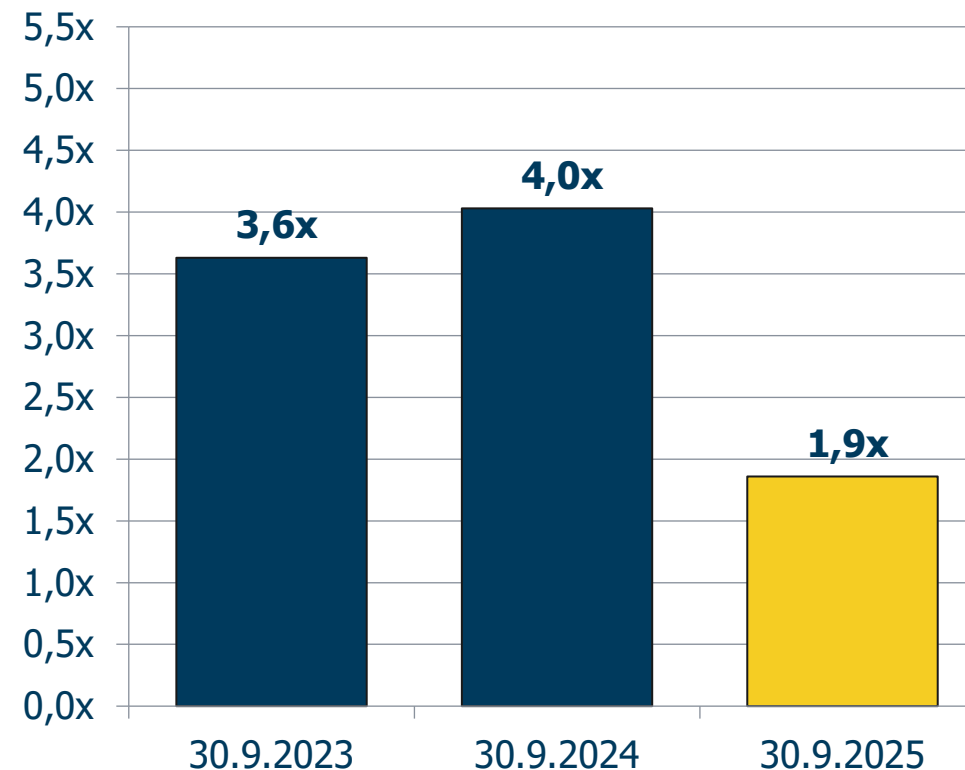
At the end of the reporting period



- Year on year Net Gearing decreased due to decrease in interest bearing net debt and lower equity.

Interest-bearing Net debt / adj. EBITDA

Last twelve months



- Interest-bearing net debt to adjusted EBITDA ratio improved year on year along the profitability improvement.