

# Financial Results

# 2023

26 January 2024



# ELISA'S FINANCIAL STATEMENT RELEASE 2023

## Fourth quarter 2023 financial highlights

- Revenue was at the previous year's level, EUR 563m, due to divestments and lower equipment sales.
- Mobile service revenue increased by 4.4 per cent to EUR 244m.
- EBITDA grew by EUR 6m to EUR 191m.
- Comparable EBIT increased by EUR 4m to EUR 123m.
- Capital expenditure was EUR 91m\*. In 2022 to 2023, average capital expenditure was 12 per cent of revenue for those years, and the medium-term target of a maximum of 12 per cent remains intact.
- Comparable cash flow decreased by EUR 13m to EUR 73m mainly due to a change in NWC.
- In Finland, mobile post-paid ARPU increased to EUR 22.4 (22.1 in the previous quarter), and mobile post-paid churn increased to 15.4 per cent (14.4).
- During the quarter, the net increase in post-paid mobile subscriptions was 23,900. The contribution of M2M and IoT subscriptions was +45,000.
- Prepaid subscriptions decreased by 14,600 during the quarter.
- The number of fixed broadband subscriptions increased by 1,300 during the quarter.

\* Excluding leases, licenses, shares and business acquisitions

## Key indicators

EUR million	4Q23	4Q22	Δ %	2023	2022	Δ %
Revenue	563	563	0.1 %	2,180	2,130	2.4 %
EBITDA	191	185	3.4 %	756	733	3.1 %
Comparable EBITDA <sup>(1)</sup>	191	185	3.4 %	756	735	2.8 %
EBIT	118	119	-1.0 %	482	470	2.5 %
Comparable EBIT <sup>(1)(2)</sup>	123	119	3.7 %	487	472	3.3 %
Profit before tax	111	115	-4.1 %	458	456	0.5 %
Comparable profit before tax <sup>(1)(2)</sup>	116	115	0.8 %	464	458	1.2 %
EPS, EUR	0.58	0.60	-2.7 %	2.34	2.33	0.2 %
Comparable EPS, EUR <sup>(1)(2)</sup>	0.61	0.60	2.0 %	2.37	2.34	1.0 %
Capital expenditure	109	97	11.9 %	321	290	11.0 %
Net debt	1,304	1,276	2.2 %	1,304	1,276	2.2 %
Net debt / EBITDA <sup>(3)</sup>	1.7	1.7		1.7	1.7	
Gearing ratio, %	100.8 %	101.9 %		100.8 %	101.9 %	
Equity ratio, %	41.6 %	40.6 %		41.6 %	40.6 %	
Cash flow <sup>(4)</sup>	61	86	-28.8 %	347	300	15.7 %
Comparable cash flow <sup>(5)</sup>	73	86	-15.1 %	361	321	12.4 %

<sup>1)</sup> 2022 excluding EUR 2m in restructuring costs. <sup>2)</sup> Q4/2023 and 2023 excluding EUR 6m impairment. <sup>3)</sup> (Interest-bearing debt – financial assets) / (four previous quarters' comparable EBITDA). <sup>4)</sup> Cash flow before financing activities. <sup>5)</sup> Q4/2023 excluding EUR 12m and 2023 EUR 14m in share and business investments and sales. 2022 excluding EUR 21m in share investments.

The Board of Directors proposes to the Annual General Meeting a dividend of EUR 2.25 per share. The Board of Directors also proposes that the dividend be paid in two instalments (see "Profit distribution"). The Board of Directors decided to propose an authorisation to acquire a maximum of 5 million own shares, which corresponds to 3 per cent of the total number of shares.

Additional key performance indicators are available at [elisa.com/investors](https://elisa.com/investors) (Elisa Operational Data.xlsx).

## CEO's review:

### Best ever result driven by our solid strategy

In the fourth quarter, Elisa continued its good performance. Revenue was at the previous year's level: EUR 563 million. EBITDA improved by 3 per cent to EUR 191 million, and comparable earnings per share was EUR 0.61. Elisa's performance has continued to improve despite inflation and geopolitical challenges.

During the fourth quarter, we further strengthened our position as the mobile and fixed network market leader in Finland. The population coverage of our 5G network reached over 92 per cent in Finland and 75 per cent in Estonia. Elisa's 5G standalone network is now available for consumers in Finland's capital area, and we successfully completed the first calls in Europe over the cloud-based 5G network using Nokia technology. In December, we were the first operator in Finland to finish ramping down the 3G network.

During the second half of 2023, we expanded our fibre network in nearly 40 locations. Additionally, we acquired the fibre network constructed by Elenia in Finland. Elisa's fibre-optic or cable modem-based high-speed connections are already available to more than one million households and commercial premises in Finland, and the fibre network will expand to over 450 new areas in the coming years.

Demand for cybersecurity solutions continued to increase. Elisa was the first operator in Finland to start blocking scam calls to its customers. In October, a nationwide regulation to block scam calls came into effect in Finland using a technical solution originally developed and patented by Elisa. Since deploying the solution, Elisa has prevented over 20 million scam calls.

Elisa Polystar announced three major contracts to provide solutions in data management, analytics and automation to three European operators. Elisa IndustriQ announced a contract to modernise a European manufacturing customer's operations in its forklift truck factory.

Elisa's Distributed Energy Storage (DES) solution is expanding in the Finnish electricity reserve market. This award-winning solution has already been operating as part of the Automatic Frequency Restoration Reserve (aFRR), and it has now also been approved by the grid operator Fingrid for the Frequency Containment Reserve for Disturbances (FCR-D).

Elisa's long-term sustainability work is also reflected in international assessments. In December, MSCI, which assesses corporate responsibility globally, upgraded Elisa's ESG rating to the highest level: AAA. Elisa was also included in the *Financial Times* European Diversity Leaders 2024 ranking. In January, Elisa was ranked among the 100 most responsible companies in the world in the Corporate Knights 2024 Global 100 list and included in Sustainalytics' 2024 ESG Top-Rated Companies list.

Elisa's unique strategy generates sustainable profit and growth. Our competitiveness is based on continuously increasing our productivity and quality, our strong investment capability, and the growth opportunities from our innovative digital services globally. Elisa and its entire personnel are engaged in creating value for our customers and a positive impact on society to ensure solid financial performance for shareholders.

### Veli-Matti Mattila

CEO

# FINANCIAL STATEMENTS RELEASE 2023

This financial statements release has been prepared in accordance with the IAS 34 standard.

## Market situation

The competitive environment has been active, especially in 4G subscriptions. The usage of mobile services has continued to evolve favourably. Brisk demand for 5G services has also continued due to the wider range of 5G devices and better network coverage. The current geopolitical situation has also increased the demand for cybersecurity services. Competition in the fixed broadband market has continued to be intense, and the number and usage of traditional fixed network subscriptions is declining.

The markets for IT services have continued to develop favourably. Demand for other digital services is also growing well. The prevailing uncertainty in the general economy and increased interest rates have caused some companies to delay investment decisions and project implementation.

## Revenue, earnings and financial position

EUR million	4Q23	4Q22	Δ %	2023	2022	Δ %
Revenue	563	563	0.1 %	2,180	2,130	2.4 %
EBITDA	191	185	3.4 %	756	733	3.1 %
EBITDA-%	34.0 %	32.9 %		34.7 %	34.4 %	
Comparable EBITDA <sup>(1)</sup>	191	185	3.4 %	756	735	2.8 %
Comparable EBITDA-%	34.0 %	32.9 %		34.7 %	34.5 %	
EBIT	118	119	-1.0 %	482	470	2.5 %
EBIT-%	20.9 %	21.2 %		22.1 %	22.1 %	
Comparable EBIT <sup>(1) (2)</sup>	123	119	3.7 %	487	472	3.3 %
Comparable EBIT-%	21.9 %	21.2 %		22.4 %	22.2 %	
Return on equity, %	29.4 %	30.4 %		29.4 %	30.4 %	

<sup>1)</sup> 2022 excluding EUR 2m in restructuring costs. <sup>2)</sup> Q4/2023 and 2023 excluding EUR 6m impairment.

### Fourth quarter 2023

Revenue was at the previous year's level. Growth in mobile and fixed services increased revenue, while a decrease in international digital services, equipment sales, usage and subscriptions of traditional fixed (PSTN) telecom services, and interconnection and roaming affected revenue negatively. In addition, the divestment of Videra and the end of our video streaming cooperation negatively affected domestic and other digital services revenue. EBITDA increased by 3 per cent due to efficiency improvements, and comparable EBIT grew by 4 per cent.

Net financial income and expenses increased to EUR -8 million (-4), mainly due to increased interest rates. Income taxes in the income statement amounted to EUR -18 million (-20). Comparable net profit was EUR 97 million (96), and comparable earnings per share was EUR 0.61 (0.60).

### Year 2023

Revenue increased by 2 per cent on the previous year, mainly due to growth in mobile, fixed, domestic and international digital services, as well as equipment sales. Decreases in usage and subscriptions of traditional fixed telecom services, and in interconnection and roaming revenue, affected revenue negatively. In addition, the divestment of Videra and the end of our video streaming cooperation negatively affected domestic and other digital services revenue.

Comparable EBITDA increased by 3 per cent and comparable EBIT by 3 per cent, mainly due to revenue growth and efficiency improvement measures.

Net financial income and expenses increased to EUR -23 million (-13), mainly due to increased interest rates. Income taxes in the income statement were EUR -84 million (-83). Comparable net profit was EUR 379 million (374), and earnings per share were EUR 2.34 (2.33). Comparable earnings per share was EUR 2.37 (2.34).

#### Financial position

EUR million	4Q23	4Q22	Δ %	2023	2022	Δ %
Net debt	1,304	1,276	2.2 %	1,304	1,276	2.2 %
Net debt / EBITDA <sup>1)</sup>	1.7	1.7		1.7	1.7	
Gearing ratio, %	100.8 %	101.9 %		100.8 %	101.9 %	
Equity ratio, %	41.6 %	40.6 %		41.6 %	40.6 %	
Cash flow <sup>2)</sup>	61	86	-28.8 %	347	300	15.7 %
Comparable cash flow <sup>3)</sup>	73	86	-15.1 %	361	321	12.4 %

<sup>1)</sup> (Interest-bearing debt – financial assets) / (four previous quarters' comparable EBITDA) <sup>2)</sup> Cash flow after financing activities.

<sup>3)</sup> Q4/2023 excluding EUR 12m and 2023 EUR 14m in share and business investments and sales. 2022 excluding EUR 21m in share investments.

#### Fourth quarter 2023

Net debt increased by 2 per cent to EUR 1,304 million. Comparable cash flow after investments decreased by 15 per cent to EUR 73 million. Cash flow was negatively affected by a change in net working capital and higher capital expenditure, and positively by increased EBITDA and lower taxes.

The financial position and liquidity are strong. Cash and undrawn committed credit lines totalled EUR 363 million at the end of the quarter.

#### Year 2023

Comparable cash flow after investments increased by 12 per cent to EUR 361 million. The positive change in net working capital, higher EBITDA and lower taxes affected cash flow positively, while higher capital expenditure and financial expenses had negative effects.

## Changes in corporate structure

In November, the businesses of Elisa's subsidiary Elisa Videra and the German company MVC Mobile VideoCommunication GmbH (owned by KLP Vermögensverwaltungs GmbH) combined to form MVC Videra. KLP has a 62.5% holding and Elisa 37.5% of MVC Videra. After the transaction, MVC Videra is consolidated to Elisa Group as an associated company rather than a subsidiary.

## Consumer Customers business

EUR million	4Q23	4Q22	Δ %	2023	2022	Δ %
Revenue	343	339	1.1 %	1,335	1,301	2.6 %
EBITDA	132	123	6.8 %	521	496	5.1 %
EBITDA-%	38.4 %	36.3 %		39.0 %	38.1 %	
Comparable EBITDA <sup>(1)</sup>	132	123	6.8 %	521	497	4.7 %
Comparable EBITDA-%	38.4 %	36.3 %		39.0 %	38.2 %	
EBIT	84	80	5.5 %	342	322	6.2 %
EBIT-%	24.5 %	23.5 %		25.6 %	24.7 %	
Comparable EBIT <sup>(1)(2)</sup>	87	80	9.0 %	344	323	6.5 %
Comparable EBIT-%	25.4 %	23.5 %		25.8 %	24.9 %	
CAPEX	73	62	17.1 %	213	191	11.8 %

<sup>1)</sup> 2022 excluding EUR 1.6m in restructuring costs. <sup>2)</sup> Q4/2023 and 2023 excluding EUR 3m impairment.

### Fourth quarter 2023

Revenue increased by 1 per cent. Revenue was positively affected by growth in mobile services. Interconnection and roaming, as well as a decrease in usage and subscriptions of traditional fixed telecom services, affected revenue negatively. In addition, ending the video streaming service cooperation negatively affected domestic digital services revenue. EBITDA increased by 7 per cent.

### Year 2023

Revenue increased by 3 per cent. Mobile and fixed services as well as equipment sales affected revenue positively, while it was negatively affected by interconnection and roaming revenue, as well as the decrease in traditional fixed telecom services. In addition, ending the video streaming service cooperation negatively affected domestic digital services revenue. Comparable EBITDA increased by 5 per cent, mainly due to revenue growth and efficiency improvement measures.

## Corporate Customers business

EUR million	4Q23	4Q22	Δ %	2023	2022	Δ %
Revenue	220	223	-1.4 %	846	829	2.1 %
EBITDA	60	62	-3.4 %	235	238	-1.0 %
EBITDA-%	27.1 %	27.6 %		27.8 %	28.7 %	
Comparable EBITDA <sup>(1)</sup>	60	62	-3.4 %	235	238	-1.2 %
Comparable EBITDA-%	27.1 %	27.6 %		27.8 %	28.7 %	
EBIT	34	39	-14.4 %	140	148	-5.3 %
EBIT-%	15.3 %	17.6 %		16.6 %	17.9 %	
Comparable EBIT <sup>(1)(2)</sup>	36	39	-7.2 %	143	148	-3.6 %
Comparable EBIT-%	16.6 %	17.6 %		16.9 %	17.9 %	
CAPEX	36	35	2.7 %	108	99	9.4 %

<sup>1)</sup> 2022 excluding EUR 0.4m in restructuring costs. <sup>2)</sup> Q4/2023 and 2023 excluding EUR 3m impairment.

### Fourth quarter 2023

Revenue decreased by 1 per cent. Decreases in international digital services, domestic and other digital services, equipment sales as well as a decrease in usage and subscriptions of traditional fixed telecom services affected revenue negatively. In addition, the divestment of Videra negatively affected domestic and other digital services revenue. Revenue was positively affected by growth in mobile and fixed services. Comparable EBITDA decreased by 3 per cent.

## Year 2023

Revenue increased by 2 per cent. Revenue was positively affected by growth in mobile, fixed and international digital services, whereas the decrease in equipment sales and traditional fixed services had a negative effect. In addition, the divestment of Videra negatively affected domestic and other digital services revenue. Comparable EBITDA decreased by 1 per cent.

## Investments

EUR million	4Q23	4Q22	2023	2022
Capital expenditure <sup>(1)</sup> , of which	109	97	321	290
Consumer Customers	73	62	213	191
Corporate Customers	36	35	108	99
Shares	11	0	12	25
Total investments	120	97	333	314
Shares and business acquisitions	24	0	25	25
Licences		2	2	9
Leases	5	7	23	26
Capital expenditure excluding leases, licenses, shares and business acquisitions	91	88	284	255
Capital expenditure as % of revenue	16	16	13	12

<sup>1)</sup> 2023 includes EUR 2m for the 26 GHz frequency licence investment in Estonia. 2022 includes EUR 7m for the 3.5 GHz and EUR 2m for the 700 MHz frequency licence investments in Estonia.

The main capital expenditures were related to the capacity and coverage increases in 5G networks, fibre and other networks, as well as IT investments.

## Personnel

In 2023, the average number of personnel at Elisa was 5,721 (5,523), and employee expenses totalled EUR 417 million (395). Personnel by segment at the end of the period:

	31 Dec 23	31 Dec 22
Consumer Customers	2,976	2,939
Corporate Customers	2,690	2,684
Total	5,666	5,623

## Sustainability

Key ESG indicators	4Q23	4Q22
Energy efficiency of mobile network in Finland		
Change in energy consumption per GB from Q4 2021 level	-26.1 %	-5.7 %
Population coverage of >100 Mbps connections	92.5 %	86.2 %
Proportion of female supervisors	28.7 %	29.6 %
Patent portfolio development		
Number of active patents in portfolio <sup>1)</sup>	396	337
Number of new first applications	11	12

<sup>1)</sup> Number of active patent applications and patents.

All key figures will be published in our assured annual sustainability report:

<https://elisa.com/corporate/investors/annual-report/>

More key figures:

<https://elisa.com/corporate/investors/financial-key-figures/sustainability-key-figures/>

## Financing arrangements and ratings

EUR million	Maximum amount	In use on 31 Dec 2023
Committed credit limits	300	0
Credit facility (not committed)	100	0
Commercial paper programme (not committed)	350	35
EMTN programme (not committed)	1,500	1,148

Long term credit ratings	Rating	Outlook
Credit rating agency		
Moody's Investor Services	Baa2	Stable
S&P Global Ratings	BBB+	Stable

On 5 September 2023, Elisa paid back a EUR 150 million loan to the European Investment Bank.

On 27 September 2023, Elisa issued a fixed-rate, EUR 300 million Green Eurobond that matures on 29 January 2029 under the EUR 1.5 billion EMTN Programme. The coupon is 4.00 per cent, and the issue price was 99.585.

On 26 September 2023, Elisa announced that it has purchased its bonds due in March 2024 in the amount of EUR 51.97 million. The purchase price was 98.57 per cent. After the purchase, EUR 248.03 million of the March 2024 bonds remain outstanding.

In September, Elisa agreed with six banks to extend its EUR 130 million Sustainability-linked Revolving Credit Facility for two years, from September 2026 to September 2028.



## Share

Share trading volumes are based on trades made on the Nasdaq Helsinki and alternative marketplaces. Closing prices are based on the Nasdaq Helsinki.

Trading of shares	4Q23	4Q22	2023	2022
Nasdaq Helsinki, millions	16.0	15.2	64.4	71.2
Other marketplaces, millions <sup>1)</sup>	42.8	42.6	186.0	208.4
Total volume, millions	58.7	57.8	250.4	279.6
Value, EUR million	2,488.6	2,841.2	12,259.4	14,575.8
% of shares	35.1 %	34.5 %	149.6 %	167.1 %

Shares and market values	2023	2022
Total number of shares	167,335,073	167,335,073
Treasury shares	6,946,654	7,075,378
Outstanding shares	160,388,419	160,259,695
Closing price, EUR	41.87	49.46
Market capitalisation, EUR million	7,006	8,276
Treasury shares, %	4.15 %	4.23 %

Number of shares	Total	Treasury	Outstanding
Shares on 31 Dec 2022	167,335,073	7,075,378	160,259,695
Performance Share Plan 1 Feb 2023 <sup>2)</sup>		-127,539	127,539
Restricted Share Plan, 5 Sep 2023 <sup>3)</sup>		-1,185	1,185
Shares on 31 Dec 2023	167,335,073	6,946,654	160,388,419

<sup>1)</sup> Other marketplaces: based on Bloomberg. <sup>2)</sup> Stock exchange release, 1 February 2023. <sup>3)</sup> Stock exchange release, 5 September 2023.

On 1 February 2023, Elisa transferred 127,539 treasury shares to people included in the Performance Share Plan for the period 2020–2022.

In February, Elisa's Board of Directors decided on the vesting period for the Restricted Share Plan 2019. The vesting period, with a total allocation of 2,500 shares, ends on 31 December 2023. The purpose of using the plan is to engage a number of key persons in Elisa businesses.

On 5 September 2023, Elisa transferred 1,185 treasury shares to persons belonging to the Restricted Share Plan 2019 for the commitment period 2020–2022.

In November, Elisa's Board of Directors decided on the vesting period for the Restricted Share Plan 2023. The vesting period, with a total allocation of 334 shares, ends on 31 December 2024. The purpose of using the plan is to engage a number of key persons in Elisa businesses.

## Research and development

The majority of service development occurs during the ordinary course of business and is accounted for as a normal operating expense. Elisa invested EUR 24 million (21) in research and development, of which EUR 9 million (8) was capitalised in 2023, corresponding to 1.1 per cent (1.0) of revenue.

## Annual General Meeting 2023

On 5 April 2023, Elisa's Annual General Meeting decided to pay a dividend of EUR 2.15 per share based on the adopted financial statements for 31 December 2022. The dividend was paid on 19 April 2023 to shareholders registered in the company's shareholder register maintained by Euroclear Finland Ltd on 11 April 2023.

The Annual General Meeting adopted the financial statements for 2022. The members of the Board of Directors and the CEO were discharged from liability for 2022. The Annual General Meeting approved the Remuneration Report of the Company's governing bodies for 2022.

The number of the members of the Board of Directors was confirmed at eight (8). Mr Maher Chebbo, Mr Kim Ignatius, Ms Katariina Kravi, Ms Pia Käll, Mr Topi Manner (until 18 August 2023, see stock exchange release, 18 August 2023), Ms Eva-Lotta Sjöstedt, Mr Anssi Vanjoki and Mr Antti Vasara were re-elected as members of the Board of Directors. Mr Anssi Vanjoki was appointed as the Chair and Ms Katariina Kravi as the Deputy Chair of the Board of Directors.

The AGM decided that the amount of annual remuneration for the members of the Board of Directors be changed. The Chair is paid annual remuneration of EUR 140,000, the Deputy Chair and the Chairs of the Committees EUR 86,000, and other Board members EUR 71,000. Additionally, Board members receive a fee of EUR 800 per meeting of the Board or of a committee. However, if a Board member is physically present at a Board or committee meeting that is held in a country other than his/her permanent home country, the meeting fee is EUR 1,600.

KPMG Oy Ab, Authorised Public Accountants Organisation, was re-elected as the company's auditor. Toni Aaltonen, APA, is the responsible auditor.

The AGM decided to amend the first paragraph of Section 11 of the Articles of Association to allow the General Meeting to also be held remotely without a meeting venue if the Board of Directors so decides, and to change the title of Section 11 to "General Meeting of Shareholders" so that the title covers not only the Annual General Meetings, but also any Extraordinary General Meetings.

### Composition of the Committees of the Elisa's Board of Directors

The Board of Directors held its organising meeting and appointed Ms Katariina Kravi (chair), Mr Maher Chebbo, and Ms Eva-Lotta Sjöstedt to the People and Compensation Committee. Mr Kim Ignatius (chair), Ms Pia Käll, Mr Topi Manner (until 18 August 2023, see stock exchange release, 18 August 2023) and Mr Antti Vasara were appointed to the Audit Committee.

## Authorisations of the Board of Directors

The Annual General Meeting decided to authorise the Board of Directors to resolve to repurchase or accept as pledge the company's own shares. The repurchase may be directed. The number of shares under this authorisation is 5 million shares at maximum. The authorisation is valid for 18 months from the date of the resolution of the General Meeting.

The Annual General Meeting decided to authorise the Board of Directors to pass a resolution concerning a share issue, the right of assignment of treasury shares and/or the granting of special rights referred to in the Companies Act. The authorisation entitles the Board of Directors to execute the issue as directed. The number of shares under this authorisation is 15 million shares at maximum. The authorisation is valid for 18 months from the date of the resolution of the General Meeting.

## Elisa Shareholders' Nomination Board

The biggest shareholders were determined according to Elisa's shareholder register on 31 August 2023, and they named the members of the Nomination Board. The composition of the Nomination Board since September 2023 has been as follows:

- Mr Pauli Anttila, Investment Director, nominated by Solidium Oy
- Mr Jouko Pölönen, President and CEO, nominated by Ilmarinen Mutual Pension Insurance Company
- Mr Markus Aho, Chief Investment Officer, nominated by Varma Mutual Pension Insurance Company
- Mr Jukka Vähäpesola, Head of Equities (Ms Hanna Hiidenpalo, until 15 September 2023), nominated by Elo Mutual Pension Insurance Company
- Mr Anssi Vanjoki, Chair of the Board of Elisa

The Nomination Board elected from amongst its members Mr Pauli Anttila as the chair.

Elisa's Shareholders' Nomination Board was established in 2012 by the Annual General Meeting. Its duty is to prepare proposals for the election and remuneration of the members of the Board of Directors of Elisa for the Annual General Meeting.

## Significant legal and regulatory issues

In January 2023, Elisa initiated arbitration proceedings against Azerion related to Azerion's payment obligation for the shares in Sulake. Azerion fulfilled the payment obligation, and the arbitration has ended.

In February, Elisa returned the 3.5 GHz frequency licence in the province of the Åland Islands.

The Estonian auction for the 26 GHz spectrum ended on 10 May 2023. Elisa met its target and won 800 MHz of spectrum. The new spectrum is being used to build Elisa's 5G network.

Transposition in Finland of EU Directive 2022/2523 ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the European Union was completed in the fourth quarter of 2023, and the legislation came into force on 1 January 2024. This change is estimated to have an impact on taxes in the income statement for Elisa's Estonian business from 2024 onwards.

In July 2020, Tucana Telecom NV initiated legal proceedings against Polystar OSIX AB in the Business Court of Brussels with a claim of infringement of exclusivity included in a distribution agreement and also of wrongful termination of the distribution agreement. This case has been resolved pursuant to a judgement issued on 10 June 2022. The claim against Polystar OSIX AB was dismissed in full by the court, and consequently, no compensation or damages were awarded to the claimant. The decision has been appealed.

After a tax audit on foreign dividend withholding tax, Elisa received a decision in April 2021 according to which it is required to pay a total of EUR 1.7 million in allegedly wrongly levied withholding taxes relating to the years 2015 and 2016. The Board of Adjustment of the Finnish Tax Authority issued a ruling in November 2022 in favour of Elisa. The ruling has been appealed by the Tax Recipients' Legal Services Unit and is therefore not final and binding.

In November 2021, the Estonian parliament adopted amendments to the Electronic Communications Act aimed at supplementing national security requirements. The amendments entered into force on 1 February 2022. Based on these amendments, on 25 November 2022, Estonia's Consumer Protection and Technical Regulatory Authority issued a decision stating that usage of Huawei hardware and software in 5G mobile networks in Estonia is permitted only until 31 December 2025, and until 31 December 2029

in earlier generation (2G–4G) networks and fixed networks. On 1 December 2022, Elisa appealed the decision to the Estonian Administrative Court, as Elisa is being forced to replace the Huawei hardware and software currently used in its networks, but there is no compensation system in place.

## **Substantial risks and uncertainties associated with Elisa’s operations**

Risk management is part of Elisa’s internal control system. It aims to ensure that risks affecting the company’s business are identified, influenced and monitored. The company classifies risks into strategic, operational, hazard and financial risks.

Strategic and operational risks:

The telecommunications industry is intensely competitive in Elisa’s main market areas, which may have an impact on Elisa’s business. The telecommunications industry is subject to heavy regulation. Elisa and its businesses are monitored and regulated by several public authorities. This regulation also affects the price level of some products and services offered by Elisa and may also require investments that have long payback times.

Elisa processes different kinds of data, including personal and traffic data. Therefore, the applicable data protection legislation, especially the General Data Protection Regulation, has a significant impact on Elisa and its businesses.

The rapid developments in telecommunications technology may have a significant impact on Elisa’s business.

Changes in governmental relationships, including in the security environment, may increase the risk of restrictions being imposed on equipment from particular network providers that is also used in Elisa’s network. This could have financial or operational impacts on Elisa’s business.

Elisa’s main market is Finland, where the number of mobile phones per inhabitant is among the highest in the world and growth in subscriptions is therefore limited. Furthermore, the volume of phone traffic on the fixed network has been decreasing during recent years. These factors may limit opportunities for growth. New international business expansion and possible future acquisitions abroad may increase risks.

Elisa is liable to pay direct and indirect taxes and withholding taxes in the countries in which it operates. Changes in tax authorities’ interpretation of tax laws may lead to an increase in the tax burden for corporations.

Uncertainty relating to regional conflicts globally, especially Russia’s war in Ukraine is continuing. This is expected to affect the general economic environment, e.g. inflation and energy prices. Challenges in global supply chains may also result in uncertainties in volumes and prices. Disturbances related to running infrastructure may also occur, for example due to cyber incidents. Elisa’s business in Russia was not essential, and Elisa withdrew from the Russian market in 2022.

Hazard risks:

The company’s core operations are covered by insurance against damage and interruptions caused by accidents and disasters. Accident risks also include litigation and claims.

Financial risks:

In order to manage the interest rate risk, the Group’s loans and investments are diversified into fixed- and variable-rate instruments. Interest rate swaps can be used to manage the interest rate risk.

As most of Elisa’s operations and cash flow are denominated in euros, the exchange rate risk is minor. Currency derivatives can be used to manage the currency risk.

The objective of liquidity risk management is to ensure the Group's financing in all circumstances. Elisa has cash reserves, committed credit facilities and a sustainable cash flow to cover its foreseeable financing needs.

Liquid assets are invested within confirmed limits in financially solid banks, domestic companies and institutions. Credit risk concentrations in accounts receivable are minor, as the customer base is broad.

Russia's war in Ukraine and higher inflation have increased volatility in the financial markets. This might have an effect on Elisa's ability to raise funds and may increase financing costs.

A detailed description of financial risk management can be found in Note 7.1 to the Annual Report 2022.

## **Corporate responsibility and non-financial reporting**

Elisa's business operations and digitalisation solutions contribute to sustainable development and to environmentally friendly actions among its customers and society. Elisa is committed to the principles of the UN Global Compact in its business operations, and we have identified our most important contribution to the UN Sustainable Development Goals. Elisa has a strong track record of and a long-term commitment to environmental work. As a result, Elisa has had science-based climate targets since 2018. In 2023, Elisa was among the first companies in Finland to receive approval from the Science Based Targets initiative (SBTi) for new, even more ambitious targets for 2030, as well as a target of zero emissions (including supply chain emissions) by 2040, which is in line with the SBTi Net-Zero Standard.

Sustainability has been part of Elisa's strategy for over ten years. Our sustainability targets for 2022–2024 emphasise the importance of Elisa's handprint, focusing on the availability of fast connections, cyber security, increasing its carbon handprint, the energy efficiency of the mobile network, innovations and promoting equality.

Elisa will publish its 11th assured sustainability report as part of the Annual Report 2023 during week 11 (week beginning 11 March 2024). The sustainability report has been prepared primarily with reference to the Global Reporting Initiative (GRI) Standards, and for climate, in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations. Elisa also reports non-financial information with reference to selected indicators of the Sustainability Accounting Standards Boards (SASB) framework. The report meets the requirements for non-financial reporting, including information regarding the EU Taxonomy Regulation. The report includes medium-term targets, performance and metrics.

In recognising Elisa's material corporate responsibility, the most important financial, social and environmental effects and risks of the company, as well as other significant trends affecting the industry, have been taken into account. The management's description of corporate responsibility is available on the company website [elisa.com/sustainability](https://elisa.com/sustainability).

## **2023 Corporate Governance Statement, Remuneration Report and Annual Report**

Elisa's Corporate Governance Statement and Remuneration Report for 2023 will be published no later than 16 February 2024. Elisa will publish its 2023 Annual Report, which includes the report of the Board of Directors, Financial Statements, Non-financial Report, Corporate Governance Statement and Remuneration Report, during week 11 (week beginning 11 March) on the company website at [elisa.com](https://elisa.com).

## Events after the reporting period

On 16 January 2024, Elisa and Moontalk Oy signed an agreement under which Elisa takes a majority holding of Moontalk, which is a SaaS software supplier focused on mobile voice communication management for enterprises.

On 25 January 2024, the Shareholders' Nomination Board announced its proposal to Elisa's Board for the notice of the Annual General Meeting of 12 April 2024 that the number of members of the Board of Directors would be eight (8). The Nomination Board proposes that Mr Maher Chebbo, Mr Kim Ignatius, Ms Katariina Kravi, Ms Pia Kåll, Ms Eva-Lotta Sjöstedt, Mr Anssi Vanjoki and Mr Antti Vasara be re-elected. The Nomination Board further proposes that Mr Christoph Vitzthum be elected as a new member of the Board. The Nomination Board proposes that Mr Anssi Vanjoki be elected as the Chair of the Board and Ms Katariina Kravi be elected as the Vice Chair. All the proposed Board Members are considered to be independent of the company and of its significant shareholders. (See stock exchange release, 25 January 2024).

## Outlook and guidance for 2024

Development in the general economy includes many uncertainties. Growth in the Finnish economy is expected to stall. In particular, uncertainty relating to Russia's war in Ukraine and other conflicts, such as in inflation and energy prices, is continuing. Challenges in global supply chains may also result in uncertainties in volumes and prices. Competition in the Finnish telecommunications market remains keen.

Full-year revenue is estimated to be same level or slightly higher than in 2023. Mobile data and digital services are expected to increase revenue. Full-year comparable EBITDA is anticipated to be same level or slightly higher than in 2023. Capital expenditure is expected to be 12–13 per cent of revenue.

Elisa is continuing to develop to improve productivity, for example by increasing automation and data analytics in different processes, such as customer interaction, network operations and delivery. Additionally, Elisa's continuous quality improvement measures will increase customer satisfaction and efficiency, and reduce costs.

Elisa's transformation into a provider of exciting, new and relevant services for its customers is continuing. Long-term revenue growth and profitability improvement will derive from growth in the mobile data market, as well as domestic and international digital services.

## Profit distribution

According to Elisa's distribution policy, profit distribution is 80–100 per cent of the previous fiscal year's net profit. In addition, any excess capital can be distributed to shareholders. When making the distribution proposal or decision, the Board of Directors will take into consideration the company's financial position, future financial needs and financial targets. Profit distribution includes dividend payment, capital repayment and purchase of treasury shares.

The Board of Directors proposes to the Annual General Meeting a dividend of EUR 2.25 per share. The dividend payment corresponds to 95 per cent of the comparable net profit for the financial period. The Board of Directors also proposes that the dividend be paid in two instalments.

It is proposed that the first instalment of the dividend, EUR 1.13, be paid to shareholders who are listed in the company's shareholder register maintained by Euroclear Finland Ltd on 16 April 2024. The Board of Directors proposes that the payment date be 23 April 2024. It is also proposed that the second instalment of the dividend, EUR 1.12, be paid to shareholders who are listed in the company's

shareholder register on 23 October 2024, and the Board of Directors proposes that the payment date be 30 October 2024. The profit for the period will be added to retained earnings.

The Board of Directors also decided to propose to the General Meeting that the Board of Directors be authorised to acquire a maximum of five million treasury shares, which corresponds to 3 per cent of the total number of shares.

BOARD OF DIRECTORS

The annual financial statements figures presented in this release are based on the company's audited financial statements. The auditor's report was issued on 25 January 2024.

## Consolidated income statement

EUR million	Note	10-12 2023	10-12 2022	1-12 2023	1-12 2022
<b>Revenue</b>	1	<b>563.3</b>	<b>562.6</b>	<b>2,180.5</b>	<b>2,129.5</b>
Other operating income		2.4	3.5	9.8	6.9
Materials and services		-213.7	-223.9	-817.9	-820.8
Employee expenses		-105.0	-108.0	-417.1	-394.8
Other operating expenses		-55.7	-49.3	-199.3	-187.5
<b>EBITDA</b>	1	<b>191.3</b>	<b>184.9</b>	<b>755.9</b>	<b>733.3</b>
Depreciation, amortisation and impairment	1	-73.4	-65.8	-274.1	-263.4
<b>EBIT</b>	1	<b>117.9</b>	<b>119.1</b>	<b>481.8</b>	<b>469.8</b>
Financial income		2.3	0.6	8.7	5.6
Financial expenses		-10.0	-4.5	-32.0	-18.7
Share of associated companies' profit		0.5	0.1	-0.4	-0.7
<b>Profit before tax</b>		<b>110.6</b>	<b>115.3</b>	<b>458.1</b>	<b>456.0</b>
Income taxes		-17.7	-19.7	-84.1	-83.2
<b>Profit for the period</b>		<b>92.9</b>	<b>95.6</b>	<b>374.0</b>	<b>372.8</b>
<b>Attributable to</b>					
Equity holders of the parent		93.4	96.0	375.2	374.1
Non-controlling interests		-0.5	-0.3	-1.2	-1.3
		92.9	95.6	374.0	372.8
<b>Earnings per share (EUR)</b>					
Basic		0.58	0.60	2.34	2.33
Diluted		0.58	0.60	2.34	2.33
<b>Average number of outstanding shares (1000 shares)</b>					
Basic		160,388	160,260	160,376	160,253
Diluted		160,542	160,417	160,530	160,410

## Consolidated statement of comprehensive income

<b>Profit for the period</b>	<b>92.9</b>	<b>95.6</b>	<b>374.0</b>	<b>372.8</b>
<b>Other comprehensive income, net of tax</b>				
<b>Items, which may be reclassified subsequently to profit or loss</b>				
Cash flow hedge	1.0	-5.1	-0.1	-0.3
Translation differences	2.4	-2.8	-0.4	-4.7
	3.4	-7.9	-0.5	-5.1
<b>Items that are not reclassified subsequently to profit or loss</b>				
Remeasurements of the net defined benefit liability	1.2	0.4	1.2	0.4
<b>Total comprehensive income</b>	<b>97.6</b>	<b>88.1</b>	<b>374.8</b>	<b>368.0</b>
<b>Total comprehensive income attributable to</b>				
Equity holders of the parent	98.1	88.5	376.0	369.3
Non-controlling interest	-0.5	-0.5	-1.2	-1.3
	<b>97.6</b>	<b>88.1</b>	<b>374.8</b>	<b>368.0</b>



## Consolidated statement of financial position

EUR million	Note	31.12. 2023	31.12. 2022
<b>Non-current assets</b>			
Property, plant and equipment	3	815.6	766.7
Right-of-use assets	3	87.3	90.4
Goodwill	3	1,157.2	1,157.3
Intangible assets	3	210.3	210.5
Investments in associated companies	12	20.8	9.9
Other financial assets	4	16.0	16.2
Trade and other receivables	4	107.9	116.8
Deferred tax assets		11.5	13.1
		2,426.6	2,380.9
<b>Current assets</b>			
Inventories		77.1	95.5
Trade and other receivables		555.8	537.1
Tax receivables		1.7	1.8
Cash and cash equivalents		63.4	85.4
		698.0	719.9
<b>Total assets</b>		<b>3,124.6</b>	<b>3,100.8</b>
<b>Equity attributable to equity holders of the parent</b>			
	6	1,290.4	1,246.5
<b>Non-controlling interests</b>			
		3.3	5.4
<b>Total shareholders' equity</b>		<b>1,293.7</b>	<b>1,251.9</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities		24.7	25.7
Interest-bearing financial liabilities	4, 7	996.7	995.0
Interest-bearing lease liabilities	4	67.8	70.8
Trade payables and other liabilities	4, 5	19.4	30.3
Pension obligations		9.3	12.9
Provisions	8	3.4	2.9
		1,121.3	1,137.7
<b>Current liabilities</b>			
Interest-bearing financial liabilities	4, 7	282.2	275.0
Interest-bearing lease liabilities	4	20.8	20.4
Trade and other payables	4, 5	402.5	412.9
Tax liabilities		3.1	2.1
Provisions	8	1.0	0.8
		709.6	711.2
<b>Total equity and liabilities</b>		<b>3,124.6</b>	<b>3,100.8</b>

## Condensed consolidated cash flow statement

EUR million	1-12 2023	1-12 2022
<b>Cash flow from operating activities</b>		
Profit before tax	458.1	456.0
Adjustments		
Depreciation, amortisation and impairment	274.1	263.4
Other adjustments	0.3	-5.2
	274.4	258.2
Change in working capital		
Increase (-) / decrease (+) in trade and other receivables	-2.4	-16.2
Increase (-) / decrease (+) in inventories	15.0	-13.3
Increase (+) / decrease (-) in trade and other payables	2.4	2.0
	15.1	-27.5
Financial items, net	-18.1	-10.0
Taxes paid	-81.6	-85.0
<b>Net cash flow from operating activities</b>	<b>647.8</b>	<b>591.8</b>
<b>Cash flow from investing activities</b>		
Capital expenditure	-304.7	-270.9
Investments in shares and business combinations	-4.7	-21.0
Repayment of loan receivables		0.1
Proceeds from disposal of assets	8.6	-0.1
<b>Net cash used in investing activities</b>	<b>-300.8</b>	<b>-291.9</b>
<b>Cash flow before financing activities</b>	<b>347.0</b>	<b>299.9</b>
<b>Cash flow from financing activities</b>		
Proceeds from long-term borrowings	298.2	
Repayments of long-term borrowings	-201.7	-100.3
Increase (+) / decrease (-) in short-term borrowings	-90.5	124.8
Repayment of lease liabilities	-25.4	-24.9
Acquisition of non-controlling interests	-7.3	
Dividends paid	-343.5	-328.1
<b>Net cash used in financing activities</b>	<b>-370.1</b>	<b>-328.5</b>
<b>Change in cash and cash equivalents</b>	<b>-23.1</b>	<b>-28.6</b>
Translation differences	1.1	-0.1
Cash and cash equivalents at beginning of period	85.4	114.1
<b>Cash and cash equivalents at end of period</b>	<b>63.4</b>	<b>85.4</b>

## Consolidated statement of changes in equity

EUR million	Share capital	Treasury shares	Reserve for invested non-restricted equity	Other reserves	Retained earnings	Non-controlling interests	Total equity
<b>Balance at 1 January 2022</b>	<b>83.0</b>	<b>-126.1</b>	<b>90.9</b>	<b>373.9</b>	<b>776.1</b>	<b>6.3</b>	<b>1,204.1</b>
Profit for the period					374.1	-1.3	372.8
Translation differences					-4.8	0.0	-4.7
Cash flow hedge				-0.3			-0.3
Remeasurements of the net defined benefit liability				0.4			0.4
<b>Total comprehensive income</b>				<b>0.0</b>	<b>369.3</b>	<b>-1.3</b>	<b>368.0</b>
Dividend distribution					-328.5	-0.1	-328.7
Share-based compensation		1.6					1.6
Acquisition of subsidiary with non-controlling interests						0.5	0.5
Other changes					6.4		6.4
<b>Balance at 31 December 2022</b>	<b>83.0</b>	<b>-124.5</b>	<b>90.9</b>	<b>373.9</b>	<b>823.2</b>	<b>5.4</b>	<b>1,251.9</b>
EUR million							
<b>Balance at 1 January 2023</b>	<b>83.0</b>	<b>-124.5</b>	<b>90.9</b>	<b>373.9</b>	<b>823.2</b>	<b>5.4</b>	<b>1,251.9</b>
Profit for the period					375.2	-1.2	374.0
Translation differences					-0.4	0.0	-0.4
Cash flow hedge				-0.1			-0.1
Remeasurements of the net defined benefit liability				1.2			1.2
<b>Total comprehensive income</b>				<b>1.2</b>	<b>374.8</b>	<b>-1.2</b>	<b>374.8</b>
Dividend distribution					-344.8	-0.2	-345.1
Share-based compensation		2.8					2.8
Acquisition of non-controlling interests						-0.6	-0.6
Other changes					9.9	-0.1	9.8
<b>Balance at 31 December 2023</b>	<b>83.0</b>	<b>-121.7</b>	<b>90.9</b>	<b>375.1</b>	<b>863.1</b>	<b>3.3</b>	<b>1,293.7</b>

## Notes

### ACCOUNTING PRINCIPLES

The interim report has been prepared in compliance with IAS 34 *Interim Financial Reporting*. The information has been prepared in accordance with the International Financial Reporting Standards (IFRS) effective at the time of preparation and adopted for use by the European Union. Apart from the changes in accounting principles stated below, the accounting principles applied in the interim report are the same as in the financial statements on 31 December 2022.

### Changes in the accounting principles

Revisions to IFRS standards applied since 1 January 2023 did not have a material impact on the consolidated financial statements.

## 1. Segment information

<b>10-12/2023</b> EUR million	Consumer Customers	Corporate Customers	Unallocated items	Group total
Revenue	343.0	220.3		563.3
EBITDA	131.6	59.7		191.3
Depreciation, amortisation and impairment	-47.4	-26.0		-73.4
EBIT	84.2	33.7		117.9
Financial income			2.3	2.3
Financial expenses			-10.0	-10.0
Share of associated companies' profit			0.5	0.5
Profit before tax				110.6
Investments	73.1	35.8		108.9

  

<b>10-12/2022</b> EUR million	Consumer Customers	Corporate Customers	Unallocated items	Group total
Revenue	339.2	223.4		562.6
EBITDA	123.2	61.8		184.9
Depreciation, amortisation and impairment	-43.4	-22.5		-65.8
EBIT	79.8	39.3		119.1
Financial income			0.6	0.6
Financial expenses			-4.5	-4.5
Share of associated companies' profit			0.1	0.1
Profit before tax				115.3
Investments	62.4	34.8		97.3

<b>1-12/2023</b>	Consumer	Corporate	Unallocated	Group
EUR million	Customers	Customers	items	total
Revenue	1,334.7	845.8		2,180.5
EBITDA	520.8	235.1		755.9
Depreciation, amortisation and impairment	-179.3	-94.9		-274.1
EBIT	341.6	140.3		481.8
Financial income			8.7	8.7
Financial expenses			-32.0	-32.0
Share of associated companies' profit			-0.4	-0.4
Profit before tax				458.1
Investments	213.0	108.4		321.4
Total assets	1,900.5	1,110.7	113.4	3,124.6
<b>1-12/2022</b>	Consumer	Corporate	Unallocated	Group
EUR million	Customers	Customers	items	total
Revenue	1,300.9	828.6		2,129.5
EBITDA	495.7	237.6		733.3
Depreciation, amortisation and impairment	-174.0	-89.5		-263.4
EBIT	321.7	148.1		469.8
Financial income			5.6	5.6
Financial expenses			-18.7	-18.7
Share of associated companies' profit			-0.7	-0.7
Profit before tax				456.0
Investments	190.6	99.1		289.7
Total assets	1,891.9	1,082.4	126.5	3,100.8

## 2. Acquisitions and disposals

### Changes in ownership interests

On 30 November 2023, the Group acquired an additional 43.5 per cent of shares in Sutaria Services Inc. The acquisition price was EUR 7.3 million. Following the acquisition, the Group owns the entire share capital of the company. Due to the acquisition the share of non-controlling interests decreased by EUR 0.6 million and the liability for the redemption EUR 7.3 (6.6) million was paid to non-controlling interests. Initial recognition and changes of liability for the redemption has been treated as equity transactions.

### Disposal of Elisa Videra business

The businesses of Elisa Corporation's subsidiary Elisa Videra and the German company MVC Mobile VideoCommunication GmbH (owned by KLP Vermögensverwaltungs GmbH) was combined into MVC on 20 December 2023. After combination Elisa has 37.5% holding of MVC Mobile Video Communication GmbH and Elisa became a minority shareholder of the company. The transaction was conducted as a share swap.

As a result of a share swap, Elisa lost control of Elisa Videra Oy and its subsidiaries. The change in ownership was recorded in the Group as a sale of a subsidiary, and it resulted in a profit of EUR 0.5 million, recorded in other operating income.

The Group has consolidated the result of the companies as a subsidiary until 30 November 2023 and, starting from 1 December 2023, as an associated company.

<b>Net assets of the sold entity</b>	Carrying amount
EUR million	
Tangible and intangible assets	1.0
Inventories	2.4
Trade and other receivables	23.6
Cash and cash equivalents	2.2
Deferred tax liabilities	-1.1
Lease liabilities	-0.3
Trade payables and other liabilities	-6.9
	20.9
<b>Effects of disposal on cash flow</b>	
EUR million	
Cash and cash equivalent of a sold entity	-2.2
	-2.2
<b>Effects of disposal on consolidated income statement and balance sheet</b>	
EUR million	
Selling price	11.0
Net assets of a sold entity	-20.9
Pre-existing relationships between the Group and the sold entity <sup>(1)</sup>	10.4
Profit from the sale	0.5

1) As a result of the loss of control, the Group's net assets increased as the net receivables, totalling EUR 10.4 million and previously eliminated as intra-group items, were treated as the external receivables.

### 3. Property, plant and equipment and intangible assets

<b>31.12.2023</b> EUR million	Property plant and equipment	Goodwill	Other intangible assets
Acquisition cost at 1 January 2023	4,643.4	1,178.4	969.6
Additions	236.6		61.6 <sup>(1)</sup>
Additions, right-of-use assets	23.3		
Business disposals	-10.0		-8.0
Business disposals, right-of-use assets	-1.0		
Disposals	-376.2		-1.4
Disposals, right-of-use assets	-0.5		
Reclassifications	-33.1		-1.0
Translation differences	-0.1	-0.1	0.0
Acquisition cost at 31 December 2023	4,482.4	1,178.3	1,020.9
Accumulated depreciation, amortisation and impairment at 1 January 2023	3,786.3	21.1	759.1
Depreciation, amortisation and impairment	213.9		60.2
Accumulated depreciation and amortisation on disposals and reclassifications	-410.1		-1.3
Accumulated depreciation and amortisation on business disposals	-10.6		-7.4
Translation differences	0.0	0.1	0.0
Accumulated depreciation, amortisation and impairment at 31 December 2023	3,579.5	21.2	810.6
Book value at 1 January 2023	857.1	1,157.3	210.5
Book value at 31 December 2023	902.9	1,157.2	210.3

Continues on next page

<b>31.12.2022</b> EUR million	Property plant and equipment	Goodwill	Other intangible assets
Acquisition cost at 1 January 2022	4,622.6	1,160.6	903.5
Business acquisitions	0.2	22.5	2.1
Additions	200.3		63.9 <sup>(2)</sup>
Additions, right-of-use assets	25.5		
Business disposals	-1.2		0.0
Disposals	-80.8		-0.2
Disposals, right-of-use assets	-1.6		
Reclassifications	-121.5		1.1
Translation differences	-0.1	-4.7	-0.7
Acquisition cost at 31 December 2022	4,643.4	1,178.4	969.6
Accumulated depreciation, amortisation and at 1 January 2022	3,778.9	21.2	705.4
Depreciation, amortisation and impairment	205.1		58.2
Accumulated depreciation and amortisation on business acquisitions	0.1		0.1
Accumulated depreciation and amortisation on disposals and reclassifications	-197.1		-4.0
Accumulated depreciation and amortisation on business disposals	-0.7		0.0
Translation differences	0.0	-0.1	-0.6
Accumulated depreciation, amortisation and impairment at 31 December 2022	3,786.3	21.1	759.1
Book value at 1 January 2022	843.7	1,139.4	198.1
Book value at 31 December 2022	857.1	1,157.3	210.5

<sup>1)</sup> Includes Estonian 26 GHz spectrum licence in a carrying amount of EUR 1.63 million.

<sup>2)</sup> Includes Estonian 3.5 GHz spectrum licence in a carrying amount of EUR 7.2 million and 2x10 MHz spectrum licence in carrying amount of EUR 2.1 million.

Commitments to purchase property, plant and equipment and intangible assets amounted to EUR 73.5 (70.1) million on 31 December 2023.

The lease commitments for rental agreements commencing in the future, in accordance with IFRS 16, were EUR 2.8 (0.1) million on 31 December 2023.



#### 4. Carrying amounts of financial assets and liabilities by category

	Financial assets/liabilities measured at fair value through profit or loss	Financial assets/liabilities measured at fair value through other compre- hensive income	Financial assets/ liabilities measured at amortised cost	Book values	Fair values
<b>31.12.2023</b>					
EUR million					
Non-current financial assets					
Other financial assets <sup>(1)</sup>	0.6		15.4	16.0	16.0
Trade and other receivables		1.0	106.9	107.9	107.9
Current financial assets					
Trade and other receivables			555.8	555.8	555.8
	0.6	1.0	678.1	679.7	679.7
Non-current financial liabilities					
Financial liabilities			1,064.5	1,064.5	1,041.4
Trade and other payables <sup>(2)</sup>			14.6	14.6	14.6
Current financial liabilities					
Financial liabilities			303.0	303.0	301.8
Trade and other payables <sup>(2)</sup>	1.1		390.4	391.5	391.5
	1.1		1,772.5	1,773.6	1,749.3
	Financial assets/liabilities measured at fair value through profit or loss	Financial assets/liabilities measured at fair value through other compre- hensive income	Financial assets/ liabilities measured at amortised cost	Book values	Fair values
<b>31.12.2022</b>					
EUR million					
Non-current financial assets					
Other financial assets <sup>(1)</sup>	0.6		15.6	16.2	16.2
Trade and other receivables		1.2	115.6	116.8	116.8
Current financial assets					
Trade and other receivables			537.1	537.1	537.1
	0.6	1.2	668.3	670.1	670.1
Non-current financial liabilities					
Financial liabilities			1,065.9	1,065.9	994.0
Trade and other payables <sup>(2)</sup>	4.6	0.0	21.4	26.0	26.0
Current financial liabilities					
Financial liabilities			295.4	295.4	295.4
Trade and other payables <sup>(2)</sup>	0.3		402.3	402.6	402.6
	4.9	0.0	1,785.0	1,789.9	1,718.0

<sup>1)</sup> "Other financial assets" includes Groups' listed and unlisted equity investments.

<sup>2)</sup> Excluding advances received

The Group's financial assets and liabilities are classified as financial assets and liabilities measured at amortised cost, financial assets and liabilities measured at fair value through other comprehensive income, and financial assets and liabilities measured at fair value through profit or loss. Financial assets and liabilities measured at amortised cost include fixed-term contracts whose cash flow includes payments of principal and interest on the principal outstanding. Financial assets and liabilities measured at fair value through other comprehensive income include those financial items that are expected both to collect contractual cash flows and to sell financial assets. Financial assets and liabilities measured at fair value through profit or loss include items that do not meet the criteria of the other groups.

The Group categorises electricity and currency derivatives that qualify for hedge accounting as financial assets or liabilities measured at fair value through other comprehensive income. Contingent considerations in business combinations and listed equity investments are recognised as financial assets or liabilities measured at fair value through profit or loss. Other financial assets and liabilities are measured at amortised cost.

## 5. Financial assets and liabilities recognised at fair value

EUR million	31.12.2023	Level 1	Level 2	Level 3
Financial assets/liabilities measured at fair value through other comprehensive income				
Electricity derivatives	1.0		1.0	
Currency derivatives	0.1		0.1	
Financial assets/liabilities measured at fair value through profit or loss				
Listed equity investments	0.6	0.6		
Contingent considerations relating to business combinations	-1.1			-1.1
	0.5	0.6	1.0	-1.1

EUR million	31.12.2022	Level 1	Level 2	Level 3
Financial assets/liabilities recognised at fair value other comprehensive income				
Electricity derivatives	1.2		1.2	
Currency derivatives	0.0		0.0	
Financial assets/liabilities measured at fair value through profit or loss				
Listed equity investments	0.6	0.6		
Contingent considerations relating to business combinations	-4.9			-4.9
	-3.1	0.6	1.1	-4.9

Level 1 includes instruments with quoted prices in active markets. Level 2 includes instruments with observable prices based on market data. Level 3 includes instruments with prices that are not based on verifiable market data, but instead on the company's internal information, for example.

## 6. Equity

	Number of shares pcs	Treasury shares pcs	Holding, % of shares and votes
Shares at 31 December 2022	167,335,073	7,075,378	4.23 %
Disposal of treasury shares		-128,724	
Shares at 30 June 2023	167,335,073	6,946,654	4.15 %

### Dividend

On 5 April 2023, Elisa's Annual General Meeting decided on a dividend of EUR 2.15 per share. The total dividend amounts to EUR 344.8 million, and payment started on 19 April 2023.

## 7. Issuance and repayment of debt securities

For short-term financing, Elisa has an EUR 350 million uncommitted commercial paper programme and a EUR 100 million credit facility with Landesbank Baden-Württemberg. Current financial liabilities include outstanding commercial papers of EUR 34.5 million.

On 17 May 2023, Elisa signed a new, EUR 170 million syndicated, sustainability-linked revolving credit facility. The five-year facility has an options to extend it by two years. The facility replaces the facility of the same size that was signed in 2017, which matures in July 2024.

On 5 September 2023, Elisa paid back a EUR 150 million loan to the European Investment Bank.

On 27 September 2023, Elisa issued a fixed-rate, EUR 300 million Green Eurobond that matures on 29 January 2029 under the EUR 1.5 billion EMTN Programme.

On 26 September 2023, Elisa announced that it has purchased its bonds due in March 2024 in the amount of EUR 51.97 million.

In September, Elisa agreed with six banks to extend its EUR 130 million Sustainability-linked Revolving Credit Facility for two years, from September 2026 to September 2028.

The unused amount of the EUR 1,500 million EMTN programme is EUR 352 million as of 31 December 2023.

EUR million	31.12. 2023	31.12. 2022
Issued bonds, nominal value	1,148.0	900.0
Issued commercial papers	34.5	125.0
Withdrawn credit facilities	0.0	100.0
Withdrawn committed credit lines	0.0	0.0

## 8. Provisions

EUR million	Termination benefits	Other	Total
1 January 2023	2.0	1.7	3.7
Increase in provisions	4.4		4.4
Reversals of unused provisions	-0.3		-0.3
Utilised provisions	-3.3		-3.3
31 December 2023	2.8	1.7	4.5

EUR million	Termination benefits	Other	Total
1 January 2022	4.3	1.7	5.9
Increase in provisions	2.0		2.0
Reversals of unused provisions	-0.5		-0.5
Utilised provisions	-3.8		-3.8
31 December 2022	2.0	1.7	3.7

## 9. Off-balance sheet lease commitments

The future minimum lease payments under non-cancellable off-balance sheet leases:

EUR million	31.12. 2023	31.12. 2022
Within one year	14.4	13.2
Later than one year, not later than five years	5.1	4.3
Later than five years	1.4	1.0
	20.9	18.4

Lease commitments are exclusive of value added tax.

## 10. Contingent liabilities

EUR million	31.12. 2023	31.12. 2022
For our own commitments		
Mortgages	3.8	3.8
Guarantees	0.8	0.6
Deposits	0.5	0.6
On behalf of others		
Guarantees	0.5	0.3
	5.6	5.2
Other contractual obligations		
Venture capital investment commitment	0.2	0.5
	0.2	0.5

## 11. Derivative instruments

EUR million	31.12. 2023	31.12. 2022
Nominal values of derivatives		
Electricity derivatives	3.5	5.8
Currency derivatives	3.3	3.3
	6.8	9.1
Fair values of derivatives		
Electricity derivatives	1.0	1.2
Currency derivatives	0.1	0.0
	1.0	1.1

## 12. Related party transactions

The Group's related parties include the parent company, subsidiaries, associates and joint ventures. The related parties also include Elisa's Board of Directors, the CEO, the Executive Board as well as entities controlled by them and close members of their family.

Related party transactions with associated companies EUR million	1-12 2023	1-12 2022
Revenue	0.7	0.5
Purchases	0.9	1.0
Receivables	11.6	0.6
Liabilities	0.5	0.0

There were no related party transactions with the key management. The salaries and remuneration paid to the management of Elisa Group will be published in the annual consolidated financial statements.

## 13. Key figures

EUR million	1-12 2023	1-12 2022
Shareholders' equity per share, EUR	8.05	7.78
Interest-bearing net debt	1,304.1	1,275.8
Gearing, %	100.8 %	101.9 %
Equity ratio, %	41.6 %	40.6 %
Return on investment (ROI), % *)	18.5 %	18.3 %
Gross investments in fixed assets, of which right-of-use assets	321.4 23.3	289.7 25.5
Gross investments as % of revenue	14.7 %	13.6 %
Investments in shares and business combinations	11.8	24.8
Average number of employees	5,721	5,523

\*) Rolling 12 months' profit preceding the reporting date

## Financial calendar

Interim report Q1 2024	19 April 2024
Half-year financial report 2024	16 July 2024
Interim report Q3 2024	18 October 2024

## Contact information

Investor Relations:  
[investor.relations@elisa.fi](mailto:investor.relations@elisa.fi)

Press:  
[mediadesk@elisa.fi](mailto:mediadesk@elisa.fi)

Elisa website:  
[www.elisa.com](http://www.elisa.com)