

# Annual report **2024**



**TELESTE**



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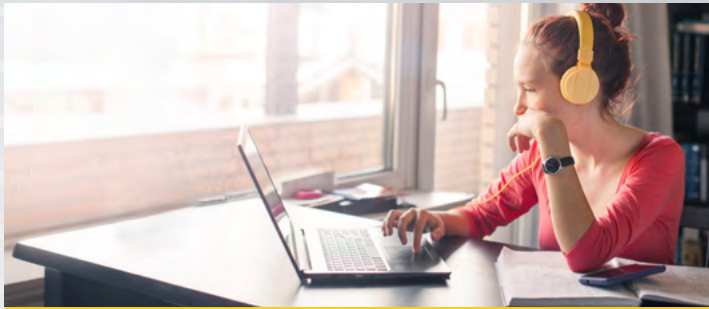


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A person is working at a desk. They are using a laptop and a notebook. A pencil is in their right hand, and their left hand is on the laptop keyboard. There is a white mouse and a white coffee cup on the desk. The scene is lit with natural light from a window in the background.

# Year 2024 and strategy



## Broadband Networks

Our solutions enable reliable, ultrafast broadband connections and TV services for households and businesses.

Digital technologies and access to fast and secure internet form the backbone of a networked society. They bring services available to people and go hand in hand with sustainable development.

**100 million**  
internet users benefit  
from our solutions.



## Public Safety & Mobility

Our solutions increase safety and security and improve the smooth mobility of people.

The digitalisation of travel-related information makes public transport easy and attractive. Smart technologies bring security to public places. Evolving smart cities create new services for people's everyday life.

Our technology serves  
**1.5 billion**  
public transport passengers annually.

Established  
**1954**

Turnover  
**132,5**  
milj. €

#TelesteTeam  
members  
**670**

HQ  
**Turku,  
Finland**

We make your everyday life  
**smart, safe** and **smooth.**

We want to be  
**our customers' best  
partner** for building  
a networked society.

Our goal is to be **the leading  
ESG player in our  
industry.**

**Customer centricity • Respect • Reliability • Result orientation**

# Key figures

## ORDERS RECEIVED

Orders received by the Group amounted to EUR 124.9 million (149.6). This reflected the softer demand in the Broadband Networks segment in Europe, which was not fully offset by the good growth of new orders in North America. Orders received by the Public Safety and Mobility business unit decreased due to lower order levels from train manufacturers, which is typical of the nature of the fluctuating project business. Orders started to increase in the last quarter of the year.

## NET SALES

The Group's net sales reached EUR 132.5 (151.3) million. Net sales in Broadband Networks declined in Europe as demand for network products remained at a low level, despite increased delivery volumes in North America. Public Safety and Mobility revenues declined as video surveillance and public transport operator projects were delayed, partially offset by higher shipments to train manufacturers. Net sales increased in the last quarter of the year.

## PROFITABILITY

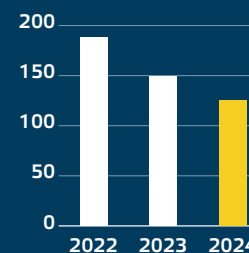
The Group's adjusted EBIT was EUR 4.0 (1.2) million. Profitability improved notably due to an increase in gross margin and implemented cost reductions, despite the decline in net sales. The adjusted EBIT improved in both segments, particularly in Public Safety and Mobility. The EBIT was EUR -5.5 (-0.5) million, due to a one-time impairment of capitalised R&D expenses, as well as restructuring costs.

## CASH FLOW AND BALANCE SHEET

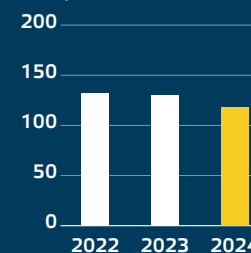
The cash flow from operations amounted to €12.4 million (up from €10.8 million), driven by the release of working capital from inventory and other current assets. The Group's equity ratio remained stable at 45.4% (45.4%), while the net gearing ratio decreased to 46.3% (51.9%). The company entered into a syndicated refinancing arrangement during the financial year.

*Figures inside brackets refer to fiscal year 2023*

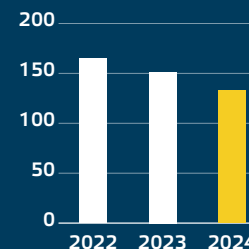
Orders received, EUR million



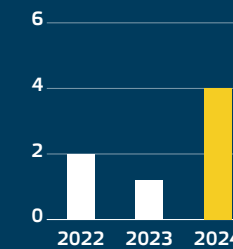
Order book (period-end), EUR million



Net sales, EUR million



Adjusted operating result, EUR million



*We expect both Group Net Sales and profitability to improve in 2025. We see the North American market development supporting a new phase of growth for Broadband Networks. In Public Safety and Mobility business, we are looking for steady Net Sales and profitability growth.*

**Mervi Kerkelä-Hiltunen, CFO**



# Building a new decade

*At Teleste, the year 2024 marked both the company's 70th anniversary and a significant period of transformation. Whilst uncertainty impacted our operations in the European network equipment market, we achieved significant strategic milestones in North America. These accomplishments strengthen our company's foundation and enhance our resilience for the future.*



## **BROADBAND NETWORKS: EXPANSION IN NORTH AMERICA, ADJUSTMENTS IN EUROPE**

In our Broadband Networks business, investments in next-generation DOCSIS 4.0 technology commenced in North America. We reached a major milestone as many operators began deploying our 1.8 GHz ICON intelligent amplifiers in their networks. We have now successfully positioned ourselves as a leading technology supplier for multiple North American operators.

We maintain a positive outlook for the North American market and foresee substantial growth for our business in the upcoming years. North America, serving as our primary growth engine, presents numerous opportunities for successful market expansion and business development.

In Europe, market demand remained low, although the downturn slowed and stabilised towards the end of the year. The softness in European market was primarily due to operators' cautious investment approach and increased macroeconomic uncertainty. Given the market situation, we implemented extensive cost-saving measures across the company and prioritised our operations accordingly. Towards the end of 2024, we received encouraging signals indicating that first DOCSIS 4.0 investments will begin also in Europe later in 2025.

## **PUBLIC SAFETY AND MOBILITY: A DYNAMIC MARKET OFFERS GROWING VALUE CREATION POTENTIAL**

In our Public Safety and Mobility business, we made significant progress in our strategic focus areas over the year. Revenue declined from the previous year due to the fluctuations related to the project cycles, but we significantly improved our profitability as planned. Business volume with rolling stock manufacturers increased, with several key projects entering the commercialisation phase. This demonstrates our strong expertise and competitiveness, particularly as a provider of information and security solutions for public transport.

The increasing share of lifecycle and maintenance services is helping to stabilise project delivery fluctuations and provides a solid foundation for business continuity. Intelligent video security solutions and new display technologies present significant growth potential. Teleste will focus on intelligent, real-time technologies that continue to provide added value to customers.

## **THE INCREASING IMPORTANCE OF SUSTAINABILITY**

In 2024, sustainability took on an even more central role in our business. In February, we were awarded a gold medal in the EcoVadis business sustainability rating for the first time, demonstrating our long-term commit-

ment to promoting responsible business practices. This recognition reflects our dedication to advancing sustainability across social, environmental, and governance aspects.

The industries in which we operate play a crucial role in supporting everyday life and societal infrastructure, aligning closely with multiple sustainability goals. Digital technologies and reliable broadband connectivity form the backbone of a networked society, bringing digital services within reach of consumers. The digitalisation of information and new intelligent innovations make public transport seamless and convenient, promoting environmentally friendly, green mobility. Smart and integrated technologies enhance people's safety in public spaces and protect critical infrastructure, which is essential for both communities and individuals.



*We are ready to embark on the eighth decade of Teleste's history. Our strong and highly skilled team provides us with excellent conditions to continue our growth, develop innovative solutions, and build a more sustainable and successful future together.*

**Esa Harju**, CEO of Teleste

As a leading technology company, we aim to be at the forefront of both our industries and sustainability efforts. This means that we not only focus on what our products and technologies enable but also integrate sustainability into all our operations and our entire value chain. In doing so, we work together with our customers to build a more sustainable and secure future.

## **GROUP STRUCTURE REORGANISATION AND FUTURE OUTLOOK**

In 2024, we successfully implemented the reorganization of our group structure. The Broadband Networks and Public Safety and Mobility business units were reorganized into separate legal entities, which clarified governance and improved reporting transparency. This reorganisation supports our strategy and provides better conditions for the independent development of our businesses.

In Broadband Networks, our longer-term prospects remain very favourable. We are strongly focused on the North American market expansion and the growth of DOCSIS 4.0 technology. In Europe, we expect demand to recover gradually, although the market is likely to remain in a transition phase towards next-generation technologies throughout 2025.

In Public Safety and Mobility, we will continue our strategic investments in public transport information and security systems. This sector presents highly interesting long-term growth opportunities, particularly in major cities where safety, environmentally friendly public transport, and smart digital solutions are key priorities.

## **TOWARDS A NEW DECADE**

In 2024, Teleste celebrated its 70th anniversary. From the very beginning, our company has been built on deep customer understanding and uncompromising quality. Since our first in-house product—the antenna socket—Teleste has been known for its dedication to Finnish engineering excellence and a solution-driven approach that has helped our customers succeed. These traditions remain strong today and continue to guide us in building a smarter, safer, and smoother everyday life.

Over seven decades, Teleste has evolved and adapted multiple times. We have responded to changing market needs and leveraged opportunities presented by technological advancements. Over the years, we have made significant advancements, and our technologies and solutions have developed in ways that would have been unimaginable at the time of our founding. Yet, our

core mission remains unchanged: to deliver high-quality engineering and to be the most trusted partner for our customers, both now and in the future.

The year 2024 was significant in many ways. We took decisive steps towards the future by implementing strategic changes and adapting our operations in the evolving market environment. These transformations required significant commitment and flexibility from our employees. I want to thank all Teleste employees for their dedication and resilience during these changes. We also extend our gratitude to our customers, partners, and stakeholders for their trust and valuable collaboration.

**Esa Harju**  
CEO of Teleste



# Strategic priorities

## BROADBAND NETWORKS

- Achieve a significant market share in North America's next-generation network investment wave and, as a result, drive profitable growth
- Maintain market leadership in network management, analytics and automation
- Provide high-quality value-added services to network operators

## PUBLIC SAFETY AND MOBILITY

- Attain market leadership in public transport information and security solutions
- Expand profitably in the train maintenance and modernisation business
- Establish a strong foothold in security solutions for selected customer segments

## SHARED STRATEGIC OBJECTIVES

- Drive lean operations and enhance quality in collaboration with motivated professionals

## KEY DRIVERS OF CHANGE

Advancing **global sustainability** and mitigating climate change are urgent priorities that require concrete action. We develop solutions that support both public transport and high-quality, intelligent communication networks—both of which play a crucial role in reducing carbon emissions and strengthening sustainability.

As **urbanisation** accelerates, the demand for mobility services continues to rise, and the need for citizen safety becomes ever more pronounced. We leverage smart technologies to develop solutions for data networks and real-time delivery of information. These innovations contribute to the creation of smooth and secure living environments while laying the foundation for a globally networked society.

**Digitalisation** and artificial intelligence play a key role in delivering faster and more reliable broadband services. Digital smart networks have become a fundamental requirement for the functioning of modern society. All this demands extremely efficient and seamless telecommunications connections. Our technologies evolve in response to the growing need for increased capacity, improved reliability, and high-quality services.

Teleste's strategy is built on innovation, profitable growth, and customer-oriented solutions – we develop future network technologies, public transport information and security solutions, and service business offering to ensure our competitiveness and create added value for our customers and stakeholders.

# Commitment to a better future

*At Teleste, we strive to be an industry leader in social and environmental responsibility and corporate governance. Profitable business operations form the foundation of our ability to integrate all aspects of corporate responsibility, ensuring we contribute to a sustainable future for generations to come.*



Our sustainability commitments align with customer expectations and investor priorities, enhance our attractiveness as an employer, and reflect the realities of our business environment. Through our work in public mobility, we actively support the green transition, contributing to both climate change mitigation and adaptation initiatives.

Teleste takes concrete action by reducing carbon emissions, adopting renewable energy sources, and improving energy efficiency. We promote the circular economy by extending product lifecycles through repair activities and preventive maintenance solutions. Additionally, we focus on social and governance efforts, including advancing employee well-being and ethical business practices.

Sustainability is at the core of Teleste's strategy and a key value guiding our operations. Regulatory and reporting requirements, such as the EU Taxonomy and the Corporate Sustainability Reporting Directive (CSRD), have further increased in 2024. Like many other companies, we have published our first CSRD-compliant sustainability report for 2024.

The CSRD report is part of Teleste's [Broad of Directors 2024 report](#).

## SUSTAINABILITY FOCUS AREAS AND PRIORITIES

Sustainability is a core strategic priority embedded in every aspect of our operations at Teleste, from corporate governance and supply chains to product innovation and marketing initiatives. Profitability forms the foundation of our sustainability strategy, enabling long-term value creation and positive impact. We have identified three key ambitions that align with global trends and the expectations of our stakeholders:

1. People & Well-being,
2. Climate & Circular economy, and
3. Responsibility & Fairness.

## KEY SUSTAINABILITY COMMITMENTS

- **ISO 14001 Environmental Management System** certification since 2006.
- Commitment to **the Science Based Targets initiative** in 2024.
- Joined **the UN Global Compact** network in 2023.
- Commitment to **the United Nations (UN) Guiding Principles on Business and Human Rights** and **the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work**.



## Teleste awarded Gold Medal in EcoVadis business sustainability rating

Teleste was awarded a Gold Medal in the EcoVadis Business Sustainability Rating in winter 2024. EcoVadis is a globally recognised sustainability assessment that evaluates companies' sustainability performance across four categories: Environment, Labour & Human Rights, Ethics, and Sustainable Procurement.

The Gold Medal placed Teleste among the top 5% of companies assessed by EcoVadis. This achievement confirms that we are on the right track in our consistent efforts to integrate sustainability into every aspect of our business. The award was granted due to the significant improvements we have made in the development of our Supplier Code of Conduct, the responsibility of our supply chains, and our operating practices.



# Broadband Networks





# The rise of service quality and reliability in cable networks

*Over the past 30 years, we have witnessed a remarkable transformation driven by the digitalisation of our societies. Year by year, services delivered over the internet have grown richer, and the number of people connected has increased exponentially. Advancements in networking technologies have enabled increasingly faster broadband connectivity speeds, catapulting new service innovations that take advantage of improved networks and attract a growing number of users to consume ever-increasing volumes of data.*



All this development has resulted in massive growth in the amount of data delivered over fixed and mobile networks. In cable networks, peak year-on-year growth rates of up to 50% were recorded between 2015 and 2020, following the launch of streaming video services. Today, with video streaming now ubiquitous in the Western world and remote activities such as work and education stabilising post-COVID-19 pandemic, annual data consumption growth has settled at a level of 15–20%.

## INVESTMENTS IN CABLE NETWORKS CONTINUE

For the past 20 years, cable broadband service providers have benefited from their strong network infrastructure, capable of delivering higher data speeds compared to their telecom competitors. Accordingly, they have steadily gained market share with their DOCSIS technology. Just like in mobile networks, every new generation of DOCSIS specifications has provided opportunities to promote higher speed tiers to subscribers, with the current DOCSIS 4.0 promising 10 Gbps connectivity for households.

To counteract the advanced cable infrastructure and meet consumers' growing demand for data, incumbent telecom operators and alternative network builders have begun rolling out Fibre-to-the-Home networks at an accelerated pace. With this rising competition, cable providers can no longer rely solely

on network speeds. Consequently, they are increasingly investing in network quality and service availability. The three focus areas for the coming years will be:

1. DOCSIS 4.0 network upgrades,
2. Improvements in network quality, and
3. Controlling the Total Cost of Ownership of networks.

## DOCSIS 4.0 TECHNOLOGY BRINGS COMPETITIVENESS

Technology cycles in telecommunications networks are long; upgrading cable network infrastructure typically takes several years, during which millions of network elements are replaced with next-generation products. As DOCSIS 4.0 leverages existing coaxial cabling, its main advantages include rapid network deployment and lower upgrade costs, with the cost per subscriber for a DOCSIS 4.0 network upgrade is generally estimated at 200–300 USD per household. In comparison, deploying Fibre-to-the-Home networks typically requires 5–10 years for underground fibre installation, with capital expenditure per household significantly higher than in the DOCSIS 4.0 scenario.

Teleste has been investing in the research and development of DOCSIS 4.0 since 2019 and delivered the industry's first fully operational 1.8 GHz intelligent amplifiers to operator networks in early 2024. We have ramped up our manufacturing volumes





to deliver the first 20,000 smart amplifiers to our North American customers. We have also secured our first customer win in Europe for a 1.8 GHz network upgrade, which will serve as a showcase across the whole continent, demonstrating the capabilities of DOCSIS 4.0 alongside fibre.

### IMPROVING NETWORK QUALITY AND SERVICE AVAILABILITY WHILE CONTROLLING TOTAL COST OF OWNERSHIP

Traditionally, particularly in North America, cable access networks have been built with purely hardware-based network elements, such as manually adjustable amplifiers. Constructing these networks has relied on highly skilled field technicians to ensure optimal network operation through precise installation and tuning. Furthermore, their maintenance and troubleshooting have demanded labour-intensive truck rolls, sometimes taking days to identify possible faults in the network. In general, the construction and maintenance of cable access networks have depended on high-quality workmanship and operators' skilled field forces.

Teleste's Intelligent Networks concept features a rich set of sensors embedded in network elements to monitor network health, as well as advanced software tools, automated network management and algorithms that optimise network performance.

These features enable economical and rapid upgrades of cable broadband networks, reducing the Total Cost of Ownership of the network infrastructure.

In addition, our smart amplifiers enable remote monitoring and troubleshooting, which, together with the automation of network maintenance processes, improves service reliability and offers further operational cost savings. These technologies empower cable broadband service providers to effectively match fibre competition in providing consumers with a superior quality experience for multi-gigabit broadband services.

In Teleste's Broadband Networks business, we have been a pioneer and time-to-market leader for DOCSIS 4.0 1.8 GHz products, leveraging our experience and history with European operators. In 2024, our customers in North America began upgrading their networks for the 10 Gbps era. We are well positioned to maintain this leadership in the coming years with our Intelligent Networks technology, including our Network Management System and associated telemetry solution. These innovations, complemented by future artificial intelligence solutions, are the cornerstones for cable operators seeking to maintain their leadership in the fixed broadband services market.

#### Hanno Narjus

Head of Broadband Networks business unit



## Ulf Andersson appointed as Head of Broadband Networks business

**Ulf Andersson** has been appointed as the Head of Teleste's Broadband Networks business and a member of the Leadership Team, effective from 1 January 2025. He is based in the United States, underscoring the strategic importance of the North American market for the company.

Ulf Andersson brings extensive experience in the telecommunications sector, particularly in sales and customer engagement, as well as in comprehensive business management. He has strong expertise in strategy creation and implementation, as well as in product management and R&D.

Serving as the Head of the business until the end of 2024, **Hanno Narjus** will continue at Teleste, focusing on developing industrial relations, shaping the technology strategy, and managing the ecosystem within the Broadband Networks business.

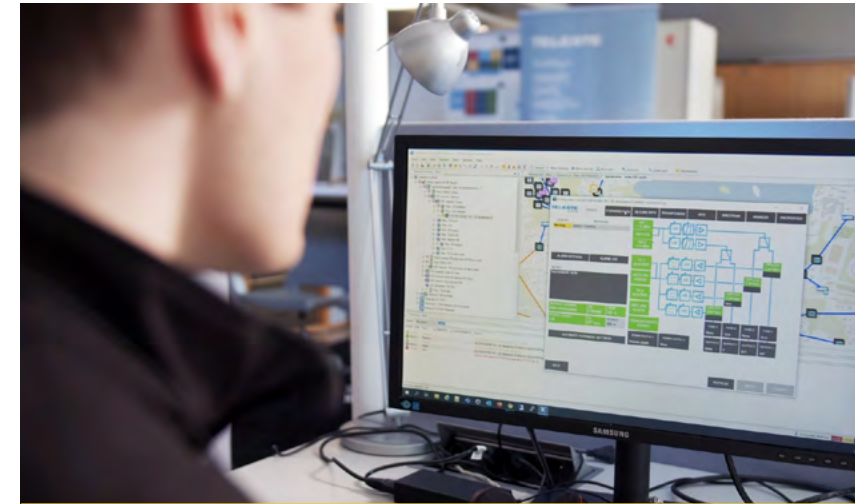
# Intelligent amplifier orders in North America grew

The commercial deliveries of our DOCSIS 4.0-compliant 1.8 GHz ICON smart amplifiers began in North America, where several operators have initiated investments in next-generation broadband networks. During 2024, the total value of intelligent amplifier orders received from all North American customers exceeded €20 million. Additionally, at the end of the year, we signed a resale agreement with Mega Hertz, a U.S.-based company, enhancing the availability of our amplifiers to small and medium-sized operators as well.

DOCSIS 4.0 1.8 GHz technology enables broadband speeds of up to 10 Gbps for consumers. Alongside this top-tier data transfer capacity, our amplifiers leverage smart technology to provide cable operators with remote network monitoring and management capabilities designed to accelerate fault diagnostics and improve the reliability of broadband services. Key features of our amplifiers also include automated operations that streamline network deployment and

maintenance, optimise performance, and significantly reduce operational costs.

An increasing number of North American operators have experienced the benefits of our smart amplifiers in practice. Together with our customers, we aim to continue promoting the adoption of this intelligent technology in 1.8 GHz network upgrades



## Collaboration with Telia Finland in Network Services

We initiated a collaboration with **Telia Finland**, focusing on broadband and TV services delivered over their cable network. Our aim is to support Telia Finland in the daily operation and long-term development of these services, as well as in making strategic decisions related to service continuity.

Our comprehensive Network Operations Centre in Finland has extensive experience in the holistic management of networks and in ensuring the availability and quality of broadband and TV services. By leveraging our expertise, operators can better allocate their own resources to strategic priority areas while maintaining a competitive edge in their service offerings.



# Public Safety and Mobility





# Stepping stones towards **sustained growth**

*In 2024, the Public Safety and Mobility business markets stabilised and continued steady growth. At the same time, our operating environment has been evolving in a more favourable and predictable direction. This has opened up new opportunities to look towards the future, while a more stable foundation enables long-term development. Over the year, we refined our strategy, strengthened our expertise, and focused on building a strong business that meets our customers' needs now and in the future.*

## **SOFTWARE DEVELOPMENT AS A COMPETITIVE ADVANTAGE**

The importance of software solutions in our business has grown significantly, making software development a core element of our operations. As products and systems become increasingly intelligent, investing in this area ensures we can meet our customers' evolving needs and expectations.

Our software expertise is particularly evident in managing extensive and advanced information and security systems. Key priorities in these systems include cybersecurity, new functionalities, lifecycle management, and intelligent, flexible solutions that add value for our customers.

In 2024, we made notable progress by implementing new practices that enhance efficiency and effectiveness in software development. At the same time, our software development organisation has emerged as a major competitive advantage. Customer satisfaction has improved, with customers recognising our ability to address their ecosystem needs comprehensively.

## **A STRENGTHENED SUPPLY CHAIN BRINGS CONFIDENCE**

We have raised the bar in the development of our production, logistics, and procurement functions. Enhanced collaboration between Teleste's manufacturing sites in Forssa and

Littoinen, coupled with a new electronics manufacturing partnership, has bolstered stability, cost efficiency, and risk management across our operations. Simultaneously, the transparency and predictability of our supply chain have improved. These measures underpin the durability of our strategy.

## **A PARTNER FOR THE ENTIRE TRAIN LIFECYCLE**

In public transport, our strategic focus has shifted even more strongly towards managing the entire lifecycle of trains and establishing long-term partnerships with our customers. We have developed and implemented new service level agreements and operational models, incorporating these into our public transport software offering. Furthermore, we aim to support our customers in extending the lifecycle of their rolling stock while continually enhancing the passenger experience. As a result, services and solutions related to rail vehicle maintenance and modernisation have become central to our business.

## **A RENEWED STRATEGY CHARTS THE WAY FORWARD**

In 2024, we refined our strategy and set a clear direction for the next three years. This process has ensured that we are well-positioned to grow and evolve into an even stronger and more reliable partner in public transport and other markets. We are

prepared to respond more effectively to our customers' needs and to support their businesses with a long-term perspective. Close collaboration with customers and the ability to deliver added value remain pivotal as we expand our operations and enter new markets.

For our employees, the updated strategy provides clear goals and tools to support continuous learning, professional development, and engagement in a genuinely international business environment. Our ambition is to build the leading team of professionals in the industry: we are investing in developing competencies, fostering a culture of excellence, and strengthening employee engagement. Our workforce is our most important asset, and we are committed to cultivating a strong and capable community that can successfully drive our strategy forward.

From the perspective of our business, the future looks bright. We have strengthened our organisation and are ready to seize the growing opportunities in the public transport and safety markets. With these stepping stones firmly in place, we can look ahead with confidence.

### **Valerian Sand**

Head of Public Safety and Mobility business unit

## Our purpose

As a trusted partner, we drive sustainable mobility and enhance passenger experience with our innovative solutions.

## Our promise

We make your journey easy and safe.

## Our priorities

Build and run an industry-leading team. Thrive in customer excellence. Ensure profitable growth.

## Railway Solutions

**On-board passenger information solutions** for rolling stock manufacturers, transport operators, fleet owners and lifecycle service providers.

## Display Solutions

**Passenger information displays and related software** for transport operators, focusing on solutions for stations and platforms.

**Our solutions shape the world of mobility**

## Video Security Solutions

Comprehensive **video security and situational awareness solutions** for security authorities and transport operators.

## Services

**Support and services**, to ensure the long-term success and operational continuity of our customers' systems.



## YEAR 2024 HIGHLIGHTS



### Environmentally friendly information display solution for Trafikverket

In collaboration with our partner Swarco, we are introducing our latest RGB LED information displays to the Swedish Transport Administration's (Trafikverket) transport network. Renowned for its low energy consumption, RGB LED technology aligns perfectly with transport networks that prioritise environmental sustainability and an exceptional passenger experience. Our displays also feature advanced smart diagnostics, enabling real-time monitoring and facilitating proactive troubleshooting. This reduces service disruptions, extends the lifespan of the displays, and minimises the need for on-site maintenance visits—ultimately lowering the overall environmental impact of their operation.



### Collaboration with Siemens Mobility to enhance on-board systems and solutions

We have signed a framework agreement with Siemens Mobility GmbH, one of the world's leading rolling stock manufacturers, to enhance the operational efficiency and delivery of passenger information on Siemens Mobility's trains. This collaboration encompasses both software and hardware for on-board passenger information and CCTV systems, ensuring a seamless travel experience for passengers. Further contributing to the sustainable future of rail transport worldwide, this partnership also aims to address the growing demand for smarter, greener, and more reliable mobility solutions.



### Revolutionising passenger information delivery with Fintraffic

Since 1995, our partnership with the Finnish traffic management operator Fintraffic and its predecessor organisations has been defined by advancements in information display technologies and improvements to the passenger experience. Over the decades, this collaboration has ensured that passengers at Finnish railway stations are always informed about departures, arrivals, platform details, and announcements. As technology has evolved, cutting-edge display models have replaced older ones, and today, both our latest RGB LED displays and Teleste Hub passenger information software are integrated into the Fintraffic system. Today, more than 1,000 of our displays are guiding passengers in transit.



# Our way of working



# Smart Manufacturing enables growth in a new market

*Throughout 2024, Teleste's operations have focused on ensuring the delivery capability of the ICON product family for the North American market. We leveraged our smart manufacturing processes in the development of our new 1.8 GHz ICON amplifiers and their telemetry features. The production ramp-up phase in Finland transitioned into serial manufacturing after the first quarter of the year, shifting our attention to the continuous improvement of product quality and productivity. Based on volume forecasts and new orders, we will continue expanding our manufacturing capacity in 2025 by utilising our own production facilities and strategic partners.*

## **OPERATIONS STRATEGY AS A CORNERSTONE OF TELESTE'S GROWTH**

In the second half of 2024, we focused particularly on refining and implementing our operational strategy, evaluating successes, and taking proactive measures. Our aim is to set priorities that enable us to achieve the goals of both our business areas from an operational perspective. This involves improving the scalability and flexibility of our supply chain while seamlessly supporting profitable growth. At the same time, we are enhancing our delivery capabilities for North America.

Our employees are the foundation of our value chain and strategy. To enhance the employee experience, we place special emphasis on occupational safety and well-being, workplace atmosphere, and

smooth cooperation across departmental boundaries. In managing the value chain, we are moving towards an increasingly data-driven approach. We measure and monitor strategically important areas and, based on data analyses, take actions for continuous improvement.

## **IN-HOUSE PRODUCTION AND PRODUCT DEVELOPMENT ENSURE SCALABILITY AND FAST RESPONSE**

Teleste's highly vertically integrated operational model strengthens our business's competitiveness and responsiveness. Working in close cooperation, our manufacturing and R&D professionals ensure that we can develop new prototypes or product iterations within just a few hours. We can quickly transition products into serial production readiness and scale manufacturing



flexibly, either in our own facilities or through contract manufacturing. This operational model keeps us ahead of the market without compromising reliability, performance, or cost-effectiveness.

### **DEEP COLLABORATION AMONG BUSINESS AREAS ENHANCES EFFICIENCY AND FLEXIBILITY**

While forming strategic partnerships for volume manufacturing, we are also deepening collaboration within our business areas. This includes interaction between the Forssa and Littoinen facilities, as well as guiding our suppliers and managing capacity peaks. Utilising contract manufacturing adds flexibility, improves cost-awareness, and helps us gain a deeper understanding of the competitiveness of our own manufacturing. At the same time, it challenges us to pursue continuous, goal-oriented improvement. This collaboration also benefits customer service through reliable deliveries and more agile innovation capabilities.

### **RISK MANAGEMENT IN THE SUPPLY NETWORK**

Risk management is a critical aspect of ensuring our business continuity and competitiveness. Identifying, assessing, and managing risks within our supply network is an ongoing development focus, exemplified by our electronics manufacturing partnerships. These partnerships aim not only to

minimise supply chain disruptions but also to ensure competitive pricing and high-quality standards, adding value for our customers and supporting the long-term goals of our business.

The consistent improvement of our supply chain and in-house manufacturing has significantly reduced the carbon footprint of Teleste's operations, a positive trend that continues. Optimised logistical solutions and utilisation of artificial intelligence, along with the use of alternative fuels and energy sources, have considerably reduced the environmental impact of transportation and manufacturing operations. This approach supports our sustainability strategy, enabling us to meet our objectives and drive a more sustainable future forward.

### **CAPACITY AND PRODUCTIVITY GROWTH IN THE PUBLIC SAFETY AND MOBILITY BUSINESS**

We have invested in enhancing the manufacturing capacity of our Forssa production facility, which grew by approximately 20% during 2024. This increase supports the development of our business and strengthens our ability to meet the growing needs of our customers. At the same time, we have focused on improving the productivity of our manufacturing processes, achieving greater efficiency and cost savings while enhancing our competitive position.



A blurred background of a modern office interior. The scene is filled with warm, golden light from ceiling fixtures, creating a bokeh effect. Glass partitions and office furniture are visible but out of focus. The overall atmosphere is professional and contemporary.

# **Management**



# Board of Directors



**1. Jussi Himanen, M.Sc., born in 1972**  
Member of the Board since 2019

**2. Mirel Leino-Haltia, PhD (Econ.), CFA, born in 1971**  
Member of the Board since 2020  
Chairman of the Audit Committee since 2020

**3. Anni Ronkainen, M.Sc. (Econ.), born in 1966**  
Member of the Board since 2024

**4. Timo Luukkainen, B.Sc. (Econ.), M.Sc.(Eng.), MBA (IMD), born in 1954**  
Chairman of the Board since 2020  
Member of the Board 2016-2020

**5. Vesa Korpimies, M.Sc. (Econ.), born in 1962**  
Member of the Board since 2019

**6. Kai Telanne, M.Sc. (Econ.), born in 1964**  
Member of the Board since 2008



# Leadership Team



**1. Valerian Sand, Public Safety and Mobility, Senior Vice President**  
Joined Teleste in 2022, Member of the Leadership Team since 2022

**2. Esa Korolainen, Operations, Logistics & Sourcing, Senior Vice President**  
Joined Teleste in 2024, Member of the Leadership Team since 2024

**3. Hanno Narjus, Broadband Networks, Senior Vice President until 31.12.2024**  
Joined Teleste in 2006, Member of the Leadership Team since 2007

**4. Esa Harju, President and CEO**  
Joined Teleste in 2016, Member of the Leadership Team since 2016

**5. Ulf Andersson, Broadband Networks, Executive Vice President since 1.1.2025**  
Joined Teleste in 2025, Member of the Leadership Team since 2025

**6. Pasi Järvenpää, Research and Development, Senior Vice President**  
Joined Teleste in 1994, Member of the Leadership Team since 2013

**7. Mervi Kerkelä-Hiltunen, CFO**  
Joined Teleste in 2024, Member of the Leadership Team since 2024

**8. Linda Kallas, Strategy, Communications and Sustainability, Senior Vice President**  
Joined Teleste in 2023, Member of the Leadership Team since 2023

**9. Tuomas Vanne, People and Culture, Senior Vice President**  
Joined Teleste in 2019, Member of the Leadership Team since 2019

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**Juha Hyytiäinen,**  
CFO  
until 23.8.2024

**Markus Mattila,**  
Operations, Logistics & Sourcing, Senior Vice President  
until 3.5.2024



# Broadband Networks Advisory Board



**1. Neil Tang, M.Sc. (E.Eng.)**  
Antronix Inc., President/CEO since 2013  
Worked at Antronix Inc. since 1997

**2. Linda Kallas, DI**  
Strategy, Communications and  
Sustainability, Senior Vice President  
of Teleste Corporation

**3. Esa Harju, M.Sc. (Eng.)**  
President and CEO of Teleste Corporation

**4. Joe Godas, BBA (BCIS)**  
Charter Communications, SVP 2020-2022  
Altice USA, SVP 2016-2020  
Cablevision Systems Corp, SVP 1992-2016

**5. Hanno Narjus, M.Sc. (Econ.)**  
Chairman of the Advisory Board  
Teleste Broadband Networks, Senior Vice President

**6. Stephanie Mitchko-Beale, B.Sc. (E.Eng.)**  
Charter Communications, EVP, CTO 2019-2022  
Cadent TV, COO/ CTO 2014-2019  
Cablevision Systems Corp, SVP 1999-2014



## INFORMATION FOR SHAREHOLDERS

# Information for shareholders

## TELESTE SHARE

Teleste Corporation is listed on Nasdaq Helsinki in the Technology sector and is quoted in the small cap segment. The company shares are included in the book-entry securities system. The company has one series of shares. In Annual General Meeting each share carries one vote and confers an equal right to a dividend.

On 31 December 2024, the company's registered share capital stood at EUR 6,966,932.80, divided into 18,985,588 shares. As to the company share price in 2024, the low was EUR 2.07 (2.55) and the high EUR 3.45 (4.75). Closing price on 31 December 2024 stood at EUR 2.64 (2.70).

- Trading code TLT1V
- ISIN code FI0009007728
- Reuter's ticker symbol TLT1V:HE
- Bloomberg's ticker symbol TLT1V FH

## FINANCIAL RELEASES IN 2025

Teleste Corporation Financial Statement 2024 was released on 11 February 2025.

### Other releases during 2025:

- Interim report January–March at 7 May 2025
- Half year financial report January–June at 14 August 2025
- Interim report January–September at 5 November 2025

Financial reports are published as stock releases. Publications are available on Teleste's website both in English and in Finnish. Teleste meets investors, analysts and representatives of the media in news conferences set up in connection with releases of financial reports.



## Silent period

Silent period begins 30 calendar days before the publishing of the Interim reports, Half year financial report, and Financial statement release and lasts until the publishing of the Interim reports, Half year financial report, and Financial statement release. During silent periods, Teleste's spokespersons refrain from discussing and commenting on issues related to the company's financial performance or meeting with capital market representatives.

## ANNUAL GENERAL MEETING

Teleste Corporation's Annual General Meeting (AGM) will be held on 23 April 2025 commencing at 2 p.m. in Helsinki Expo and Convention Centre, 2nd floor, meeting room 208, address: Rautatieläisenkatu 3, Helsinki. Registration and distribution of voting tickets begin at 1 p.m. Shareholders registered on the list of shareholders with Euroclear Finland Oy on 9 April 2025 are entitled to participate in the Annual General Meeting. A shareholder who wants to participate in the meeting shall register no later than 14 April 2025 at 4 p.m.

More information: [www.teleste.com/AGM](http://www.teleste.com/AGM) or by e-mail [investor.relations@teleste.com](mailto:investor.relations@teleste.com)

## PROPOSAL FOR DISTRIBUTION OF DIVIDEND

The Board of Directors proposes to the Annual General Meeting that a dividend of EUR 0.03 (0.00) be distributed on outstanding shares for the financial period that ended on 31 December 2024.

More information: [www.teleste.com/AGM](http://www.teleste.com/AGM)

## CHANGES IN SHAREHOLDERS' CONTACT INFORMATION

The shareholder register is maintained by Euroclear Finland Oy. Shareholders are kindly requested to inform the custodian of their book-entry account of any changes in contact details.

For more information: [www.teleste.com/investors](http://www.teleste.com/investors)

Teleste Corporation was listed on Nasdaq Helsinki 30 March 1999. Listing price was 8.20 EUR



## TELESTE CORPORATION

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Postal address: P.o. Box 323, 20101 Turku, Finland  
Visiting address: Telestenkatu 1,  
20660 Littoinen, Finland

Telephone (switchboard): +358 2 2605 611  
Business ID: 1102267-8

