

Interim Report January-June 2025

Telia Lietuva, AB

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Management Report



CEO comment

In June, we commemorated the 25th anniversary of Telia Lietuva being listed on Nasdaq Vilnius stock exchange. Over those years, the Company has paid out more than EUR 1 billion in dividends to its shareholders. In May, the highest dividend in our history of EUR 0.11 per share were paid for the year 2024. This confirms the fact that Telia Lietuva has remained a strategic player in Lithuania, connecting citizens and businesses and standing at the forefront of technological innovation.

Our dedication to strategic priorities – Simplify, Innovate and Grow – is fully reflected in our results for the first half of 2025: compared with the same period of previous year, revenue from services went up by 4.2%, adjusted EBITDA grew by 9.4% and net profit jumped by 22.9%. Free cash flow during January-June 2025 was 10.7% higher than a year ago.

Revenue grew in all service categories except fixed voice telephony, which declines in line with the shrinking number of fixed telephony lines in service. Equipment sales remain more modest this year with a roughly 10% decline in volumes compared with the year 2024.

As expected, registration of new pre-paid SIM card owners, introduced at the beginning of 2025, resulted in a decrease in the number of pre-paid mobile service customers during the first six months of this year by 61 thousand, while the number of post-paid service users went up by 34 thousand. Nevertheless, continuously accelerating usage of mobile data and higher revenue per user pushed the mobile service revenue upwards.

For customers' benefit from May we reduced roaming prices in popular travel destinations outside of the European Union.

In April, we launched a next generation Internet of Things (IoT) connectivity management platform. It provides the customer with full control over the IoT management – from SIM card activation to data analyses and could be easily integrated with other business systems whilst also operating internationally.

By adding Netflix and other top-quality content to Telia Play offering, we secured an increase in revenue from TV service thanks to higher ARPU. This is despite the fact that the number of subscribers contracted by 2 thousand during the first half of 2025.

During January-June of 2025, the number of broadband Internet connections eased by 5 thousand, but pricing activities increased the ARPU and growth in revenue from Internet services.

In June, the Company's hosting service was relaunched with a new name – Telia Hosting. Upgraded and operating on a new platform, Telia Hosting is primarily intended for better experience of private customers, while later we expect to expand to business customers as well.

Our competence and devotion to implementation of business security solutions was once again evaluated by our long-time partner Fortinet. Telia Lietuva was recognized as the best Managed Security Service Provider in Lithuania.

We have also launched a new equipment range in our e-shop and showrooms – namely smart healthcare gadgets such as smart rings, smart scales and LED therapy devices. The insights they provide into our customers' health will hopefully lead to a transformational approach to fitness and longevity.

Reasserting our technological leadership, we are the first in Lithuania to start testing 5G standalone network in Klaipėda Seaport. While implementing this project, we aim to create a new critical infrastructure standard and pave the way for similar solutions in other important industrial objects.

Telia Lietuva reaffirms its ongoing support for Ukraine during these challenging times. As part of our continued commitment to social responsibility and meaningful action, we recently completed a major donation of refurbished Telia computers and network equipment to those in need.

We are proud that for the second year in a row Telia Lietuva was awarded for being the Top Employer in the IT and telecommunications sector in Lithuania by CV-Online, while Investors' Forum, which unites foreign capital corporations in Lithuania, recognized us as the Most Responsible Company in 2024. We are also delighted that Vaida Jurkonienė, Telia Lietuva's Head of Marketing and Communication, has been elected the CMO of the year by the Marketing Association LIMA.

Giedrė Kaminskaitė-Salters
CEO of Telia Lietuva



What is Telia Lietuva?

By integrating fixed and mobile connections, we deliver the most advanced telecommunications, TV, and IT services and solutions to people and businesses in Lithuania. Throughout the country, our team of 1,700 professionals provides services to residents, enterprises, public sector institutions, and non-governmental organizations. We are also providing services to other local and international telecommunications operators.

We are a part of the international [Telia Company](#) Group, operating in the Nordic and Baltic countries. Through collaboration and shared expertise, we offer millions of customers in six countries greater opportunities and improved service quality.

Telia Company holds a 88.15 percent stake in Telia Lietuva. Since 2000, Telia Lietuva shares have been traded on the Nasdaq Vilnius Stock Exchange (symbol – TEL1L). In total, Telia Lietuva has more than 15 thousand shareholders.

Being the largest telecommunications operator in Lithuania, we have been designated by the Communication Regulatory Authority (CRA) of Lithuania as an operator with significant market power (SMP) in five telecommunications markets:

- Voice call termination on the mobile network.
- Call termination on individual public telephone networks provided at a fixed location.
- Wholesale local access provided at a fixed location.
- Wholesale central access for mass-market products.
- Wholesale high-quality data transmission services via the terminating segment.

The main Company's intangible resources are radio frequencies allowing us to provide mobile communications services in Lithuania, our employees that ensures seamless

connectivity all over the country 24/7, our residential and business customers, our suppliers and other partners.

For provision of mobile 5G communication services we use 3.5 GHz and 700 MHz frequencies obtained at the tender organized by the Lithuanian Communications Regulatory Authority (CRA) in 2022. Other frequencies (800 MHz, 900 MHz, 1.8 GHz, 2.1 GHz and 2.6 GHz) are used for provision of 2G and 4G mobile communication services.

Together with the other largest Lithuanian telecommunications operators, Bitė Lietuva and Tele2, we have established the not-for-profit organization VŠĮ Numerio Perkėlimas, which administers a central database for ensuring telephone number portability in Lithuania. The company has no other investments in subsidiaries or associates and has no branches or representative offices.

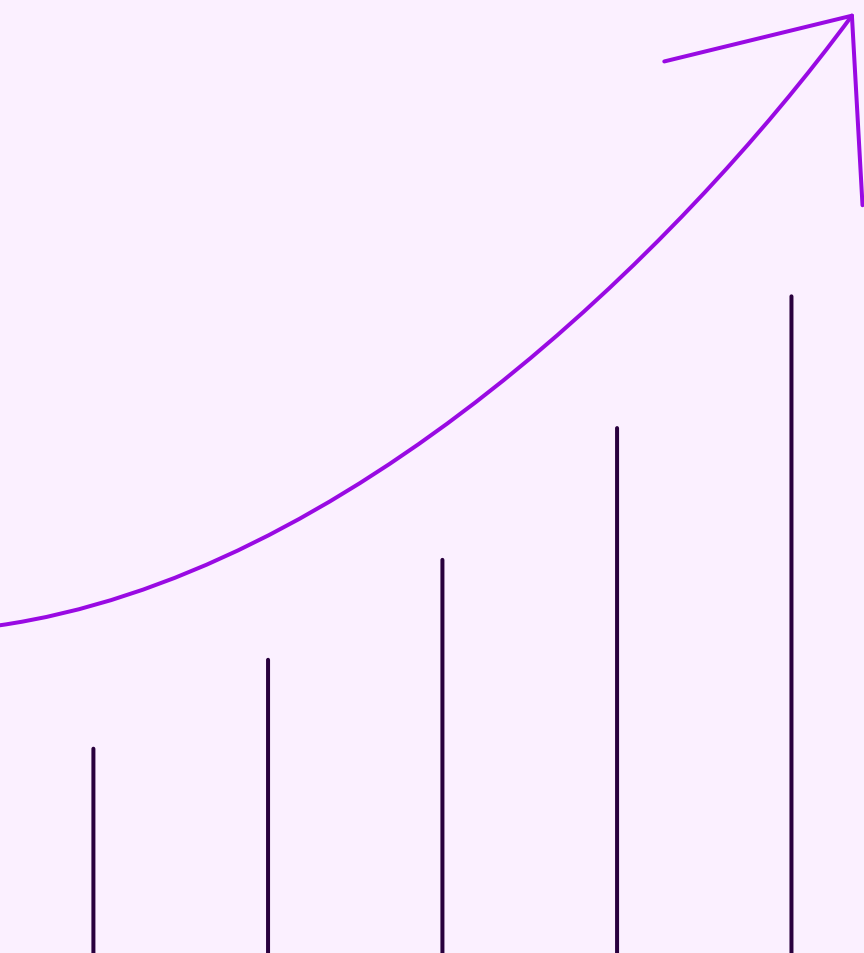
Our activities are certified for compliance with the following ISO standards:

- IT Service Management System (ISO/IEC 20000-1),
- Information Security Management System (ISO/IEC 27001 and ISO/IEC 27017),
- Quality Management System (ISO 9001),
- Data Security (PCI DSS),
- Environmental Management System (ISO 14001),
- Occupational Health & Safety Management System (ISO 45001).

Telia Lietuva, AB is a public company (joint-stock company) incorporated on 6 February 1992. The company is headquartered in Vilnius, the capital of the Republic of Lithuania. The address of its registered office is Saltoniškių str. 7A, LT-03501, Vilnius, Lithuania. Our other offices are in Kaunas and Šiauliai. Besides, we have a network of almost 50 salerooms all over the Lithuania.



Telia Lietuva's operating model is based on customers' segment. The Company's operations are managed and reported by the following segments: Business and Residential customers. The Business customers segment (B2B) implies telecommunication and IT services, equipment sale and customer care for large, medium and small business, public institutions and enterprises, local and international telecommunication operators. The Residential customers segment (B2C) includes telecommunication and TV services to private individuals. Other operations include operations of Technology and Support units of the Company. The Company's financial statements are prepared in accordance with International Financial Reporting Standards as adopted by the European Union.



Financial highlights of Q2 2025

Revenue grew by 2%

and amounted to EUR 121.9 million
(2024: EUR 119.5 million)

EBITDA increased by 10.3%

and amounted to EUR 48.5 million
(2024: EUR 44 million)

Capital investments up by 24.6%

and amounted to EUR 14.2 million
(2024: EUR 11.4 million)

Adjusted EBITDA up by 8.9%

to EUR 48.7 million (2024: EUR 44.7 million)

Profit for the period went up by 21.3%

to EUR 22.1 million (2024: EUR 18.3 million)

EUR 64.1 million of dividends

were paid for the year 2024 (EUR 0.11 per share)
(EUR 52.4 million or EUR 0.09 per share for the year 2023)

Financial highlights of H1 2025

Revenue grew by 1.3%

and amounted to EUR 241.7 million
(2024: EUR 238.5 million)

EBITDA increased by 10.3%

and amounted to EUR 96.3 million
(2024: EUR 87.4 million)

Capital investments down by 18.8%

and amounted to EUR 23.7 million
(2024: EUR 29.2 million)

Adjusted EBITDA up by 9.4%

to EUR 97 million (2024: EUR 88.7 million)

Profit for the period went up by 22.9%

to EUR 44.7 million (2024: EUR 36.4 million)

Free cash flow went up by 10.7%

and amounted to EUR 57 million
(2024: EUR 51.4 million)

Financial figures

(in thousands of EUR unless otherwise stated)	January - June 2025	January - June 2024	Change (%)	January - June 2023
Revenue	241,674	238,481	1.3	230,471
Adjusted EBITDA excluding non-recurring items	97,033	88,677	9.4	83,003
Adjusted EBITDA margin excluding non-recurring items (%)	40.2	37.2		36.0
EBITDA	96,346	87,371	10.3	81,496
EBITDA margin (%)	39.9	36.6		35.4
Operating profit (EBIT) excluding non-recurring items	54,913	45,452	20.8	40,441
EBIT margin excluding non-recurring items (%)	22.7	19.1		17.5
Operating profit (EBIT)	54,226	44,146	22.8	38,934
EBIT margin (%)	22.4	18.5		16.9
Profit before income tax	52,575	41,067	28.0	36,306
Profit before income tax margin (%)	21.8	17.2		15.8
Profit for the period	44,742	36,417	22.9	31,829
Profit for the period margin (%)	18.5	15.3		13.8
Earnings per share (EUR)	0.077	0.063	22.9	0.055
Number of shares (thousand)	582,613	582,613	-	582,613
Share price at the end of period (EUR)	1.625	1.545	5.2	1.895
Market capitalisation at the end of period	946,746	900,137	5.2	1,104,052
Total assets	586,097	602,376	(2.7)	611,442
Shareholders' equity	356,666	340,810	4.7	325,063
Cash flow from operations	89,664	80,208	11.8	74,792
Free cash flow	56,964	51,442	10.7	31,600
Capital investments (Capex)	23,728	29,226	(18.8)	30,649
Net debt	27,466	76,743	(64.2)	114,856

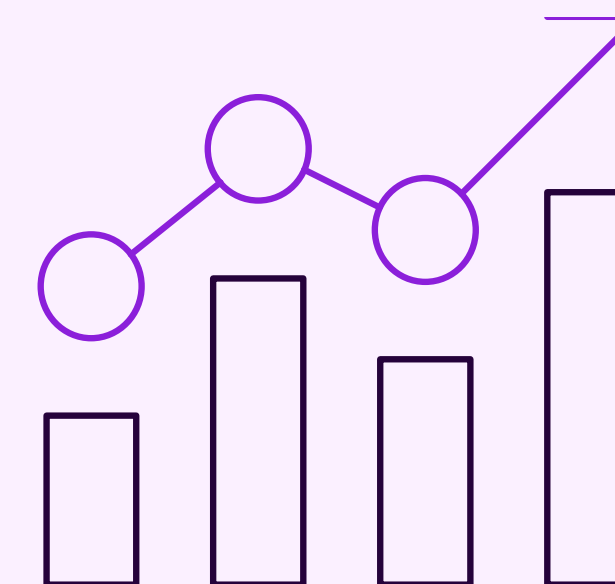
Operating figures

	30-06-2025	30-06-2024	Change (%)	30-06-2023
Mobile service subscriptions, in total (thousand)	1,676	1,655	1.3	1,611
— Post-paid (thousand)	1,433	1,343	6.7	1,288
— Pre-paid (thousand)	243	312	(22.1)	323
Broadband Internet connections, in total (thousand)	415	423	(1.9)	427
— Fiber-optic (FTTH/B) (thousand)	312	315	(1.0)	314
— Copper (DSL, VDSL) (thousand)	103	108	(4.6)	113
TV service customers (thousand)	257	260	(1.2)	258
Fixed telephone lines in service (thousand)	147	167	(12.0)	188
Number of personnel (headcounts)	1,720	1,894	(9.2)	1,979
Number of full-time employees	1,630	1,792	(9.0)	1,855

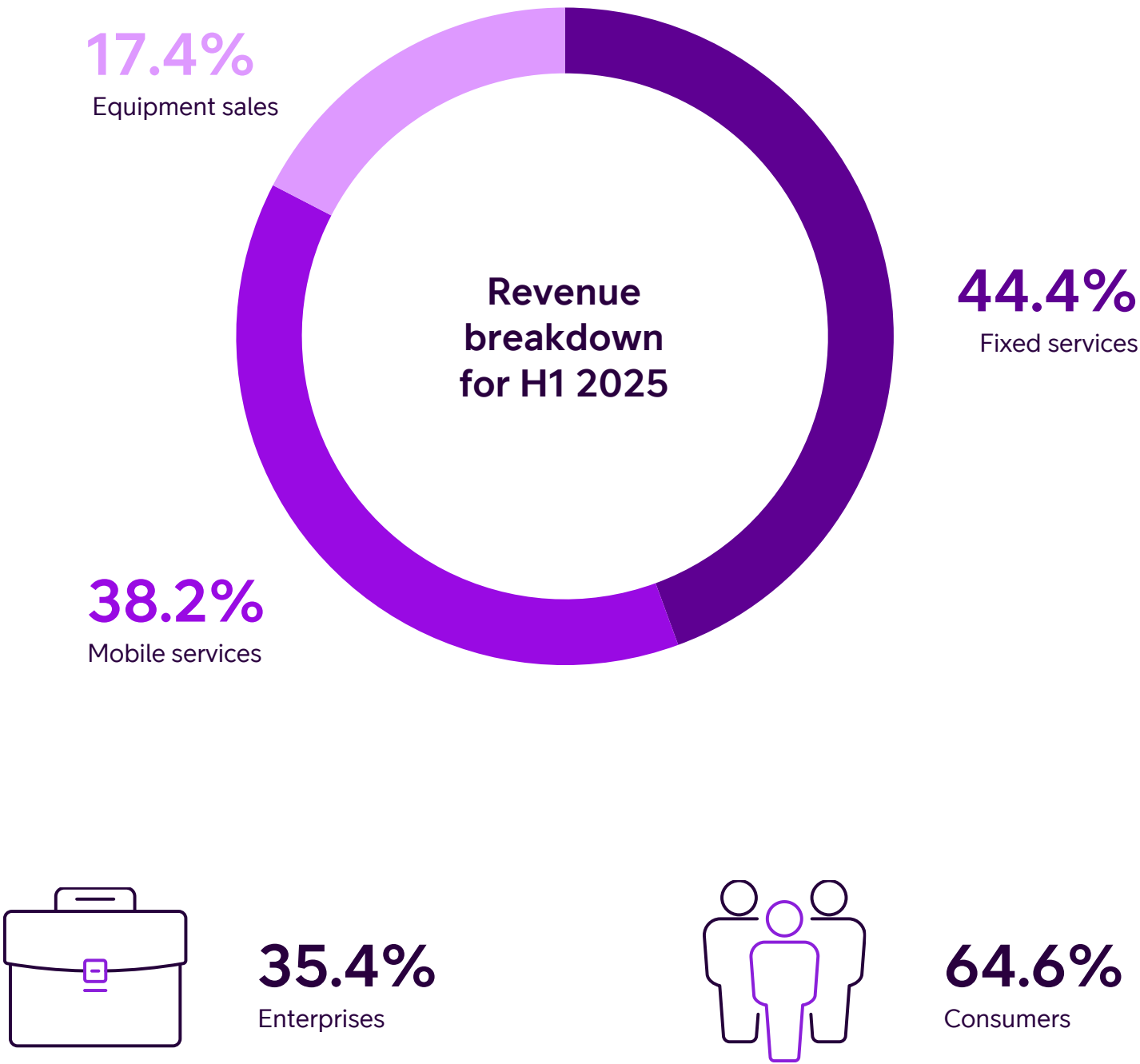
Financial ratios*

	30-06-2025	30-06-2024	30-06-2023
Return on capital employed (%)	23.6	19.4	16.1
Return on average assets (%)	16.3	13.8	11.5
Return on shareholders' equity (%)	21.5	19.3	18.9
Operating cash flow to sales (%)	36.9	34.4	31.3
Capex to sales (%)	11.6	12.2	17.3
Net debt to EBITDA ratio	0.15	0.45	0.74
Gearing ratio (%)	7.7	22.5	35.3
Debt to equity ratio (%)	16.2	28.5	38.0
Current ratio (%)	82.1	64.3	54.7
Rate of turnover of assets (%)	81.9	79.0	74.4
Equity to assets ratio (%)	60.9	56.6	53.2
Price to earnings (P/E) ratio	11.8	13.2	17.8

Notes: *Description of financial ratios and their calculation is provided at <https://www.telia.lt/eng/investors/financial-results>



Revenue



(in thousands of EUR)	April - June 2025	April - June 2024	Change (%)
Fixed services	54,550	52,640	3.6
Voice telephony services	8,951	9,377	(4.5)
Internet services	20,871	19,948	4.6
Datacom and network capacity services	4,706	4,652	1.2
TV services	9,971	9,431	5.7
IT services	8,233	7,352	12.0
Other services	1,818	1,880	(3.3)
Mobile services	47,122	44,091	6.9
Billed services	44,942	41,962	7.1
Other mobile service	2,180	2,129	2.4
Equipment	20,251	22,765	(11.0)
Total	121,923	119,496	2.0

(in thousands of EUR)	January - June 2025	January - June 2024	Change (%)
Fixed services	107,257	104,635	2.5
Voice telephony services	16,777	18,776	(10.6)
Internet services	41,389	39,512	4.8
Datacom and network capacity services	9,360	9,208	1.7
TV services	19,787	18,883	4.8
IT services	15,959	14,112	13.1
Other services	3,985	4,144	(3.8)
Mobile services	92,332	86,852	6.3
Billed services	88,240	82,805	6.6
Other mobile service	4,092	4,047	1.1
Equipment	42,085	46,994	(10.4)
Total	241,674	238,481	1.3

Expenses

(in thousands of EUR)	April - June 2025	April - June 2024	Change (%)	January - June 2025	January - June 2024	Change (%)
Cost of goods and services	(42,066)	(43,441)	(3.2)	(83,632)	(88,022)	(5.0)
Operating expenses	(31,431)	(32,510)	(3.3)	(61,791)	(63,754)	(3.1)
Employee related	(16,824)	(17,636)	(4.6)	(33,618)	(34,180)	(1.6)
Other	(14,607)	(14,874)	(1.8)	(28,173)	(29,574)	(4.7)
Non-recurring expenses	(231)	(764)	(69.7)	(704)	(1,466)	(52.0)
Operating expenses (excl. non-recurring expenses)	(31,200)	(31,746)	(3.3)	(61,087)	(62,288)	(1.9)
Employee related	(16,807)	(17,307)	(2.9)	(33,265)	(33,554)	(0.9)
Other	(14,392)	(14,439)	(0.3)	(27,821)	(28,734)	(3.2)

Lower volumes of equipment sale and decreased networks' interconnection and roaming cost had a positive impact on cost of goods and services for the first half of 2025 compared with the same period a year ago. Employee related expenses went down due to reduced number of personnel, while in spring 2025 employees' salaries were on average increased by 7.7 per cent. During January-June 2025, expenses for energy decreased by 19.8 per cent due to lower electricity prices, while marketing expenses were by 24.8 per cent higher that a year ago.

During January-June 2025, the total number of employees (headcount) decreased by 61 – from 1,781 to 1,720. In terms of full-time employees (FTE), the total number of employees decreased by 58 – from 1,688 to 1,630. Over the last 12 months total number of employees went down by 174 and in terms of number of full-time employees – by 162.

Non-recurring expenses for the second quarter of 2025 were comprised from one-off redundancy pay-outs of EUR 17 thousand (2024: EUR 329 thousand) and non-recurring other expenses related to transformation program of EUR 215 thousand (EUR 435 thousand). For the first half of 2025 non-recurring redundancy expenses amounted to EUR 353 thousand (EUR 626 thousand a year ago) and non-recurring other expenses to EUR 352 thousand (EUR 840 thousand).

Earnings

(in thousands of EUR)	April - June 2025	April - June 2024	Change (%)	January - June 2025	January - June 2024	Change (%)
EBITDA	48,527	43,993	10.3	96,346	87,371	10.3
Margin (%)	39.8	36.8		39.6	36.6	
Depreciation and amortisation	(21,606)	(22,259)	(2.9)	(42,120)	(43,225)	(2.6)
Operating profit (EBIT)	26,921	21,734	23.9	54,226	44,146	22.8
Margin (%)	22.1	18.2		22.4	18.5	
Non-recurring expenses	(231)	(764)	(69.7)	(704)	(1,466)	(52.0)
Gain (loss) on sale of property	18	20	(10.7)	18	160	(88.8)
Adjusted EBITDA excluding non-recurring items	48,741	44,737	8.9	97,033	88,677	9.4
Margin (%)	40.0	37.4		40.2	37.2	
EBIT excluding non-recurring items	27,135	22,478	20.7	54,913	45,452	20.8
Margin (%)	22.3	18.8		22.7	19.1	

From 1 January 2025, the profit tax rate in Lithuania is 16 per cent (2024: 15 per cent). Following the provisions of the Law on Corporate Profit Tax regarding tax relief for investments in new technologies, the profit tax relief for the year 2025 amounted to EUR 0.8 million (2024: EUR 1.6 million).

(in thousands of EUR)	April - June 2025	April - June 2024	Change (%)	January - June 2025	January - June 2024	Change (%)
Profit before income tax	26,077	20,179	29.2	52,575	41,067	28.0
Margin (%)	21.4	16.9		21.8	17.2	
Income tax	(3,934)	(1,927)	104.2	(7,833)	(4,650)	68.5
Profit for the period	22,143	18,252	21.3	44,742	36,417	22.9
Margin (%)	18.2	15.3		18.5	15.3	

Financial position and cash flow

As of 30 June 2025, the total non-current assets amounted to 84 per cent (81.7 per cent a year ago), the total current assets – to 18.8 per cent (18.3 per cent), whereof cash and cash equivalent alone represented 5.2 per cent (3.4 per cent) of total assets. At the end of June 2025, shareholders' equity amounted to 60.9 per cent of the total assets (56.6 per cent a year ago).

(in thousands of EUR)	30-06-2025	31-12-2024	Change (%)
Total assets	586,097	610,614	(4.0)
Non-current assets	492,322	489,828	(0.5)
Current assets	110,084	120,735	(8.8)
whereof cash and cash pool arrangement	30,363	34,796	(12.7)
Assets for sale	51	51	-
Shareholders' equity	356,666	376,012	(5.1)

On 28 April 2025, the Annual General Meeting of Shareholders decided from the Company's distributable profit of EUR 190.2 million to allocate EUR 64.1 million for the payment of dividends for the year 2024, i. e. EUR 0.11 dividend per share, and carry forward to the next financial year an amount of EUR 126.1 million as retained earnings (undistributed profit)

(in thousands of EUR)	January - June 2025	January - June 2024	Change (%)
Net cash generated by operating activities	89,664	80,208	11.8
Purchase of PPE and intangible assets (Cash Capex)	(32,853)	(30,204)	8.8
Proceeds from disposal of PPE and intangible assets	153	1,438	(89.4)
Free cash flow	56,964	51,442	10.7
Increase (decrease) in lease liabilities	(6,625)	(5,005)	(32.4)
Operational free cash flow	50,339	46,437	8.4

On 26 May 2025, the Company had borrowed a short-term loan of EUR 15 million for 3 months from Telia Company AB. As of 30 June 2024, the Company had an outstanding EUR 50 million loan borrowed from Telia Company AB under Revolving Credit Facility agreement that was valid till January 2025. It provided the Company with the possibility to borrow any amount up to total limit of EUR 50 million for 3 or 6 months within 2 business days.

(in thousands of EUR)	30-06-2025	31-12-2024	30-06-2024
Loans from Telia Company AB	15,000	-	50,000
Liabilities under reverse factoring agreements	42,829	50,150	47,174
Borrowings	57,829	50,150	97,174
Cash and cash equivalents	7,327	7,025	5,714
Cash pool arrangement	23,036	27,771	14,717
Net debt	27,466	15,354	76,743
Net debt to equity (Gearing) ratio (%)	7.7	4.1	22.5

The Company participates in reverse factoring or Supplier Invoice Financing (SIF) program where suppliers' invoices are paid by the banks within 7 days for an agreed fee which is covered by supplier. The Company does not pay any credit fees and does not provide any additional collateral or guarantee to the banks. The Company pays to the banks full invoice amount in up to one-year period (actual term depends on few variables agreed between all three parties). One of the variables effecting the terms of repayments to the banks is Euribor interest rate.

In January 2024, the Company has entered into agreement with Telia Company AB and Telia Global Services Lithuania, UAB, a subsidiary of Telia Company AB in Lithuania, on cash pooling at SEB bank. Cash pool arrangement provides the Company with the short-term borrowing possibility to ensure its current liquidity.

Capital investments

During the second quarter of 2025, the total capital investments amounted to EUR 14.2 million (EUR 11.4 million a year ago).

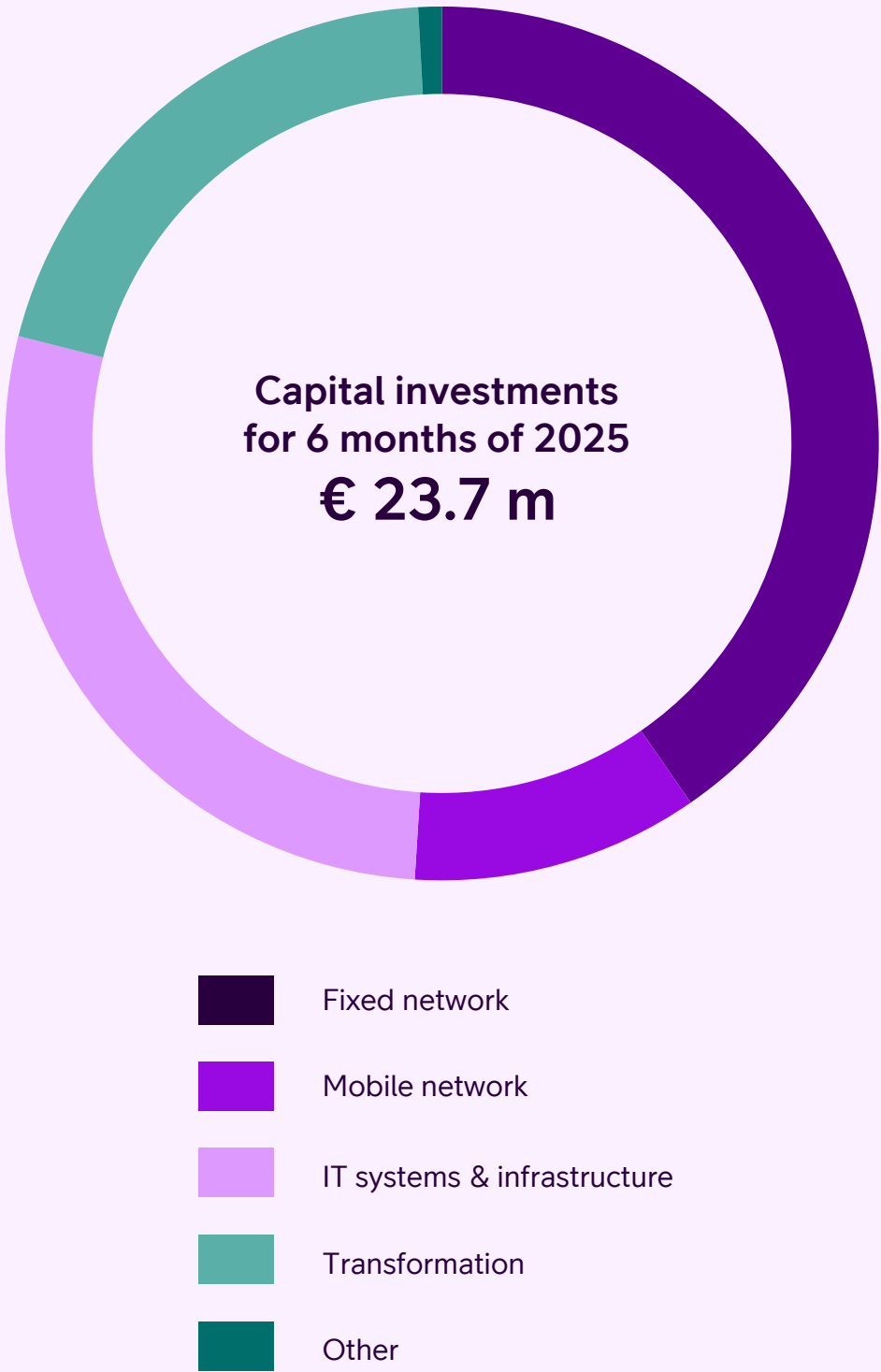
(in thousands of EUR)	January - June 2025	January - June 2024	Change (%)
Fixed network	9,576	8,939	7.1
Mobile network	2,523	7,909	(68.1)
IT systems and infrastructure	6,635	5,832	13.8
Transformation program	4,788	6,424	(25.5)
Other	206	122	68.9
Total capital investments	23,728	29,226	(18.8)
Capital investments to revenue ratio (%)	9.8	12.3	

In 2025, the Company continued to invest into upgrade and expansion of its fixed core and fiber optic access networks, installed testing standalone 5G mobile network at Klaipėda Seaport. The Company also invested into development of TV and other telecommunication services.

According to the latest Communication Regulatory Authorities measurement data, the average mobile data download speed in Telia Lietuva network remains the highest in the country.

By the end of June 2025, the Company had 984 thousand households passed (976 thousand a year ago), or 60 per cent of the country’s households, by the fiber-optic network.

The business transformation program implies customers and business management systems migration from legacy systems into new SAP based ones.



Investment into subsidiaries / associates

As of 30 June 2025, the Company had the following entity as associate of the Company:

Name of the company	Date of registration, code, name of Register of Legal Entities	Contact details	The Company's share in the share capital of the entity (%)	The Company's share of votes (%)
VšĮ Numerio Perkėlimas	5 September 2014, code 303386211, State Enterprise Center of Registers	Krivių g. 5, LT- 01204 Vilnius, Lithuania	-	50.00

VšĮ Numerio Perkėlimas, a joint not-for-profit organization, established together with Lithuanian telecommunication companies (UAB Bitė Lietuva and UAB Tele2 holding a 25 per cent stakes each), from 1 January 2016 in cooperation with UAB Mediafon administers the central database to ensure telephone number portability in Lithuania. Stake in VšĮ Numerio Perkėlimas is not for public trade.

The Company has no branches or representative offices.

Share capital and shareholders

The authorised capital of the Company amounts to 168,957,810.02 euro and consists of 582,613,138 ordinary registered shares with a nominal value of 0.29 euro each. The number of the Company's shares that provide voting rights during the General Meeting is 582,613,138.

582,613,138 ordinary registered shares of Telia Lietuva, AB (ISIN code LT0000123911) are listed on the Main List of Nasdaq Vilnius stock exchange (code: TEL1L). Nasdaq Vilnius stock exchange is a home market for the Company's shares.

From January 2011, the Company's shares are included into the trading lists of Berlin Stock Exchange (Berlin Open Market (Freiverkehr), Frankfurt Stock Exchange (Open Market (Freiverkehr), Munich Stock Exchange and Stuttgart Stock Exchange. Telia Lietuva share's symbol on German stock exchanges is ZWS.

Since 1 December 2000, the Company and SEB Bankas AB (code 112021238), Konstitucijos ave. 24, LT-01103 Vilnius, have an agreement on accounting of the Company's securities and services related to the accounting of securities.

During January-June 2025, the Company's share price on Nasdaq Vilnius stock exchange increased by EUR 0.055 or 3.5 per cent. The shares' turnover in terms of units, compared to the first six months of 2024, increased 3.3 times. The Company's market capitalisation as on 30 June 2025 was EUR 947 million (2024: EUR 900 million).

Information on trading in Telia Lietuva shares on Nasdaq Vilnius stock exchange during January-June 2025:

Currency	Opening price	Highest price	Lowest price	Last price	Average price	Turnover (units)	Turnover
EUR	1.57	1.72	1.565	1.625	1.634	5,718,587	9,343,593

Share capital and shareholders

Shareholders, holding more than 5 per cent of the share capital and votes, as on 30 June 2025:

Name of the shareholder (name of the enterprise, type and registered office address, code in the Register of Enterprises)	Number of ordinary registered shares owned by the shareholder	Share of the share capital (%)	Share of votes given by the shares owned by the right of ownership (%)	Share of votes held together with persons acting in concert (%)
Telia Company AB, 169 94 Solna, Sweden, code 556103-4249	513,594,774	88.15	88.15	-
Other shareholders	69,018,364	11.85	11.85	-
Total:	582,613,138	100.00	100.00	-

The total number of shareholders on the shareholders' registration day (17 April 2025) for the Annual General Meeting of Shareholders, which was held on 28 April 2025, was 15,646.

Treasury stocks

The Company has no treasury stocks. The Company has never acquired any shares from the management of the Company.

Trading in the Company's shares on [Nasdaq Vilnius stock exchange](#) since beginning of listing



Dividends

In 2024, the Board has revised the guidelines for the Company’s dividend payout. The revised Company's dividend policy provides that:

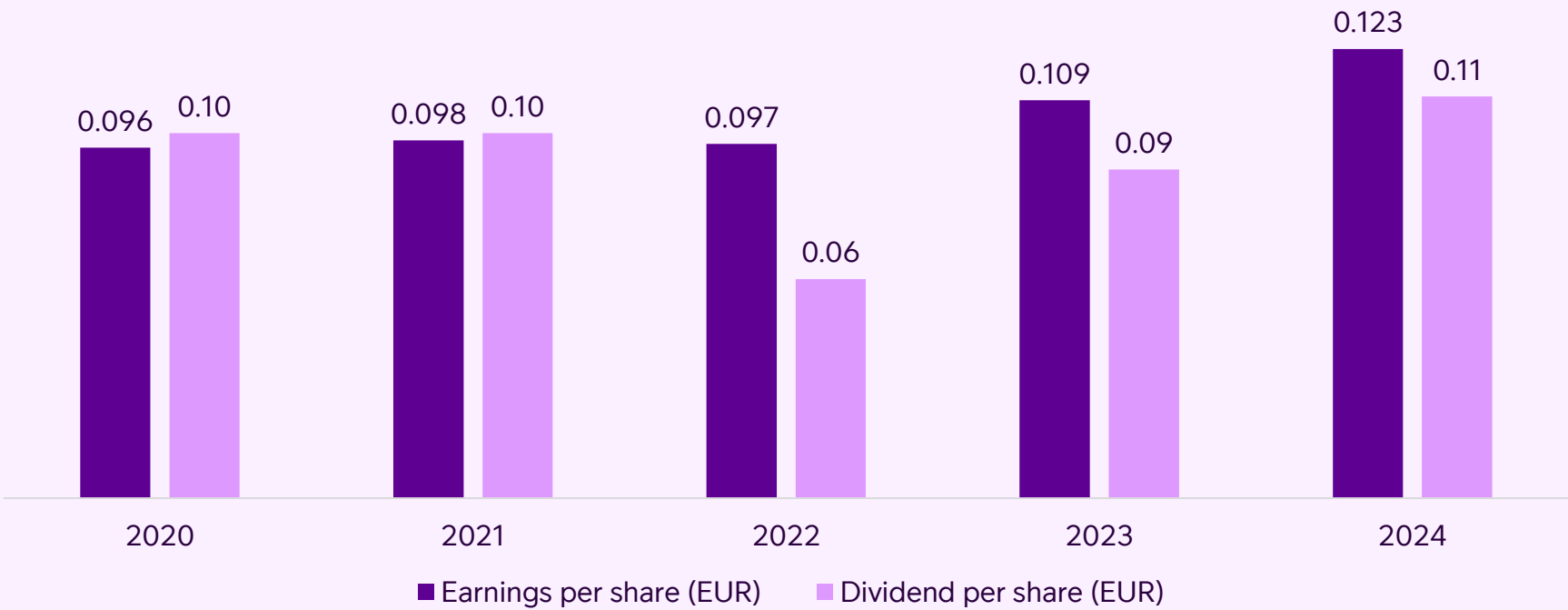
- the Company must maintain the net debt to EBITDA ratio not higher than 1.5, and
- to pay out not more than 80% of free cash flow but not more than 100% of the Company’s net profit as dividend.

On 27 May 2025, the Company paid out to the shareholders an amount of EUR 64.1 million of dividends or EUR 0.11 per share for the year 2024. In accordance with the relevant legislation, dividends were paid to the shareholders who were on the Shareholders’ List of the Company on the dividend record day, 13 May 2025, i.e., the tenth business day after the Annual General Meeting of Shareholders. Dividends to all shareholders were paid in cash.

Dividends paid to legal entities (residents and non-residents) were subject to withholding Corporate income tax of 16 per cent and dividends paid to natural persons (residents and non-residents) were subject to withholding Personal income tax of 15 per cent.

Information about the Company’s dividend pay-out during the last five years (in EUR thousand unless otherwise stated):

Year	Profit for the period	Earnings per share (EUR)	Dividends paid	Dividend per share (EUR)	Dividends to profit ratio (%)
2020	55,866	0.096	58,261	0.10	104.2
2021	56,808	0.098	58,261	0.10	102.0
2022	56,398	0.097	34,957	0.06	62.0
2023	63,594	0.109	52,435	0.09	82.5
2024	71,619	0.123	64,087	0.11	89.4



Information about related party transactions

Following the International Financial Reporting Standards as adopted by the EU, parties related to the Company include the Company's associate, companies within the Telia Company Group, and the Company's management team. Transactions with related parties are conducted based on the arm's length principle.

Till 10 January 2025, the Company had a 2-year agreement with its largest shareholder, Telia Company AB, regarding a Revolving Credit Facility, which allowed the Company to borrow up to EUR 50 million from Telia Company for short-term periods (3 or 6 months).

On 21 May 2025, the Company entered into Term Loan Agreement with Telia Company AB for borrowing of EUR 15 million loan for 3 months. The loan was granted to the Company on 26 May 2025 and shall be returned on 26 August 2025.

The Company did not provide any loans to its associate.

Through its largest shareholder, Telia Company, the Company is related to the Telia Company Group, which provides telecommunication services in Nordic and Baltic countries. The main buyers and providers of telecommunications and other services to the Company, based on earlier signed agreements, include Telia Company AB (Sweden), Telia Eesti AS (Estonia), LMT (Latvia), Telia Finland Oyj (Finland), Telia Norge AS (Norway), Telia Finance AB (Sweden), and Telia Global Services Lithuania, UAB (Lithuania).

In May 2025, the Company paid out EUR 56.5 million to Telia Company as a dividend for the year 2024.

Information about new related party transactions entered by the Company during 2025:

Related party	Transaction	Value
Telia Company AB, code 556103-4249, 169 94 Solna, Sweden	On 26-05-2025, Telia Company provided a loan for 3 months to Telia Lietuva at interest rate of 3 months Euribor + 1.15 per cent margin.	EUR 15 million

Information about volumes of the Company's transactions with related parties during January-June 2025 (in EUR thousand):

Telia Company Group:	Telecommunication and other services	
	Sales	Purchase
Telia Company AB (Sweden)	564	6,122
Telia Asset Finance AB (Sweden)	-	379
Telia Försäkring AB (Sweden)	2,832	79
Telia Sverige AB (Sweden)	275	113
Latvijas Mobilais Telefons SIA (Latvia)	18	6
Telia Norge AS (Norway)	30	17
Telia Eesti AS (Estonia)	13	111
Telia Finland Oyj (Finland)	130	82
Telia Global Services Lithuania, UAB	434	54
Other	-	18
	4,296	6,981

Information about related party transactions is provided in Note 12 of the Company's Financial Statements for the six months' period ended 30 June 2025. Following the Law on Companies of the Republic of Lithuania requirements, information about related party transaction concluded starting from 1 January 2018 is placed on the Company's website www.telia.lt.

Risk management

The purpose of the Company's Risk Management Strategy is the creation and protection of value by addressing uncertainty, identifying, managing, and monitoring risks and opportunities that threaten the achievement of the Company's strategic goals, essential for safeguarding our customers, employees, shareholders, assets, and brands.

The Company's risk management is developed in line with the ISO 31000 standard for risk management and the COSO (Committee of Sponsoring Organizations of the Treadway Commission) framework.

Risks that could impact Telia's operations include, but are not limited to, the following:



Financial risk management

The Company's activities expose it to the following financial risks: market risk (including foreign exchange risk, cash flow risk, and fair value interest rate risk), credit risk, and liquidity risk. The Group's Financial Management Policy focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the company's financial performance.

The Company's exposure to foreign exchange risk is not substantial, as Telia Lietuva operates in the eurozone, and most of services are provided to residents and businesses in Lithuania, with most services and goods purchased from local or eurozone suppliers. However, certain foreign exchange risk exposure arises from the Company's international activities with telecommunication operators and suppliers outside the eurozone, primarily related to settlements in US Dollars. Substantially all the Company's trade payables and trade receivables in foreign currencies are short-term and insignificant as compared to settlements in EUR. The Company manages foreign exchange risk by minimizing the net exposure to open foreign currency positions; therefore, no foreign exchange hedging instruments are used.

The short-term loan of EUR 15 million provided by Telia Company AB in May 2025 is priced based on 3-month EURIBOR interest rates. The Company does not use any interest rate hedging tools.

The Company participates in a reverse factoring or Supplier Invoice Financing (SIF) program where suppliers' invoices are paid by third-party banks within 7 days for an agreed fee, covered by the supplier. The Company does not incur any credit fees and does not provide additional collateral or guarantees to the banks. Payment to the banks is made in full invoice amounts within a period of up to one year. The actual term depends on several variables agreed upon by all three parties, one of which is the EURIBOR interest rate. To mitigate the impact of interest rate, the Company renegotiated the conditions of the SIF program.

The Company's financial assets' exposure to credit risk is related to cash deposits and trade receivables. Credit risk of cash deposits is managed by limiting exposure to financial institutions with credit ratings lower than A (according to Fitch or equivalent ratings by Standard & Poor's or Moody's). As of 30 June 2025, the majority (97 per cent) of the Company's cash were held in A+ rated banks.

The Company has a Participation Agreement with Skandinaviska Enskilda Banken (SEB) for customer receivables. Under the agreement, SEB acquires the rights to the cash flows for certain pools of Telia Lietuva's receivables from the sales of handsets to residential customers. The objective of the agreement is to improve the Company's working capital by achieving derecognition of the receivables, transferring the risk related to the receivables to SEB using the so-called "pass-through" rules in IFRS 9 Financial Instruments.

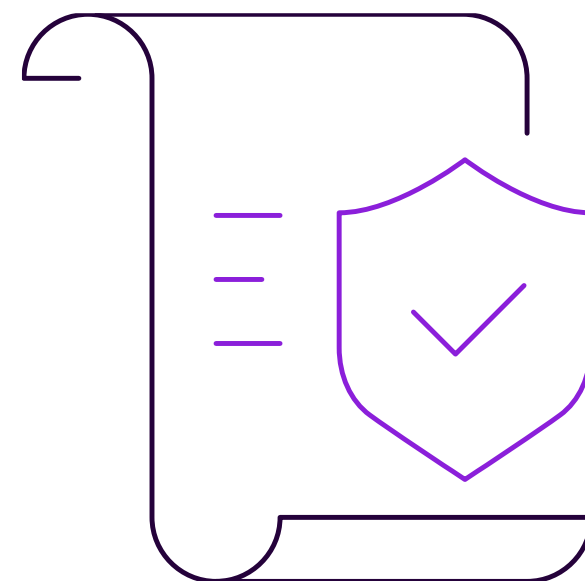
Risk management

To manage the credit risk of trade receivables, the Company conducts credit checks on all customers (both business and residential) before entering into any new contracts, except for low-value contracts, such as additional TV packages or other value-added services (VAS). Payment control for customers' invoices involves several steps, beginning with a notification before the due date, followed by additional reminders after the due date. Services are restricted after 20 days past due, and contracts are terminated with penalties issued after 50 days past due. Residential customers' debts are transferred to external debt collection before contract termination and can be sold to external partners multiple times per year.

Liquidity risk pertains to the availability of adequate funds for the Company's debt service, capital expenditure, working capital requirements, and dividend payouts. Prudent liquidity risk management involves maintaining a sufficient level of cash and cash equivalents. The Company's liquidity risk management goal is to ensure that the minimum liquidity position (calculated as cash and cash equivalents plus undrawn committed credit facilities) always exceeds 2 percent of the annual revenue. In 2025, the Company's average liquidity position amounted to 8.7 percent of the annual revenue.

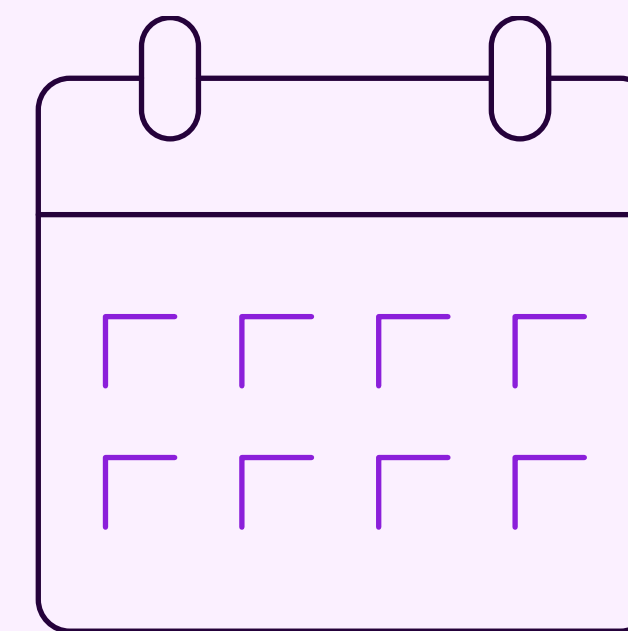
In January 2024, the Company has entered into agreement with Telia Company AB and Telia Global Services Lithuania, UAB on cash pooling at SEB bank. Cash pool arrangement provides the Company with the short-term borrowing possibility to ensure its liquidity.

The Company's financial risk management is conducted by employees of the Finance unit in accordance with Telia Company Group policies, in close cooperation with Telia Company Group Treasury. Further details about the Company's financial risk management can be found in Note 3 of the Company's Financial Statements for the year ended 31 December 2024.



Plans and forecasts

To meet the growing demand for cloud computing services, the Company has acquired a 2-hectare land plot near Vilnius, where it will construct a new data center that will be the largest in the country. The Company is also continuing renovations and expansions of its existing data centers.



People

Telia aims to offer an environment where all employees can grow, develop, and thrive—one that is inclusive, respects rights, and empowers everyone to reach their full potential.

People Policy defines the Company's expectations for employees, as well as what employees can expect from each other and the Company as their employer. This policy is not part of any employee's employment contract and may be revised at the Company's discretion.

The Telia **Code of Conduct** serves as our ethical compass, inspiring and guiding us in our daily work. The Telia Code applies to Telia employees, board members, members of our extended workforce – such as suppliers, consultants, freelance and temporary workers – and anyone else who works or provides services for or on behalf of Telia.

The **People Policy** covers the following areas:

- Addictive substances
- Child labor and forced labor
- Disclosure of conflicting interests
- Freedom of association and collective bargaining
- Integrity
- Diversity, Equity and Inclusion
- Occupational health, safety and well being
- Recruitment
- Terms of employment and working hours
- Total remuneration
- Travel

Any Telia Company employee who suspects violations of the Code of Conduct or People Policy must report it — primarily to their line manager, or alternatively to Human Resources, the Ethics and Compliance Office, or via the [Whistleblowing Line](#).

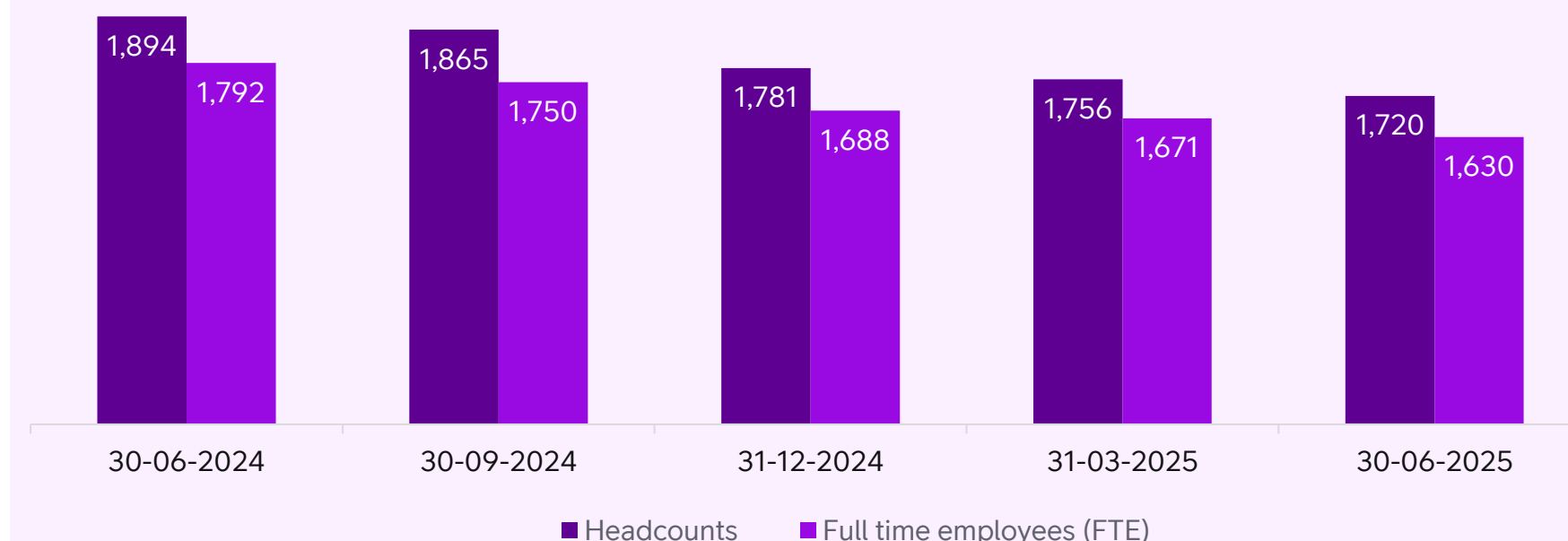
The protection and improvement of the health, safety and well-being of everyone who works for or with the Company, is a guiding principle in all our operations. This definition includes our employees, contractors, suppliers and visitors. Our common approach is built on promoting good health, well-being and safe work conditions, preventing occupational risks and ill health, and rapidly reacting to injuries and unsafe conditions. This applies to both physical and psycho-social work aspects.

The Company's occupational health and safety (OHS) management system cover all requirements of ISO 45001 standard. The certificate of compliance with Occupational health and safety (ISO 45001) standard was obtained by the Company in October 2017.

The Company's objective is to maximize the effectiveness of **remuneration** programs to attract, retain and motivate high calibre staff needed to maintain and improve the success of the business and support the change journey of becoming a new generation telecom company. The aim of Remuneration Policy and the associated remuneration practices is to support the strategic direction and objectives of the Company.

While counting full-time employees, the number of part-time employees is recalculated into full-time employees, and this number does not include employees on maternity/paternity leave.

Number of Telia Lietuva employees at the end of period



People

The Remuneration Policy sets out the following principles:

- Competitiveness and positioning
- Job levelling
- Compliance
- Cost effectiveness and administrative efficiency
- Performance orientation
- Equal opportunity

The Company applies total remuneration approach, meaning that remuneration comparisons focus on overall compensation rather than individual components. The Company offers different remuneration components to its employees differentiated based on types of businesses, functions, roles and markets. The remuneration may consist of one or more of the following components:

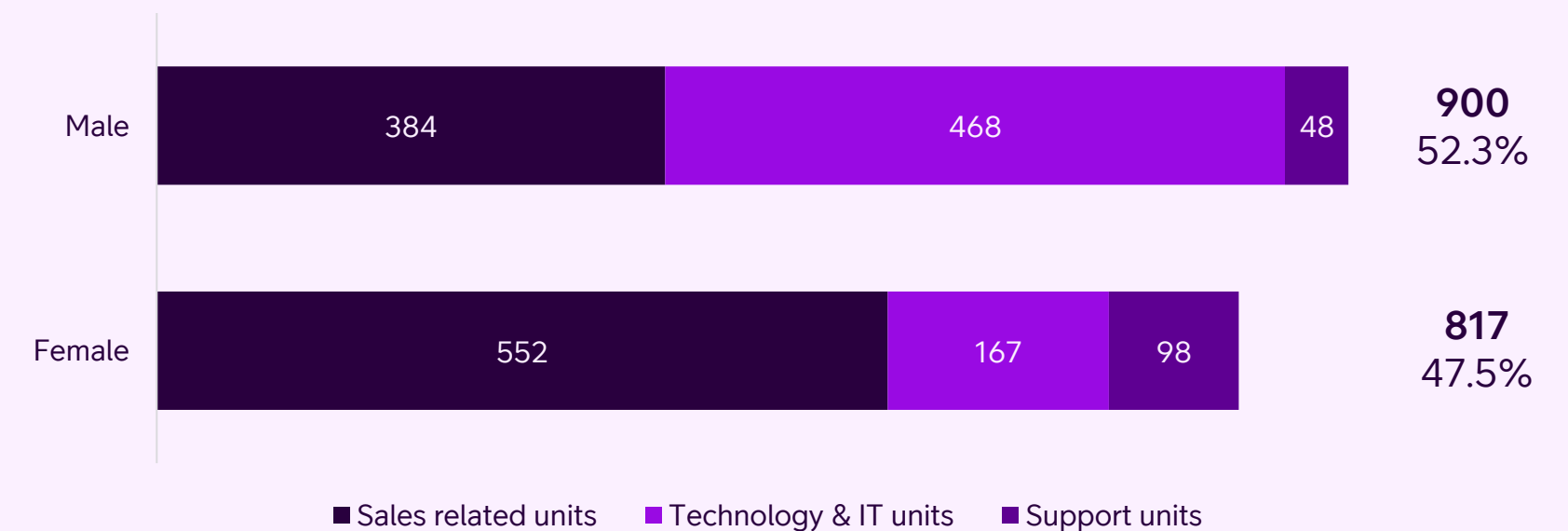
- Fixed base pay
- Short-term incentives
- Functional incentives
- the Company may introduce long-term incentive plans (such as share-based);
- other financial and non-financial benefits such as additional health insurance, pension plans, etc.

The remuneration of all employees is assessed once a year. In 2025, the remuneration was increased to 96 per cent of the Company employees on average by 7.7 per cent. Additionally, annual bonuses equivalent to approximately 1.7 months' salary on average were paid to all employees of the Company who worked in the Company for at least 3 months in 2024 and had not received sales incentive payments. The annual bonuses were calculated proportionately for people who worked for less than a full year (but at least three months).

According to the policy, the remuneration structure and levels for the members of the Company's Management Team are supervised and governed by the Remuneration Committee of the Company and are approved by the Board.

The Company provides additional health insurance to all employees and offers to employee pension savings at 3rd tier pension funds. We also have Collective Bargaining Agreement which is valid for all employees. More information about those benefits is provided in Annual report for the year 2024.

Employees breakdown by gender and units as of 30 June 2025

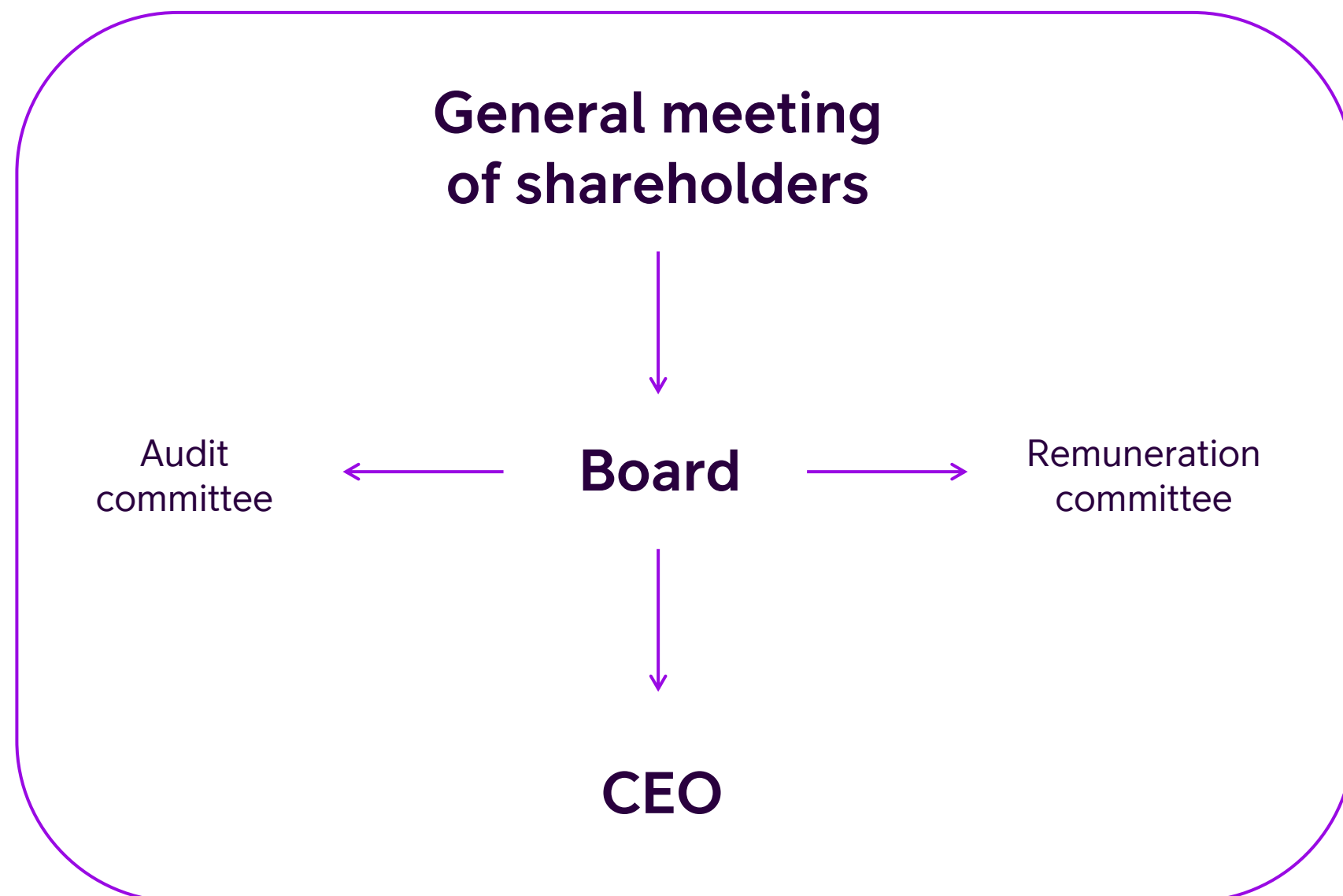


Note. 3 employees have identified themselves as 'other' or 'do not want to disclose'

Corporate Governance

Corporate governance

According to the By-Laws of the Company, the **governing bodies of the Company** are the General Shareholder's Meeting, the Board and the CEO. The Law of the Republic of Lithuania on Companies provides that Lithuanian companies at their discretion could have either two (Supervisory Council and Board) or only one collegial governing body. There is no Supervisory Council in the Company.



The decisions of the **General Meeting** made regarding the matters of competence of the General Meeting, are binding upon the Shareholders, the Board, the CEO and other officials of the Company. The Shareholders of the Company that at the end of the date of the record of the General Meeting are shareholders of the Company have the right to participate in the General Meeting. The date of record of the General Meeting of the Shareholders of the Company is the fifth business day prior to the General Meeting or the repeated General Meeting. The person, participating in the General Meeting and having the right to vote, must deliver his/her identification proving document. In case the person is not a shareholder he/she is to present a document, proving his/her right to vote at the General Meeting.

Following the By-laws, **the Board** of the Company consists of six members who are elected for the term of two years and jointly act as a managing body of the Company. The Board represents the shareholders and performs supervision and control functions. The members of the Board are elected by the General Meeting in accordance with the procedure established by the Law on Companies of the Republic of Lithuania. The Chair of the Board is elected by the Board from its members for two years. The Board institutes two Committees: Audit and Remuneration. Three members of the Board comprise each committee.

The By-laws of the Company provides that the Board of Telia Lietuva:

- is responsible for the strategic direction of the Company;
- considers and approves the strategy of the Company, the annual and interim reports of the Company, the structure of the Company's governance and positions of the employees, the positions to which employees shall be hired through a contest, and nominees to such positions, nominees to the positions directly reporting to the CEO, remuneration and dismissal from the positions, regulations of branches and representative offices of the Company, general principles (procedure) of payment of bonuses to Company's employees;
- sets the information, which shall be held the commercial secret and confidential information of the Company;
- analyses and assesses materials provided by the CEO concerning the strategy implementation, activities and financial status of the Company;
- adopts decisions to become incorporator or participant of other legal entities, acquisition or disposal by the Company of the shares of other companies, acquisition, transfer, lease of any assets or business, assumption of new debt obligations, when the amount of the transactions exceeds EUR 1.6 million (excl. VAT);
- adopts decisions concerning the annual financial statements of the Company and a draft of profit (loss) distribution that are proposed by the CEO and presents these drafts to the General Meeting;
- adopts decisions on transactions with related parties as prescribed by the Law and transactions that has a significant impact on the Company, its finances, assets, liabilities;
- is responsible for convocation of General Meetings in a timely manner.

Corporate governance

The Board elects and recalls the **CEO** of the Company, sets his remuneration and other conditions of the employment agreement, approves his office regulations, induces and applies penalties to him. The CEO is the Head of the Company. The Head of the Company is a one-man management body of the Company and, within his scope of authority, organizes the day-to-day operation of the Company. An employment agreement with the CEO is signed by the Chair of the Board or other person, authorized by the Board. The remuneration of the CEO comprises a fixed salary and bonuses (premiums), payable contingent on the results of the Company's activities and performance of the CEO. The Work Regulations that are approved by CEO define the duties and authority of CEO and other officers of the Company in more details.

The By-laws of the Company provides that CEO of Telia Lietuva:

- supervises the day-to-day operation and ensure the implementation of the Company's Business Plan;
- prepares annual financial statements and annual report of the Company;
- prepares a draft decision on the allocation of dividends;
- reports on the current operations of the Company at each meeting of the Board;
- performs the functions delegated to him by the Board and implement decisions adopted by the General Meeting;
- represents or procures the representation of the Company before companies, authorities, organizations, courts, arbitration and in relations with any third party;
- opens or closes accounts with banking institutions and dispose of the funds therein;

- executes the Company's transactions pursuant to the By-laws, decisions of the General Meeting and the Board;
- issues authorizations to other persons to perform his functions within the scope of his authority;
- issues procurations;
- issues internal documents regulating the work of the administration, and other structural units;
- appoints and dismisses employees of the Company, signs, amends and terminates on behalf of the Company employment agreements with employees of the Company (except where, in cases provided in these By-laws, Board approval is required);
- determines employees' salaries and bonuses (except where, in cases provided in these By-laws, Board approval is required); presents the procedure for payment of bonuses to the Board for approval;
- ensures the protection and increases of the Company's assets, normal working conditions, and protection of commercial secrets;
- represents or gives another person a power of attorney to represent the Company in general meetings of shareholders of other companies in which the Company has invested;
- approves, amends and supplements the work regulations of the administration;
- provides reports to the Shareholders and the Board on major events that are relevant to the Company's activities;
- complies with legal requirements when concluding transactions with related parties;
- executes other functions, ascribed to the competence of the head of a Company in the valid legal acts.

The Company essentially follows a recommendatory **Corporate Governance Code** for the Companies Listed on Nasdaq Vilnius stock exchange (hereinafter 'the Governance Code') adopted in August 2006, amended in December 2009 and newly worded from January 2019. The Company does not have a Supervisory Council, but supervision functions set by the Law on Companies of the Republic of Lithuania are performed by the Board, which is a non-executive managing body of the Company and is comprised from four representatives of the largest shareholder, Telia Company, and two independent members of the Board. The Company does not have a Nomination Committee as its functions are performed by the Remuneration Committee.

The Company prepared the disclosure of compliance with the principles and recommendation set by the Governance Code in Telia Lietuva, AB Corporate governance reporting form for the year ended 31 December 2024, which is a part of the Annual Report for the year 2024..

Procedure for amending the Company's By-laws

The Company's By-laws provide that the By-laws of the Company can be amended upon the initiative of the Board or Shareholders, whose shares grant them no less than 1/20 of the whole votes. The decision on amendment of the By-laws shall be taken by the 2/3 majority of the votes of participants of the General Meeting. In case the General Meeting takes the decision to amend the By-laws of the Company the whole text of the amended By-laws shall be drawn and signed by the person, authorized by the General Meeting.

Shareholders' rights

None of the shareholders of the Company have any special controlling rights. Rights of all shareholders are equal. As of 30 June 2025, the number of the Company's shares that provide voting rights during the General Meeting of Shareholders amounted to 582,613,138. One ordinary registered share of the Company gives one vote in the General Meeting of Shareholders.

The Company is not aware of any agreements between the shareholders that could limit transfer of securities and/or their ability to exercise their voting rights.

Shareholders' meeting

The Annual General Meeting held on 28 April 2025 decided to:

- approve of the Company's annual financial statements for the year 2024,
- allocate the Company's profit for the year 2024,
- allocate EUR 38 thousand for tantiemes for the year 2024 to two independent members of the Board – Leda Iržikevičienė and Mindaugas Glodas – EUR 19 thousand each,
- approve the Company's Remuneration Report for the year 2024,
- amend and approve new edition of the Company's CEO and Board members remuneration policy
- increase remuneration cap for audit services provided by KPMG Baltics, UAB for the year 2024 and 2025,
- re-elect 5 members of the previous Board and elect a new member of the Board – Annelie Lakner – for a new 2-year term of the Board.

Corporate governance

The Board Activities

Upon termination of the 2-year term of the Board on 27 April 2025, the Annual General Meeting of Shareholders held on 28 April 2025 for a new 2-year term of the Board (i.e. till 28 April 2027) re-elected all 5 members of the previous Board – Stefan Backman, Claes Nycander, Hannu-Matti Mäkinen, Leda Iržikevičienė (as an independent member of the Board) and Mindaugas Glodas (as an independent member of the Board) – and elected new member of the Board – Annelie Lakner, who is Head of Group Treasury at Telia Company AB.

On 15 July 2025, the Board of Telia Lietuva elected Stefan Backman as a Chair of the Board. The Board members Annelie Lakner, Leda Iržikevičienė and Mindaugas Glodas (the last two are independent members of the Board) were elected to the Audit Committee. Claes Nycander, Hannu-Matti Mäkinen and Mindaugas Glodas (independent member of the Board) were appointed to the Remuneration Committee. Leda Iržikevičienė was elected as Chair of the Audit Committee and Claes Nycander – as Chair of the Remuneration Committee.

During January-June 2025, three ordinary **meetings of the Board** were held. Ordinary meetings were convened according to the preliminary approved schedule of the Board meetings. During all Board meetings there was quorum prescribed by legal acts. All meeting were chaired by the Chair of the Board, Stefan Backman.

During its meetings the Board, besides the ongoing follow up of the Company's business plan implementation and supervision of transformation program approved:

- financial statements for the 12 months of 2024 and 3 months of 2025,

- financial statements and the annual report for the year ended 31 December 2024,
- convocation of the Annual General Meetings of Shareholders and agenda of the Meeting,
- proposal of Profit allocation for the year 2024,
- Remuneration Report for the year 2024,
- amendments and new edition of the Company's CEO and Board members remuneration policy,
- Increase of audit enterprise remuneration for the year 2024-2025,
- internal audit plan for the year 2025,
- payment of annual bonuses for the year 2024,
- CEO's compensation package,
- short-term loan from Telia Company AB.

The Board on a regular base considers reports of the Audit and Remuneration Committees, as well as reports of the Company's management.

The **Remuneration Committee** of the Company is responsible for making recommendations to the Board on creating a competitive compensation structure aimed at attracting and retaining key management talent. It also ensures the integrity of the Company's compensation and benefit practices, links compensation to performance, and safeguards the interests of all shareholders. The Remuneration Committee reviews and establishes general compensation goals and guidelines for the Company's employees, determines bonus criteria, recommends compensation for executives and management, plans executive development and succession, assists the Chair of the Board in CEO recruitment, and aids the CEO in recruiting managers who report directly to them.

During the first six months of 2025, the Remuneration Committee held one ordinary meeting. The committee discussed the following issues during these meetings:

- evaluation of the Company's Management team members' performance and approval of short-term incentives for Management team for the year 2024,
- base salary review for Management team members,
- short-term incentive KPI's for the year 2025,
- short-term incentives procedure update,
- amendments of the Company's CEO and Board members remuneration policy,
- Remuneration Report for the year 2024,
- proposal regarding the tantiemes for the year 2024.

All members of the Committee attended the meeting. The meeting was chaired by the Chair of the Committee, Claes Nycander.

The purpose of the **Audit Committee** is to assist the Board in fulfilling its oversight responsibilities. It reviews the financial reporting process, internal control systems, management of financial risks, audit processes, and the Company's compliance monitoring with laws, regulations, and internal policies.

During the first half of 2025, one meeting of the Audit Committee was held, during which the following issues were considered:

- the report by external auditors regarding the financial statements for the year 2024,
- draft of audited financial statements and the Annual Report for the year 2024,
- draft of Profit allocation statements for the year 2024,

- internal audit and risk management reports,
- internal audit plan for the year 2025,
- remuneration of the Company's audit enterprise for the year 2024 and 2025,
- short-term loan from Telia Company AB,
- report of GREC (Governance, Risk, Ethics and Compliance) meeting,
- update on funding and liquidity.

All members of the Committee attended the meeting of the Committee. The meeting was chaired by the then Chair of the Committee, Hannu-Matti Mäkinen.

Auditors

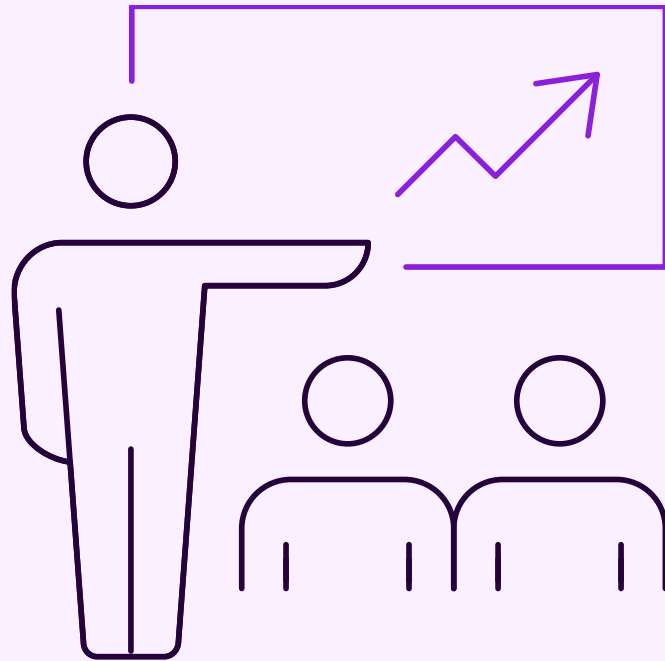
The Annual General Meeting of Shareholders held on 26 April 2024 elected KPMG Baltics, UAB as the Company's audit enterprise for the year 2024 and 2025.

Taking into consideration that the General Meeting held on 26 April 2024 set not more than EUR 420 thousand (VAT excluded) remuneration for the audit of annual financial statements and the assessment of the annual report for two financial years, but did not estimated provision of limited assurance of the Company's sustainability statement for the year 2024 and 2025, the General Meeting held of 28 April 2025 authorized the CEO of the Company to conclude the agreements for the audit and assurance services, establishing the payment for audit of the Company's annual financial statements, assessment of the annual report and sustainability statement as agreed between the parties but in any case, not more than EUR 500 thousand for two financial years.

Corporate governance

Information about the Board members’ attendance of the meetings in January-June of 2025 (number of attended/to be attended meetings):

Meeting attendance					
Name, surname	Position	Board	Audit Committee	Remuneration Committee	Tantiemes for 2024 paid-out in 2025 (EUR)
Stefan Backman	Chair of the Board	3/3			-
Claes Nycander	Member of the Board, Chair of the Remuneration Committee	3/3		1/1	-
Hannu-Matti Mäkinen	Member of the Board, Chair of the Audit Committee, member of the Remuneration Committee	3/3	1/1	1/1	-
Leda Iržikevičienė	Independent member of the Board, member of the Audit Committee	3/3	1/1		19,000
Mindaugas Glodas	Independent member of the Board, member of the Audit and Remuneration Committees	3/3	1/1	1/1	19,000



Members of the Board



**Stefan
Backman**

Chair of the Board, member of the Board since 26 April 2024, re-elected for the two-year term on 28 April 2025 (nominated by Telia Company AB).

Education – University of Uppsala (Sweden), Master of Laws.

Employment – Telia Company AB, 169 94 Solna, Sweden, code 556103-4249, Executive Vice President, Group General Counsel and Head of Corporate Affairs.

Involvement in activities of other entities:

- Telia Sverige AB, Stjärntorget 1, 169 94 Solna, Sweden, code 556430-0142, member of the Board;
- Telia Finland Oyj, PL 106, FI-0051 Sonera, Finland, code 1475607-9, Chair of the Board;
- Telia Eesti AS, Mustamäe tee 3, 15033 Tallinn, Estonia, code 10234957, member of the Supervisory Council;
- Latvijas Mobilais Telefons (LMT) SIA, Ropažu iela 6, Rīga, LV-1039 Latvia, code 50003050931, member of the Supervisory Council.

Stefan Backman has no direct interest in the share capital of Telia Lietuva.



**Claes
Nycander**

Member of the Board since 29 April 2014, re-elected for the two-year terms on 29 April 2015, 27 April 2017, 26 April 2019, 27 April 2021, 27 April 2023 and 28 April 2025 (nominated by Telia Company AB), **Chair of the Remuneration Committee**.

Education: Uppsala University (Sweden), Master of Business and Administration; Stanford University Palo Alto (U.S.A.), Master of Science in Electrical Engineering; Institute of Technology at University of Linköping (Sweden), Master of Science in Electrical Engineering, and University of Linköping (Sweden), Bachelor of Science in Mathematics.

Employment – Telia Company AB, 169 94 Solna, Sweden, code 556103-4249, Vice President, Head of Chief Technology and IT Officer Office & part of management support for Latvia, Lithuania and Estonia.

Involvement in activities of other entities:

- Telia Towers AB, 169 94 Solna, Sweden, code 559196-5164, member of the Board;
- Telia Towers Finland Oy, Pasilan asema-aukio 1, FI-00520 Helsinki, Finland, code 2933075-9, member of the Board;

— Svenska UMTS-Nät AB, Warfvinges Väg 45 4tr, 11251 Stockholm, Sweden, code 556606-7996, Chair of the Board;

— Svenska UMTS-licens AB, Warfvinges Väg 45, 112 51 Stockholm, Sweden, code 556606-7772, Chair of the Board;

— Telia Eesti AS, Mustamäe tee 3, 15033 Tallinn, Estonia, code 10234957, member of the Supervisory Council;

— Latvijas Mobilais Telefons (LMT) SIA, Ropažu iela 6, Rīga, LV-1039 Latvia, code 50003050931, member of the Supervisory Council, member of the Remuneration Committee and the Audit Committee;

— Tilts Communications A/S, Holmbladsgade 139, 2300 København, Denmark, code 17260642, member of the Board;

— Telia Company Danmark A/S, Holmbladsgade 139, 2300 København S, Denmark, code 18530740, Chair of the Board.

Claes Nycander has no direct interest in the share capital of Telia Lietuva.



Members of the Board



**Annelie
Lakner**

Member of the Board since 28 April 2025 (nominated by Telia Company AB), **member of the Audit Committee**.

Education: University of Linköping (Sweden), Bachelor of Political Science with a major in Economics; Uppsala University (Sweden), Macroeconomics and Financial Economics.

Employment – Telia Company AB, 169 94 Solna, Sweden, code 556103-4249, Head of Group Treasury.

Involvement in activities of other entities:

- Telia Försäkring AB (Telia Insurance), 169 94 Solna, Sweden, code 516401-8490, member of the Board;
- Swedish Pension Fund of Telia, 169 94 Solna, Sweden, member of the Board;
- Vacse AB, Kungsgatan 26, 111 35, Stockholm, Sweden, code 556788-5883, deputy member of the Board.

Annelie Lakner has no direct interest in the share capital of Telia Lietuva.



**Hannu-Matti
Mäkinen**

Member of the Board since 25 April 2018, re-elected for the two-year terms on 26 April 2019, 27 April 2021, 27 April 2023 and 28 April 2025 (nominated by Telia Company AB), **member of the Remuneration Committee**.

Education: University of Arizona (U.S.A), College of Law, LL.M (Master of Laws) in International Trade Law, and University of Lapland (Finland), School of Law, LL. B (Bachelor of Laws) and LL.M (Master of Laws) in Finnish and EU-Law.

Employment – Telia Company AB, 169 94 Solna, Sweden, code 556103-4249, Chief Legal Counsel, Telia Asset Management.

Involvement in activities of other entities:

- Telia Finland Oyj, PL 106, FI-0051 Sonera, Finland, code 1475607-9, member of the Board;
- Tilts Communications A/S, Holmbladsgade 139, 2300 København, Denmark, code 17260642, member of the Board;
- Tet SIA, Dzirnau iela 105, Rīga, LV-1011 Latvia, code 40003052786, Deputy Chair of the Supervisory Council;

- Telia Towers AB, 169 94 Solna, Sweden, code 559196-5164, Chair of the Board;
- Telia Towers Finland Oy, Pasilan asema-aukio 1, FI-00520 Helsinki, Finland, code 2933075-9, Chair of the Board;
- Telia Towers Sweden AB (Sweden), 169 94 Solna, Sweden, code 559162-3342, Chair of the Board;
- Telia Towers Norway AS, Lørenfare 1 A, 0585 Oslo, Norway, code 921589298, Chair of the Board;
- Valokuitunen Oy, Hämeentie 15, 00500 Helsinki, Finland, code 3101706-7, member of the Board;
- Suomen Vahinkokorjaus Oy, Yrittäjänkatu 17, 45130 Kouvola, Finland, code 3466132-5, member of the Board.

Hannu-Matti Mäkinen has no direct interest in the share capital of Telia Lietuva.

Members of the Board



**Leda
Iržikevičienė**

Independent member of the Board since 16 March 2023, re-elected for the two year's term on 27 April 2023 and 28 April 2025 (as independent member of the Board nominated by Telia Company AB), **Chair of the Audit Committee.**

Education: Baltic Management Institute (Lithuania), Executive Master of Business Administration (EMBA), and Vilnius University (Lithuania), Bachelor's degree in business administration and Master's degree in business administration

Employment – OP Corporate Bank plc Lithuanian branch, Konstitucijos ave. 29, LT-08105 Vilnius, Lithuania, code 302535257, Country Manager

Involvement in activities of other entities :

— Association 'Lyderė', Jogailos g. 9, LT-01116 Vilnius, Lithuania, code 304439065, member of the Board.

Leda Iržikevičienė has no direct interest in the share capital of Telia Lietuva.



**Mindaugas
Glodas**

Independent member of the Board since 25 April 2018, re-elected for the two-year terms on 26 April 2019, 27 April 2021, 27 April 2023 and 25 April 2025 (as independent member of the Board nominated by Telia Company AB), **member of the Audit and Remuneration Committees.**

Education: University of Antwerp, Centre for Business Administration UFSIA (Belgium), Master of Business Administration (MBA), and Vilnius University, Faculty of Economics (Lithuania), Bachelor of Business Administration (BBA).

Employment:

- NRD Companies AS, Løkketangen 20 B, 1337 Sandvika, Norway, code 921985290, General Manager;
- Norway Registers Development AS, Løkketangen 20 B, 1337 Sandvika, Norway, code 985221405, General Manager;
- Norway Registers Development AS Lithuanian branch, Gynėjų g. 14, LT-01109 Vilnius, Lithuania, code 304897486, General Manager.

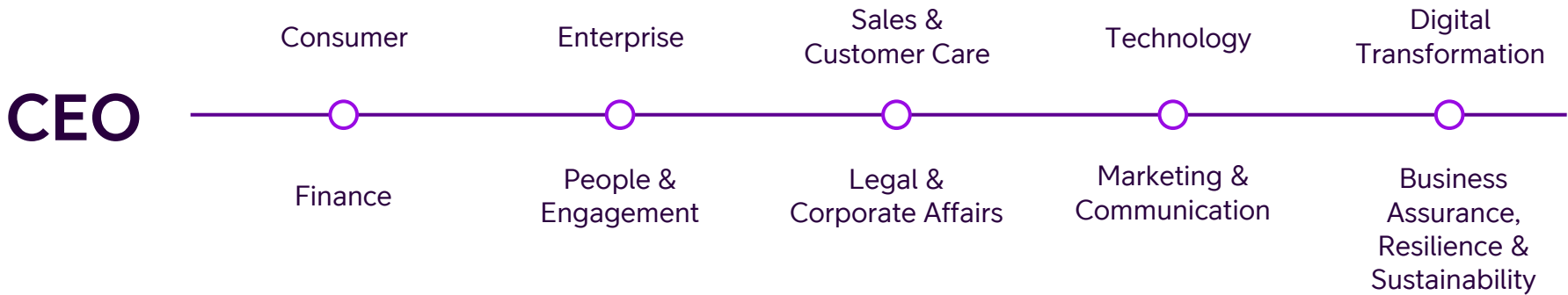
Involvement in activities of other entities:

- Association Žinių Ekonomikos Forumas, Saulėtekio al. 15, LT-10221, Vilnius, Lithuania, code 225709520, member of the Council;
- MB Vox Proxima, Perkūno g. 32, Gilužių k., LT-14195 Vilniaus r., Lithuania, code 303481474, member of partnership (50 per cent);
- UAB Privacy Partners Group, Smolensko g. 6, LT-03201 Vilnius, Lithuania, code 302415083, shareholder (39 per cent).

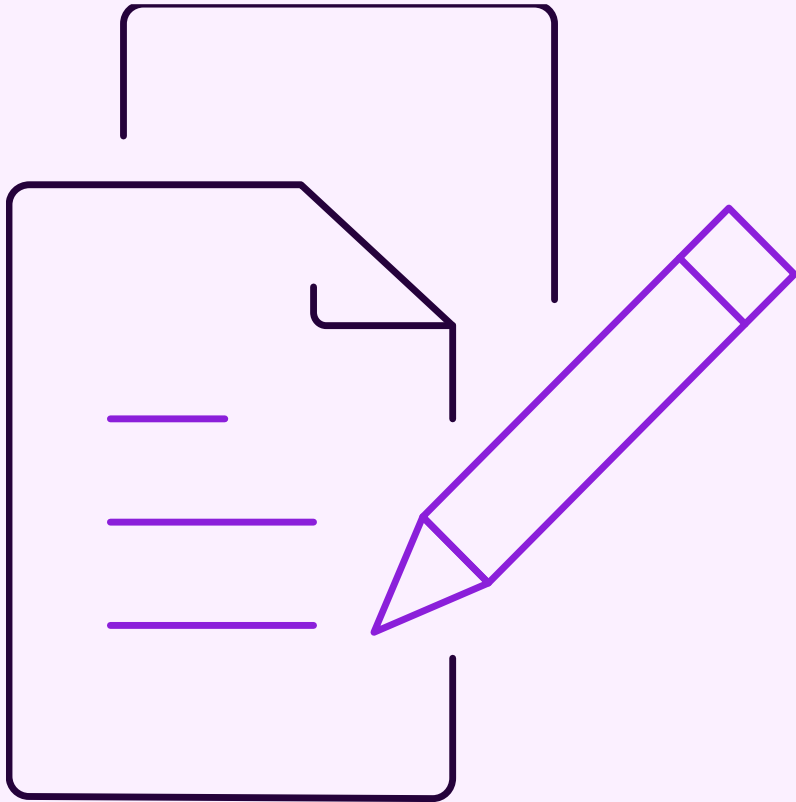
Mindaugas Glodas has no direct interest in the share capital of Telia Lietuva.

Governing structure of Telia Lietuva

valid from 1 July 2024



In April 2024, the Board has approved a new organization structure of Telia Lietuva valid from 1 July 2024. The Digital and Transformation business functions were merged into new Digital Transformation unit, Business Assurance and Transformation unit was renamed into Business Assurance, Resilience and Sustainability (BARS) unit, and all IT competences concentrated in Technology unit.



Management Team



**Giedrė
Kaminskaitė-
Salters**

CEO
from 1 March 2023.

Education: Maastricht University (The Netherlands), Doctor of Law; BPP Law School, London (UK), law conversion studies, juris doctor equivalent; Oxford University (UK), MPhil in International Relations; London School of Economics (UK), BSc in International Relations.

Involvement in activities of other entities:

- Telia Company AB, 169 94 Solna, Sweden, code 556103-4249, Senior Vice President, Head of Telia Baltics and member of the Group Executive Management team;
- Telia Eesti AS, Mustamäe tee 3, 15033 Tallinn, Estonia, code 10234957, Chair of the Supervisory Council;
- Vilnius University Institute of International Relations and Political Science, Vokiečių g. 10-403, Vilnius, Lithuania, code 125745184, member of the Board of Trustees;
- Association Investors' Forum, Gedimino pr. 10-9B, 01103 Vilnius, Lithuania, code 224996640, member of the Board.

She has no direct interest in the share capital of Telia Lietuva and has no shareholdings that exceed 5 per cent of the share capital of any company.



**Elina
Dapkevičienė**

**Head of Consumer
(B2C)** from 1 July 2022.

Education – Stockholm School of Economics in Riga (Latvia), Bachelor degree in Economics and Business Administration.

She is not involved in activities of other entities. Elina Dapkevičienė has no direct interest in the share capital of Telia Lietuva, AB and has no shareholdings that exceed 5 percent of the share capital of any company.



**Aurimas
Žlibinas**

**Head of Enterprise
(B2B)** from 1 June 2024.

Education – Lithuanian University of Educational Science, Bachelor of Science, Sociology.

He is not involved in activities of other entities. Aurimas Žlibinas has no direct interest in the share capital of Telia Lietuva and has no shareholdings that exceed 5 per cent of the share capital of any company.



**Lina
Bandzinė**

Head of Sales & Customer Care
from 1 March 2023.

Education: Baltic Management Institute (BMI) (Lithuania), Executive Master of Business Administration (EMBA); Mykolas Romeris University (Lithuania), Master's degree in Law and Management, and Vilnius Gediminas Technical University (Lithuania), Bachelor's degree in Business Management

She is not involved in activities of other entities. Lina Bandzinė has no direct interest in the share capital of Telia Lietuva, AB and has no shareholdings that exceed 5 percent of the share capital of any company.

Management Team



**Andrius
Šemeškevičius**

Head of Technology
from 18 August 2014.

Education – Vilnius Gediminas Technical University (Lithuania), Bachelor’s degree in Engineering Informatics and Master’s degree in Engineering Informatics.

Involvement in activities of other entities:
— SIA Tet, Dzirnavu iela 105, Rīga, LV-1011, Latvia, code 40003052786, member the Supervisory Council.

Andrius Šemeškevičius has 8,761 shares of Telia Lietuva that accounts to 0.0015 per cent of the total number of the Company’s shares and votes. He has no shareholdings that exceed 5 per cent of the share capital of any company.



**Vygintas
Domarkas**

Head of Digital Transformation
from 1 July 2024.

Education – Vilnius University (Lithuania), bachelor’s degree in Informatics.

He is not involved in activities of other entities. Vygintas Domarkas has no direct interest in the share capital of Telia Lietuva, AB and has no shareholdings that exceed 5 percent of the share capital of any company.



**Daina
Večkytė**

Head of Finance
from 4 July 2022.

Education – Vytautas Magnus University (Lithuania), Bachelor of Business Administration and MBA, Finance and Banking.

Involvement in activities of other entities:
— Latvijas Mobilais Telefons (LMT) SIA, Ropažu iela 6, Rīga, LV-1039 Latvia, code 50003050931, member of the Supervisory Council.

She has no direct interest in the share capital of Telia Lietuva and has no shareholdings that exceed 5 per cent of the share capital of any company.



**Ramūnas
Bagdonas**

Head of People and Engagement
from 1 June 2014.

Education: Vytautas Magnus University (Lithuania), Master of Business Administration; Baltic Management Institute (BMI) (Lithuania), Executive Master of Business Administration.

Involvement in activities of other entities:
— Association of Personnel Management Professionals, Galvydžio g. 5, LT-08236 Vilnius, Lithuania, code 300563101, Chair of the Board;
— UAB EPSO-G, Laisvės pr. 10, LT-04215 Vilnius, Lithuania, code 302826889, member of Remuneration and Nomination Committee.

Ramūnas Bagdonas has no direct interest in the share capital of Telia Lietuva. He has no shareholdings that exceed 5 per cent of the share capital of any company.

Management Team



**Daiva
Kasperavičienė**

Head of Legal and Corporate Affairs
from 25 January 2019.

Education – Vilnius University (Lithuania), Law Master's degree.

Involvement in activities of other entities:

— Initiative 'Baltoji Banga' ('White Wave') (Lithuania), member of the Council.

She has no direct interest in the share capital of Telia Lietuva. She has no shareholdings that exceed 5 percent of the share capital of any company.



**Vaida
Jurkonienė**

Head of Marketing & Communication
from 1 July 2022.

Education: Kaunas Technology University (Lithuania), Bachelor of Business Administration (following Norwegian Business School BI program) and Master in Economics studies.

She is not involved in activities of other entities. Vaida Jurkonienė has no direct interest in the share capital of Telia Lietuva and has no shareholdings that exceed 5 per cent of the share capital of any company.



**Vytautas
Bučinskas**

Head of Business Assurance, Resilience & Sustainability from 15 December 2017.

Education: Baltic Management Institute (BMI) (Lithuania), Executive Master of Business Administration; Kaunas Technology University (Lithuania), Bachelor of Management of Production and Master of Marketing.

Involvement in activities of other entities:

— Member of the Cyber Security Council (Lithuania);

— Association INFOBALT, A. Goštauto g. 8-313, LT-01108 Vilnius, Lithuania, code 122361495, Deputy Chair of Cybersecurity Committee.

Vytautas Bučinskas has no direct interest in the share capital of Telia Lietuva. He has no shareholdings that exceed 5 per cent of the share capital of any company.

Financial Statements

Statement of profit or loss and other comprehensive income

In thousands of EUR, except per share data		April – June		January – June	
	Notes	2025	2024	2025	2024
Revenue		121,923	119,496	241,674	238,481
Cost of goods and services		(42,066)	(43,441)	(83,632)	(88,022)
Employee related expenses		(16,824)	(17,636)	(33,618)	(34,180)
Other operating expenses		(14,607)	(14,874)	(28,173)	(29,574)
Other gain / (loss) – net		101	448	95	666
Depreciation, amortisation and impairment of fixed assets and assets classified as held for sale	6	(21,606)	(22,259)	(42,120)	(43,225)
Operating profit		26,921	21,734	54,226	44,146
Finance income		603	566	1,231	1,075
Finance costs		(1,447)	(2,121)	(2,882)	(4,154)
Finance and investment activities – net		(844)	(1,555)	(1,651)	(3,079)
Profit before income tax		26,077	20,179	52,575	41,067
Income tax	3	(3,934)	(1,927)	(7,833)	(4,650)
Profit for the year		22,143	18,252	44,742	36,417
Other comprehensive income:					
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		22,143	18,252	44,742	36,417
Profit and comprehensive income attributable to:					
Owners of the Parent		22,143	18,252	44,742	36,417
Basic and diluted earnings per share for profit attributable to the equity holders of the Company (EUR)	4	0.038	0.031	0.077	0.063

Statement of financial position

In thousands of EUR		As at 30 June	As at 31 December
	Notes	2025	2024
ASSETS			
Non-current assets			
Property, plant and equipment	6	233,115	243,694
Goodwill	7	26,769	26,769
Intangible assets	7	138,140	140,136
Right-of-use assets	8	49,121	47,177
Costs to obtain contract		5,706	5,587
Contract asset		162	423
Trade and other receivables		18,203	20,497
Finance lease receivables		4,746	5,545
		475,962	489,828
Current assets			
Inventories		10,641	13,037
Contract asset		1,106	1,375
Trade and other receivables		62,531	65,859
Current income tax assets		-	-
Finance lease receivables		5,443	5,668
Cash pool receivables		23,036	27,771
Cash and cash equivalents		7,327	7,025
		110,084	120,735
Assets classified as held for sale		51	51
Total assets		586,097	610,614

In thousands of EUR		As at 30 June	As at 31 December
	Notes	2025	2024
EQUITY			
Capital and reserves attributable to equity holders of the Company			
Issued capital	9	168,958	168,958
Legal reserve	10	16,896	16,896
Retained earnings		170,812	190,158
Equity attributable to owners of the Company		356,666	376,012
Total equity		356,666	376,012
LIABILITIES			
Non-current liabilities			
Lease liabilities		45,526	44,474
Deferred tax liabilities		18,455	17,592
Deferred revenue and accrued liabilities		17,879	18,394
Provisions	11	13,439	13,462
		95,299	93,922
Current liabilities			
Trade, other payables and accrued liabilities		56,777	69,738
Current income tax liabilities		1,569	2,835
Borrowings		57,829	50,150
Contract liability		2,807	3,067
Lease liabilities		15,150	14,890
		134,132	140,680
Total liabilities		229,431	234,602
Total equity and liabilities		586,097	610,614

Statement of changes in equity

In thousands of EUR	Share capital	Legal reserve	Retained earnings	Total equity
Balance at 1 January 2024	168,958	16,896	170,974	356,828
Profit for the year	-	-	36,417	36,417
Other comprehensive income for the year, net of income tax	-	-	-	-
Total comprehensive income for the year	-	-	36,417	36,417
Dividends paid for 2023	-	-	(52,435)	(52,435)
Balance at 30 June 2024	168,958	16,896	154,956	340,810
Balance at 1 January 2025	168,958	16,896	190,158	376,012
Profit for the year	-	-	44,742	44,742
Other comprehensive income for the year, net of income tax	-	-	-	-
Total comprehensive income for the year	-	-	44,742	44,742
Dividends paid for 2024	-	-	(64,088)	(64,088)
Balance at 30 June 2025	168,958	16,896	170,812	356,666

Statement of cash flows

In thousands of EUR		January – June	
	Notes	2025	2024
Operating activities			
Profit for the year		44,742	36,417
Adjustments for:			
Income tax expenses recognized in profit or loss	3	7,833	4,650
Depreciation, amortisation and impairment charge	6	42,341	44,353
Other gain / (loss) – net		28	(729)
Interest income		(1,231)	(1,074)
Interest expenses		2,818	4,125
Changes in working capital (excluding the effects of acquisition and disposal of subsidiaries):			
Inventories / Assets held for sale		2,761	(1,205)
Trade and other receivables		5,012	7,026
Decrease/(increase) in contract assets		530	(62)
Decrease/(increase) in contract costs		(119)	(16)
Increase/(decrease) trade, other payables and accrued liabilities, deferred tax liabilities		(4,325)	(5,977)
Increase/(decrease) in contract liabilities		(260)	58
Increase/(decrease) in deferred revenue and accrued liabilities		(543)	(587)
Increase/(decrease) in provisions	11	(23)	(29)
Cash generated from operations		99,564	86,950
Interest paid		(2,334)	(3,605)
Interest received		670	151
Income taxes paid		(8,236)	(3,288)
Net cash generated by operating activities		89,664	80,208

In thousands of EUR		January – June	
	Notes	2025	2024
Investing activities			
Purchase of property, plant and equipment and intangible assets		(32,853)	(30,204)
Proceeds from disposal of property, plant and equipment and intangible assets		153	1,438
Proceeds from / repayments for finance sublease receivables		1,585	237
Receipt of asset-related government grant		52	196
Net cash used in investing activities		(31,063)	(28,333)
Financing activities			
Repayment of borrowings		(38,783)	(87,783)
Proceeds from borrowings		46,462	93,175
Increase (decrease) in lease liabilities		(6,625)	(5,005)
Dividends paid to shareholders		(64,088)	(52,435)
Net cash received in financing activities		(63,034)	(52,048)
Increase (decrease) in cash and cash equivalents		(4,433)	(173)
Movement in cash and cash equivalents			
At the beginning of the financial year		34,796	20,604
Increase (decrease) in cash and cash equivalents		(4,433)	(173)
At the end of the financial year		30,363	20,431

Notes to the financial statements

1 Basic of preparation

The interim financial statements for the six months’ period ended 30 June 2025 are prepared in accordance with the International Financial Accounting Standards, as adopted by the European Union, includes IAS 34. In all material respects, the same accounting principles have been followed as in the preparation of financial statements for 2024.

The presentation currency is euro. The financial statements are presented in thousands of euro, unless indicated otherwise.

The financial statements are prepared under the historical cost convention.

These financial statements for the period ended 30 June 2025 are not audited. Financial statements for the year ended 31 December 2024 are audited by the external auditor KPMG Baltics, UAB.

2 Investments in subsidiaries and associates

The investments included in the Company’s financial statements are indicated below:

Associate	Country of incorporation	Ownership interest in %		Profile
		30 June 2025	31 December 2024	
VšĮ Numerio Perkėlimas	Lithuania	50%	50%	A non-profit organization established by Lithuanian telecommunications operators administers central database to ensure telephone number portability

As at 30 June 2025 and 31 December 2024, the Company had no investments in subsidiaries.

Notes to the financial statements

3 Income tax

The tax expenses for the period comprise current and deferred tax.

Profit for 2025 is taxable at a rate of 16 per cent in accordance with Lithuanian regulatory legislation on taxation (2024: 15 per cent).

In thousands of EUR	April – June		January – June	
	2025	2024	2025	2024
Current tax expenses	3,732	2,339	6,970	4,702
Deferred tax change	202	(412)	863	(52)
Total	3,934	1,927	7,833	4,650

As at 1 January 2009, amendments to Law on Corporate Profit Tax came into effect which provides tax relief for investments in new technologies. As a result, the Company's calculated profit tax relief amounts for 2025 to EUR 0.8 million (2024: EUR 1.6 million). Investments in new technologies are capitalised as property, plant and equipment, and their depreciation is deductible for tax purposes, therefore, the tax relief does not create any deferred tax liability.

The tax authorities may at any time inspect the books and records within 3 years from the end of the year when tax declaration was submitted and may impose additional tax assessments with penalty interest and penalties.

The Company's management is not aware of any circumstances, which may give rise to a potential material liability in this respect.

4 Earnings per share

Basic earnings per share are calculated by dividing the net profit (loss) for the period by the weighted average number of ordinary shares in issue during the period. The Company has no dilutive potential ordinary shares and therefore diluted earnings per share are the same as basic earnings per share. The weighted average number of shares for both reporting periods amounted to 582,613 thousand.

In thousands of EUR, except per share data	April – June		January – June	
	2025	2024	2025	2024
Net profit	22,143	18,252	44,742	36,417
Weighted average number of ordinary shares in issue (thousands)	582,613	582,613	582,613	582,613
Basic earnings per share (EUR)	0.038	0.031	0.077	0.063

5 Dividends per share

A dividend that relates to the period to 31 December 2024 was approved by the Annual General Meeting of Shareholders on 28 April 2025. The total amount of allocated dividend, that was paid off in May 2025, is EUR 64,088 thousand or EUR 0.11 per ordinary share.

6 Property, plant and equipment

The depreciation, amortisation and impairment charge in the statement of profit or loss items:

In thousands of EUR	January – June	
	2025	2024
Depreciation of property, plant and equipment (Note 6)	22,478	22,680
Impairment of property, plant and equipment (Note 6)	70	15
Amortisation of intangible assets (Note 7)	13,579	14,870
Impairment of intangible assets (Note 7)	-	-
Amortisation of right-of-use-asset (Note 8)	5,993	5,660
Total	42,120	43,225
Impairment of assets classified as held for sale	-	-
Total	42,120	43,225

Notes to the financial statements

6 Property, plant and equipment (continued)

In thousands of EUR	Land and buildings	Ducts and telecommunication equipment	Other tangible fixed assets	Construction in progress	Total
Six months ended 30 June 2024					
Opening net book amount	8,249	218,849	10,944	15,696	253,738
Additions	-	-	-	17,240	17,240
Reclassifications	36	(36)	-	(189)	(189)
Disposals and write-offs	(29)	(245)	(1)	-	(275)
Transfers from construction in progress	381	17,342	1,059	(18,782)	-
Depreciation charge	(608)	(19,700)	(2,372)	-	(22,680)
Impairment charge	-	(15)	-	-	(15)
Closing net book amount	8,029	216,195	9,630	13,965	247,819
At 30 June 2024					
Cost	27,728	762,833	49,322	13,965	853,848
Accumulated depreciation	(19,658)	(545,793)	(39,692)	-	(605,143)
Impairment charge	(41)	(845)	-	-	(886)
Net book amount	8,029	216,195	9,630	13,965	247,819
Six months ended 30 June 2025					
Opening net book amount	6,979	208,278	8,414	20,023	243,694
Additions	-	-	-	12,444	12,444
Reclassifications	-	-	-	(297)	(297)
Disposals and write-offs	(7)	(163)	(8)	-	(178)
Transfers from construction in progress	456	15,061	3,806	(19,323)	-
Depreciation charge	(574)	(19,927)	(1,977)	-	(22,478)
Impairment charge	-	(70)	-	-	(70)
Closing net book amount	6,854	203,179	10,235	12,847	233,115
At 30 June 2025					
Cost	24,347	699,409	44,875	12,847	781,478
Accumulated depreciation	(17,452)	(495,592)	(34,639)	-	(547,683)
Impairment charge	(41)	(638)	(1)	-	(680)
Net book amount	6,854	203,179	10,235	12,847	233,115

7 Intangible assets

In thousands of EUR	Licenses and software	Goodwill	Other intangible assets	Construction in progress	Total
Six months ended 30 June 2024					
Opening net book amount	80,763	26,769	24,366	36,613	168,511
Additions	-	-	-	11,984	11,984
Reclassifications	-	-	-	192	192
Disposals and write-offs	(378)	-	-	-	(378)
Transfers to other accounts	13,116	-	-	(13,116)	-
Amortization charge	(13,151)	-	(1,719)	-	(14,870)
Closing net book amount	80,350	26,769	22,647	35,673	165,439
At 30 June 2024					
Cost	188,310	29,408	53,124	35,673	306,515
Accumulated amortization	(107,960)	-	(30,477)	-	(138,437)
Impairment charge	-	(2,639)	-	-	(2,639)
Net book amount	80,350	26,769	22,647	35,673	165,439
Six months ended 30 June 2025					
Opening net book amount	73,154	26,769	20,927	46,055	166,905
Additions	-	-	-	11,289	11,289
Reclassifications	-	-	-	297	297
Disposals and write-offs	(2)	-	(1)	-	(3)
Transfers to other accounts	39,925	-	-	(39,925)	-
Amortization charge	(11,860)	-	(1,719)	-	(13,579)
Closing net book amount	101,217	26,769	19,207	17,716	164,909
At 30 June 2025					
Cost	225,641	29,408	53,120	17,716	325,885
Accumulated depreciation	(124,424)	-	(33,913)	-	(158,337)
Impairment charge	-	(2,639)	-	-	(2,639)
Net book amount	101,217	26,769	19,207	17,716	164,909

Notes to the financial statements

8 Right-of-use-assets

In thousands of EUR	Land and premises	Dark fibre	Equipment rent	Other	Total
Six months ended 30 June 2024					
Opening net book amount	33,993	8,413	-	2,728	45,134
Additions	806	-	3,416	1,039	5,261
Lease modifications	5,207	101	-	392	5,700
Disposals and write-offs	-	-	(3,416)	-	(3,416)
Amortization charge	(4,605)	(543)	-	(512)	(5,660)
Closing net book amount	35,401	7,971	-	3,647	47,019
At 30 June 2024					
Cost	78,470	14,406	-	5,832	98,708
Accumulated amortization	(43,069)	(6,435)	-	(2,185)	(51,689)
Net book amount	35,401	7,971	-	3,647	47,019
Six months ended 30 June 2025					
Opening net book amount	34,807	9,433	-	2,937	47,177
Additions	653	-	2,187	311	3,151
Lease modifications	7,186	29	-	(242)	6,973
Disposals and write-offs	-	-	(2,187)	-	(2,187)
Amortization charge	(4,892)	(602)	-	(499)	(5,993)
Closing net book amount	37,754	8,860	-	2,507	49,121
At 30 June 2025					
Cost	90,486	16,478	-	5,752	112,716
Accumulated depreciation	(52,732)	(7,618)	-	(3,245)	(63,595)
Net book amount	37,754	8,860	-	2,507	49,121

9 Share capital

The authorised share capital comprises of 582,613,138 ordinary shares of EUR 0.29 nominal value each. All shares are fully paid up.

10 Legal reserve

A legal reserve is a compulsory reserve under Lithuanian legislation. Annual transfer of 5% of net profit, calculated in accordance with Lithuanian regulatory legislation on accounting, is compulsory until the reserve including share premium reaches 10% of the share capital. The legal reserve can be used to cover the accumulated losses. The amount of the legal reserve surplus which exceeds the size of legal reserve required by the legislation can be added to retaining earnings for the profit distributing purpose.

As at 30 June 2025 and 31 December 2024, legal reserve – EUR 16.9 million.

11 Provisions

In thousands of EUR	Provision for restructuring	Assets retirement obligation	Total
Closing net book amount at 31 December 2023			
Closing net book amount at 31 December 2023	-	13,039	13,039
Additions	-	-	-
Discounting	-	-	-
Used provisions	-	(29)	(29)
Closing net book amount at 30 June 2024	-	13,010	13,010
Closing net book amount at 31 December 2024			
Closing net book amount at 31 December 2024	-	13,462	13,462
Additions	-	-	-
Discounting	-	-	-
Used provisions	-	(23)	(23)
Closing net book amount at 30 June 2025	-	13,439	13,439

The Company leases land for the construction of mobile stations. Upon expiry of the lease term the mobile stations should be disassembled and land restored so that it could be returned to the land owner in a condition it was before the lease. Similarly, the Company has telecommunication equipment installed in the premises or on the buildings leased from third parties. This equipment will have to be disassembled when the lease agreement expires.

To cover these estimated future costs, assets retirement obligation has been recognized. The Company expects that assets retirement obligation will be realized later than after one year. Therefore, the whole amount of assets retirement obligation has been classified as non-current provision for other liabilities and charges.

Notes to the financial statements

12 Related party transactions

The Company is controlled by Telia Company AB, registered in Sweden, and owning 88.15% of the Company's shares and votes. The largest shareholder of Telia Company AB is the State of Sweden.

The following transactions were carried out with related parties:

In thousands of EUR	January – June	
	2025	2024
Sales of telecommunication and other services to Telia Company AB and its subsidiaries:		
Sales of telecommunication and other services	3,732	4,879
of which Telia Company AB	-	-
Cash pool interest revenues	564	377
Sales of assets	-	349
Other	-	18
Total sales of telecommunication and other services	4,296	5,623
Purchases of assets and services from Telia Company AB and its subsidiaries:		
Purchases of services	6,928	7,356
of which Telia Company AB	6,069	6,186
Interest expenses on borrowings (incl. commitment fee)	53	487
Purchases of assets	597	38
Other purchases	187	149
Total purchases of assets and services	7,765	8,030

Receivables and accrued revenue from related parties:

In thousands of EUR	January – June	
	2025	2024
Receivables and accrued revenue from Telia Company AB and its subsidiaries:		
Short-term receivables	159	523
of which Telia Company AB	9	329
Interest bearing receivables (cash pool)	23,036	14,717
Accrued revenue	297	298
Total receivables and accrued revenue	23,492	15,538

In January 2024, the Company has entered into agreement with Telia Company AB and Telia Global Services Lithuania, UAB on cash pooling at SEB bank. Cash pool arrangement provides the Company with the short-term borrowing possibility to ensure its liquidity.

In thousands of EUR	January – June	
	2025	2024
Borrowings, payables and accrued expenses to Telia Company AB and its subsidiaries:		
Borrowings	15,000	50,000
Short term borrowings	15,000	50,000
Short-term payables	1,897	2,299
of which Telia Company AB	1,070	1,175
Accrued expenses	40	11
Total payables and accrued expenses	1,937	2,310

Till 10 January 2025, the Company had 2-years agreement regarding revolving credit facility with Telia Company AB that provided the Company with the possibility to borrow any amount up to a total limit of EUR 50 million for 3 or 6 months within 2 business days. On 21 May 2025, the Company entered into Term Loan Agreement with Telia Company AB for borrowing of EUR 15 million loan for 3 months.

In May 2025, the Company paid-out to Telia Company an amount of EUR 56.5 million as dividend for the year 2024.

All transactions with related parties are carried out based on an arm's length principle.

Confirmation of responsible persons

Following Article 22 of the Law on Securities of the Republic of Lithuania and the Rules on Information Disclosure of the Bank of Lithuania, we, Giedrė Kaminskaitė-Salters, CEO of Telia Lietuva, AB, and Daina Večkytė, Head of Finance of Telia Lietuva, AB, hereby confirm that, to the best of our knowledge, the not audited Interim Financial Statements for the 6 months’ period ended 30 June 2025, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position, profit and cash flows of Telia Lietuva, AB, and Interim Report for the 6 months’ period ended 30 June 2025 includes a fair review of the development and performance of the business and the position of the Company in relation to the description of the main risks and contingencies faced thereby.

Giedrė Kaminskaitė-Salters
CEO

Daina Večkytė
Head of Finance

Vilnius, 17 July 2025



Name of the Company

Telia Lietuva, AB

Legal form

public company (joint-stock company)

Date of registration

6 February 1992

Name of Register of Legal Entities

State Enterprise Centre of Registers

Code of enterprise

1212 15434

LEI code

5299007A0LO7C2YYI075

Registered office

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