



Interim Report January-September 2025

Telia Lietuva, AB

Table of Content

Management Report

Financial Statements

04. CEO comment	19. Statement of profit or loss and other comprehensive income
05. Financial highlights	20. Statement of financial position
06. Financial figures	21. Statement of changes in equity
07. Operating figures	22. Statement of cash flows
07. Financial ratios	23. Notes to the financial statements
08. Revenue	28. Confirmation of responsible persons
09. Expenses	
10. Earnings	
11. Financial position and cash flow	
12. Capital investment	
13. Share capital and shareholders	
14. Dividends	
15. Corporate governance	
16. Members of the Board	
17. Management Team	

Management Report

CEO comment

A year ago, we started a change program that was set to enhance operational efficiency, simplify processes and ensure even greater organizational flexibility. These changes are already reflected in our financial results: service revenue for the 9 months of 2025, compared with the same period in 2024, went up by 4.2%, adjusted EBITDA grew by 9.5% and adjusted EBITDA margin reached 40.3% while net profit increased by 25.5%. Free cash flow generated during January-September of 2025 was 8.3% higher than a year ago.

The main contributor to revenue growth was mobility services followed by IT and Internet services. During the third quarter of 2025, intake of new mobile communication subscribers amounted to 30 thousand, whereof 27 thousand were post-paid and 3 thousand pre-paid service users. From July, 5G connectivity, that covers up to 95% of the Lithuania's territory, is available to Telia's pre-paid service users as well.

Increased mobile data usage in non-EU countries resulted in recovery in revenue from other mobile services thanks to reduced roaming charges and higher number of the country's visitors.

In addition to Netflix and other top-quality content added to Telia Play platform in the beginning of 2025, starting from the fall over 200 matches of season 2025-2026 of Lithuanian basketball league will be available to Telia Play viewers.

As a response to Lithuanians' biggest threats online, the Company introducing a new cybersecurity app "Telia Safe". The new app combines 20 different security features into one app. It works as an antivirus program, and has specialized protection against ransomware, which monitors and blocks the activities typical for this type of malware. In addition to direct protection against viruses, "Telia Safe" also performs preventive functions - for example, it checks whether the mobile device's operating system is updated and allows to view and manage other apps' access to personal data in one place. Besides, solution allows to ensure children's safety online.

In summer, Telia launched a major upgrade of its fiber-optic backbone network, which will increase data transfer speeds by 6 times up to a record 600 Gbps. An investment of roughly EUR 1 million in new underground cables will provide the necessary capacity for growing customer data consumption and next-generation services, such as mass use of 4K resolution television.

Upgrade of fiber-optic backbone network also means investment into security of connectivity. It will reduce the risk of a critical connection failure that banks, healthcare, electricity supply and other critical systems depend on. The upgraded network will allow data to travel via multiple routes, making Lithuania more resilient to threats and unexpected technical failures.

During the third quarter of 2025, Telia Lietuva introduced a new service that allows to write text messages during a call and see it on the other person's screen in real time. This innovative function opens new communication opportunities for people with hearing or speech impairments, as well as for anyone who wants to communicate in writing during a call.

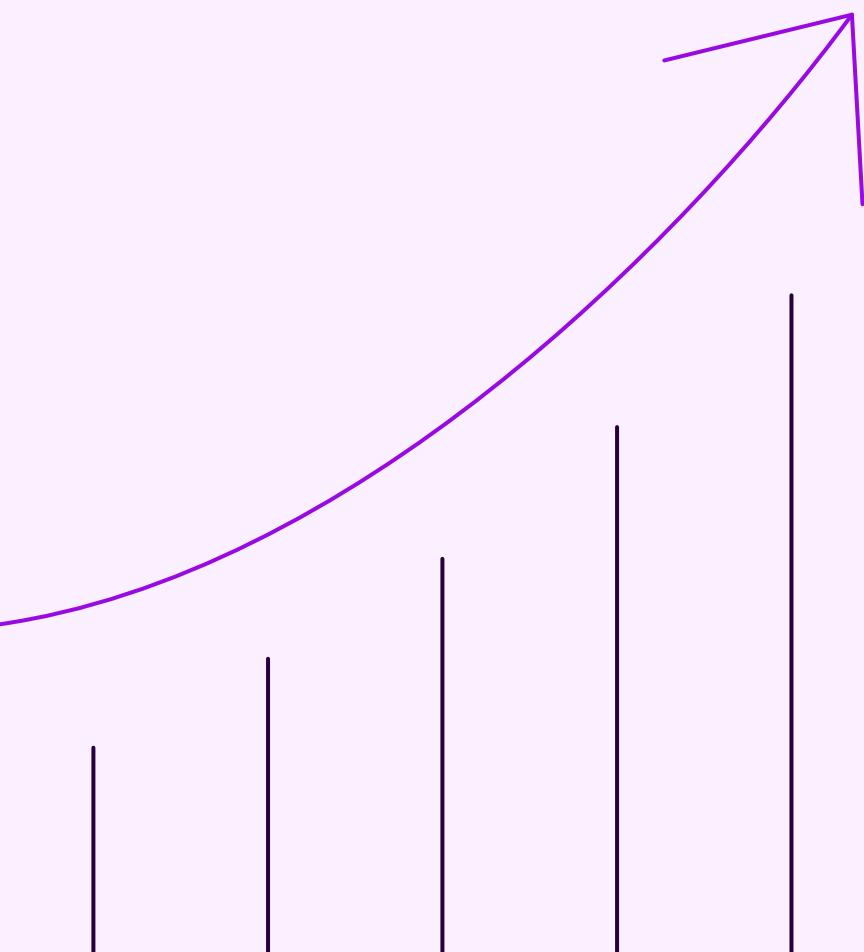
Telia is also the first in Lithuania to create a new option for traveling customers. From now on, our customers can make calls in the Baltic and Nordic countries via a wireless Wi-Fi (VoWiFi) network as if they were in Lithuania. Calls via wireless Internet will not be subject to roaming charges, but to the usual Lithuanian rates, and for calls to another country, international call rates will apply. This innovation ensures reliable connectivity in places where the mobile signal is weak or non-existent – for example, in basements of buildings, underground parking lots or even on an airplane during a flight.

We continue to streamline our organization: from November Technology and Digital Transformation as well as Legal and Human Resource units will be merged and number of top managers will be reduced by two.

Giedrė Kaminskaitė-Salters
CEO of Telia Lietuva



Telia Lietuva operating model is based on customers' segment. The Company's operations are managed and reported by the following segments: business and residential customers. 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. Residential customers segment (B2C) implies telecommunication and TV services to private individuals. Other operations include operations of Technology and Support units of the Company. The financial statements of the Company have been prepared according to the International Financial Reporting Standards as adopted by the European Union.



Financial highlights of Q3 2025

Revenue went up by 3%

and amounted to EUR 125.3 million
(2024: EUR 121.6 million)

EBITDA increased by 11.6%

and amounted to EUR 51 million
(2024: EUR 45.7 million)

Capital investments went up by 8.4%

and amounted to EUR 15.2 million
(2024: EUR 14.1 million)

Adjusted EBITDA up by 9.6%

to EUR 51 million (2024: EUR 46.5 million)

Profit for the period grew by 31%

to EUR 22.9 million (2024: EUR 17.5 million)

Free cash flow went up by 4.3%

and amounted to EUR 34.2 million
(2024: EUR 32.7 million)

Financial highlights of 9 months of 2025

Revenue was up by 1.9%

and amounted to EUR 367 million
(2024: EUR 360.1 million)

EBITDA increased by 10.7%

and amounted to EUR 147.3 million
(2024: EUR 133 million)

Capital investments down by 10%

and amounted to EUR 39 million
(2024: EUR 43.3 million)

Adjusted EBITDA up by 9.5%

to EUR 148 million (2024: EUR 135.2 million)

Profit for the period went up by 25.5%

to EUR 67.7 million (2024: EUR 53.9 million)

Free cash flow went up by 8.3%

and amounted to EUR 91.1 million
(2024: EUR 84.2 million)

Financial figures

(in thousands of EUR unless otherwise stated)	January - September 2025	January - September 2024	Change (%)	January - September 2023
Revenue	366,964	360,077	1.9	353,255
Adjusted EBITDA excluding non-recurring items	148,042	135,220	9.5	129,149
Adjusted EBITDA margin excluding non-recurring items (%)	40.3	37.6		36.6
EBITDA	147,322	133,042	10.7	126,933
EBITDA margin (%)	40.1	36.9		35.9
Operating profit (EBIT) excluding non-recurring items	84,411	69,261	21.9	65,028
EBIT margin excluding non-recurring items (%)	23.0	19.2		18.4
Operating profit (EBIT)	83,691	67,083	24.8	62,812
EBIT margin (%)	22.8	18.6		17.8
Profit before income tax	81,260	62,556	29.9	57,131
Profit before income tax margin (%)	22.1	17.4		16.2
Profit for the period	67,673	53,921	25.5	50,306
Profit for the period margin (%)	18.4	15.0		14.2
Earnings per share (EUR)	0.116	0.093	25.5	0.086
Number of shares (thousand)	582,613	582,613	-	582,613
Share price at the end of period (EUR)	1.71	1.595	7.2	1.61
Market capitalisation at the end of period	996,268	929,268	7.2	938,007
Total assets	603,875	596,422	1.2	615,165
Shareholders' equity	379,597	358,314	5.9	343,540
Cash flow from operations	136,605	127,243	7.4	104,645
Free cash flow	91,118	84,173	8.3	59,266
Capital investments (Capex)	38,971	43,287	(10.0)	44,122
Net debt	(4,473)	46,191	(109.7)	89,265

Operating figures

	30-09-2025	30-09-2024	Change (%)	30-09-2023
Mobile service subscriptions, in total (thousand)	1,706	1,690	0.9	1,642
— Post-paid (thousand)	1,460	1,382	5.6	1,308
— Pre-paid (thousand)	246	308	(20.1)	334
Broadband Internet connections, in total (thousand)	413	421	(1.9)	426
— Fiber-optic (FTTH/B) (thousand)	311	314	(1.0)	315
— Copper (DSL, VDSL) (thousand)	102	107	(4.7)	111
TV service customers (thousand)	257	259	(0.8)	259
Fixed telephone lines in service (thousand)	143	162	(11.7)	182
Number of personnel (headcounts)	1,725	1,865	(7.5)	1,931
Number of full-time employees	1,645	1,750	(6.0)	1,818

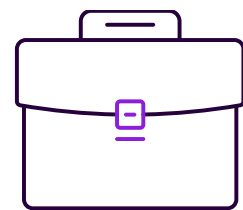
Financial ratios*

	30-09-2025	30-09-2024	30-09-2023
Return on capital employed (%)	25.2	19.5	17.7
Return on average assets (%)	17.4	13.8	12.6
Return on shareholders' equity (%)	22.6	18.8	19.4
Operating cash flow to sales (%)	36.5	38.0	29.2
Capex to sales (%)	11.8	12.4	14.8
Net debt to EBITDA ratio	(0.02)	0.27	0.55
Gearing ratio (%)	(1.2)	12.9	26.0
Debt to equity ratio (%)	12.0	19.1	30.6
Current ratio (%)	102.8	76.4	63.9
Rate of turnover of assets (%)	82.3	79.4	76.4
Equity to assets ratio (%)	62.9	60.1	55.8
Price to earnings (P/E) ratio	11.7	13.8	14.4

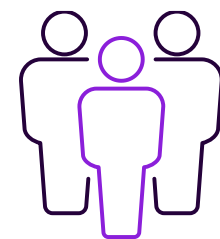
Notes: *Description of financial ratios and their calculation is provided at <https://www.telia.lt/eng/investors/financial-results>



Revenue



35.1%
Enterprises



64.9%
Consumers

(in thousands of EUR)

	July - September 2025	July - September 2024	Change (%)
Fixed services	54,100	53,147	1.8
Voice telephony services	8,521	9,777	(12.8)
Internet services	21,125	20,121	5.0
Datacom and network capacity services	4,699	4,605	2.0
TV services	10,026	9,496	5.6
IT services	8,169	7,032	16.2
Other services	1,560	2,116	(26.3)
Mobile services	48,985	45,838	6.9
Billed services	46,213	43,189	7.0
Other mobile service	2,772	2,649	4.6
Equipment	22,205	22,611	(1.8)
Total	125,290	121,596	3.0

(in thousands of EUR)

	January - September 2025	January - September 2024	Change (%)
Fixed services	161,357	157,782	2.3
Voice telephony services	25,298	28,553	(11.4)
Internet services	62,514	59,633	4.8
Datacom and network capacity services	14,059	13,813	1.8
TV services	29,813	28,379	5.1
IT services	24,128	21,144	14.1
Other services	5,545	6,260	(11.4)
Mobile services	141,317	132,690	6.5
Billed services	134,453	125,994	6.7
Other mobile service	6,864	6,696	2.5
Equipment	64,290	69,605	(7.6)
Total	366,964	360,077	1.9

Expenses

(in thousands of EUR)	July - September 2025	July - September 2024	Change (%)	January - September 2025	January - September 2024	Change (%)
Cost of goods and services	(43,846)	(44,500)	(1.5)	(127,478)	(132,522)	(3.8)
Operating expenses	(30,457)	(31,643)	(3.7)	(92,248)	(95,397)	(3.3)
Employee related	(16,484)	(16,373)	0.7	(50,102)	(50,553)	(0.9)
Other	(13,973)	(15,270)	(8.5)	(42,146)	(44,844)	(6.0)
Non-recurring expenses	33	934	(96.5)	738	2,400	(69.3)
Operating expenses (excl. non-recurring expenses)	(30,424)	(30,709)	(0.9)	(91,510)	(92,997)	(1.6)
Employee related	(16,451)	(15,901)	3.5	(49,716)	(49,455)	0.5
Other	(13,973)	(14,808)	(5.6)	(41,794)	(43,542)	(4.0)

Cost of goods and services for the nine months of 2025 compared with the same period a year ago went down mainly due to lower equipment sale and decrease in networks interconnection and roaming charges. On average by 7.7 per cent in spring 2025 increased employees' salaries offset the effect of reduced number of personnel. During January-September 2025, other operating expenses went down mainly due to lower energy costs compared with the same period a year ago.

Over the last 12 months the total number of employees (headcount) decreased by 140 – from 1,865 to 1,725, while in terms of full-time employees (FTE), the total number of employees decreased by 105 – from 1,750 to 1,645.

Non-recurring items for the third quarter of 2025 were comprised of one-off redundancy pay-outs of EUR 33 thousand (2024: EUR 472 thousand). Also, for the third quarter of 2024 there were EUR 462 thousand of non-recurring other expenses (none for the third quarter of 2025). For the nine months of 2025 one-off redundancy pay-outs amounted to EUR 386 thousand (2024: EUR 1,098 thousand) and non-recurring other expenses – EUR 352 thousand (2024: EUR 1,302 thousand).

Earnings

(in thousands of EUR)	July - September 2025	July - September 2024	Change (%)	January - September 2025	January - September 2024	Change (%)
EBITDA	50,976	45,671	11.6	147,322	133,042	10.7
Margin (%)	40.7	37.6		40.1	36.9	
Depreciation and amortisation	(21,511)	(22,734)	(5.4)	(63,631)	(65,959)	(3.5)
Operating profit (EBIT)	29,465	22,937	28.5	83,691	67,083	24.8
Margin (%)	23.5	18.9		22.8	18.6	
Non-recurring expenses	33	934	(96.5)	738	2,400	(69.3)
Gain (loss) on sale of property	-	62	(100.0)	18	222	(91.9)
Adjusted EBITDA excluding non-recurring items	51,009	46,543	9.6	148,042	135,220	9.5
Margin (%)	40.7	38.3		40.3	37.6	
EBIT excluding non-recurring items	29,498	23,809	23.9	84,411	69,261	21.9
Margin (%)	23.5	19.6		23.0	19.2	

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 1.1 million (2024: EUR 2 million).

(in thousands of EUR)	July - September 2025	July - September 2024	Change (%)	January - September 2025	January - September 2024	Change (%)
Profit before income tax	28,685	21,489	33.5	81,260	62,556	29.9
Margin (%)	22.9	17.7		22.1	17.4	
Income tax	(5,754)	(3,985)	44.4	(13,587)	(8,635)	57.3
Profit for the period	22,931	17,504	31.0	67,673	53,921	25.5
Margin (%)	18.3	14.4		18.4	15.0	

Financial position and cash flow

As of 30 September 2025, the total non-current assets amounted to 78 per cent (81 per cent a year ago), the total current assets – to 22 per cent (19 per cent), whereof cash and cash equivalent alone represented 8.3 per cent (3.7 per cent) of total assets. At the end of September 2025, shareholders' equity amounted to 62.9 per cent of the total assets (60.1 per cent a year ago).

(in thousands of EUR)	30-09-2025	31-12-2024	Change (%)
Total assets	603,875	610,614	(1.1)
Non-current assets	471,063	489,828	(3.8)
Current assets	132,761	120,735	10.0
whereof cash and cash pool arrangement	50,054	34,796	43.8
Assets for sale	51	51	-
Shareholders' equity	379,597	376,012	1.0

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 - September 2025	January - September 2024	Change (%)
Net cash generated by operating activities	136,605	127,243	7.4
Purchase of PPE and intangible assets (Cash Capex)	(45,844)	(44,957)	2.0
Proceeds from disposal of PPE and intangible assets	357	1,887	(81.1)
Free cash flow	91,118	84,173	8.3
Increase (decrease) in lease liabilities	(11,125)	(8,390)	32.6
Operational free cash flow	79,993	75,783	5.6

On 26 May 2025, the Company borrowed EUR 15 million for 3 months from Telia Company AB. The loan was repaid on 26 August 2025. As of 30 September 2024, the Company had an outstanding EUR 25 million short-term loan that was repaid in November 2024. The loan from Telia Company was borrowed under Revolving Credit Facility agreement that was valid till January 2025.

(in thousands of EUR)	30-09-2025	31-12-2024	30-09-2024
Loans from Telia Company AB	-	-	25,000
Liabilities under reverse factoring agreements	45,581	50,150	43,335
Borrowings	45,581	50,150	68,335
Cash and cash equivalents	3,940	7,025	6,131
Cash pool arrangement	46,114	27,771	16,014
Net debt	(4,473)	15,354	46,190
Net debt to equity (Gearing) ratio (%)	(1.2)	4.1	12.9

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.

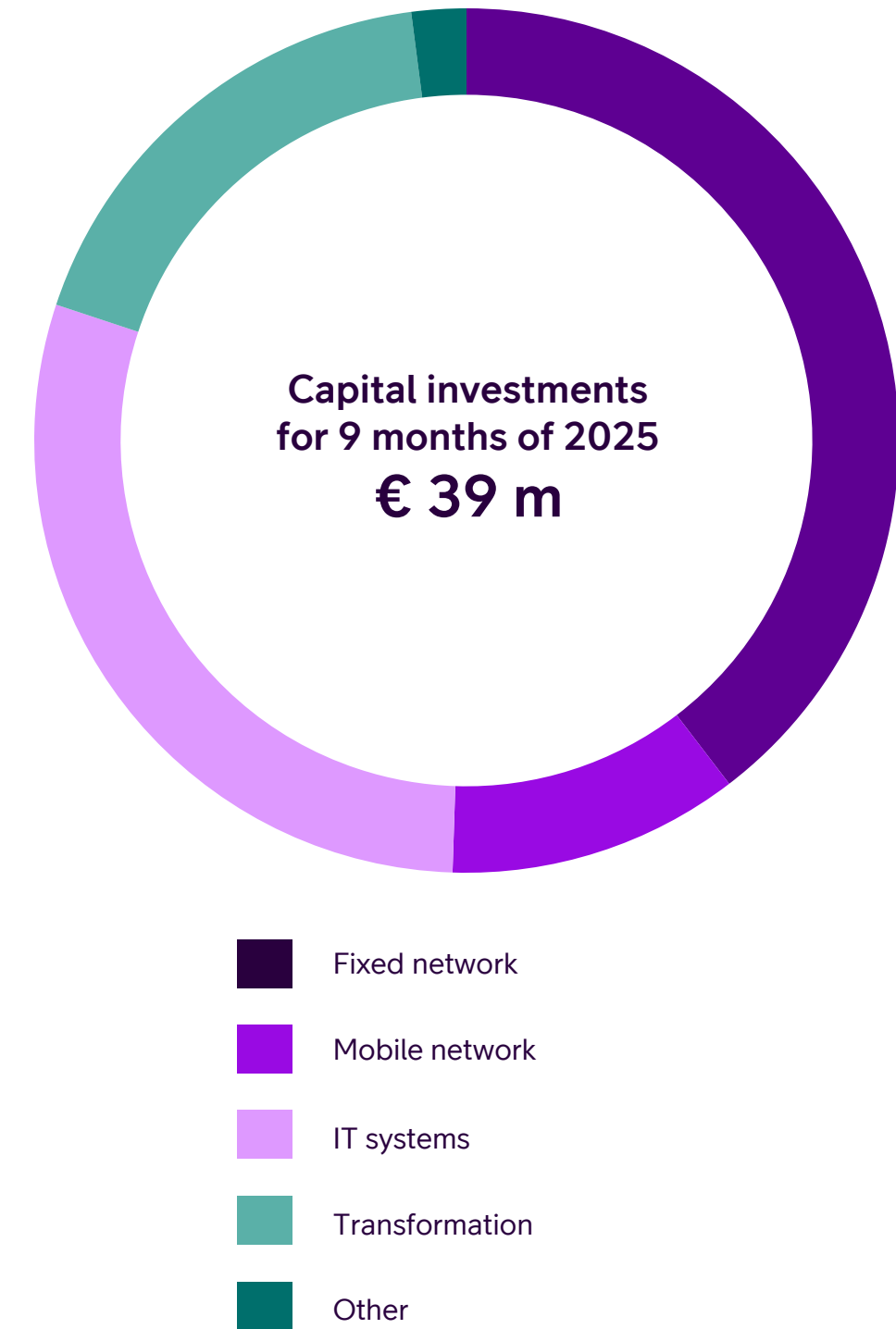
Capital investments

(in thousands of EUR)	January - September 2025	January - September 2024	Change (%)
Fixed network	15,434	13,549	13.9
Mobile network	4,252	8,703	(51.1)
IT systems and infrastructure	11,526	11,607	(0.7)
Transformation program	6,962	9,076	(23.3)
Other	797	352	126.4
Total capital investments	38,971	43,287	(10.0)
Capital investments to revenue ratio (%)	10.6	12.0	

In summer of 2025, the Company started a major upgrade of its national fiber-optic internet network, which will increase data transfer speeds by 6 times to a record 600 Gbps. An investment of approximately EUR 1 million into new underground cables will provide the necessary capacity for growing customer data usage and provision of next-generation services. By upgrading its fiber-optic network backbone, the Company also invests into security of the connectivity. The investment will reduce the risk of a critical connection failure that banks, healthcare, electricity supply and other critical systems depend on. The upgraded network will allow data to travel via multiple routes, making Lithuania more resilient to threats and unexpected technical failures.

By the end of September 2025, the Company had 985 thousand households passed (977 thousand a year ago), or 59 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.



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 Telvia 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. Telvia Lietuva share's symbol on German stock exchanges is ZWS.

Information on **trading in Telvia Lietuva shares** on Nasdaq Vilnius stock exchange during January-September 2025:

Currency	Opening price	Highest price	Lowest price	Last price	Average price	Turnover (units)	Turnover
EUR	1.57	1.74	1.565	1.71	1.647	7,238,396	11,924,101

Shareholders, holding more than 5 per cent of the share capital and votes, as on 30 September 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 (%)
Telvia 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.

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:

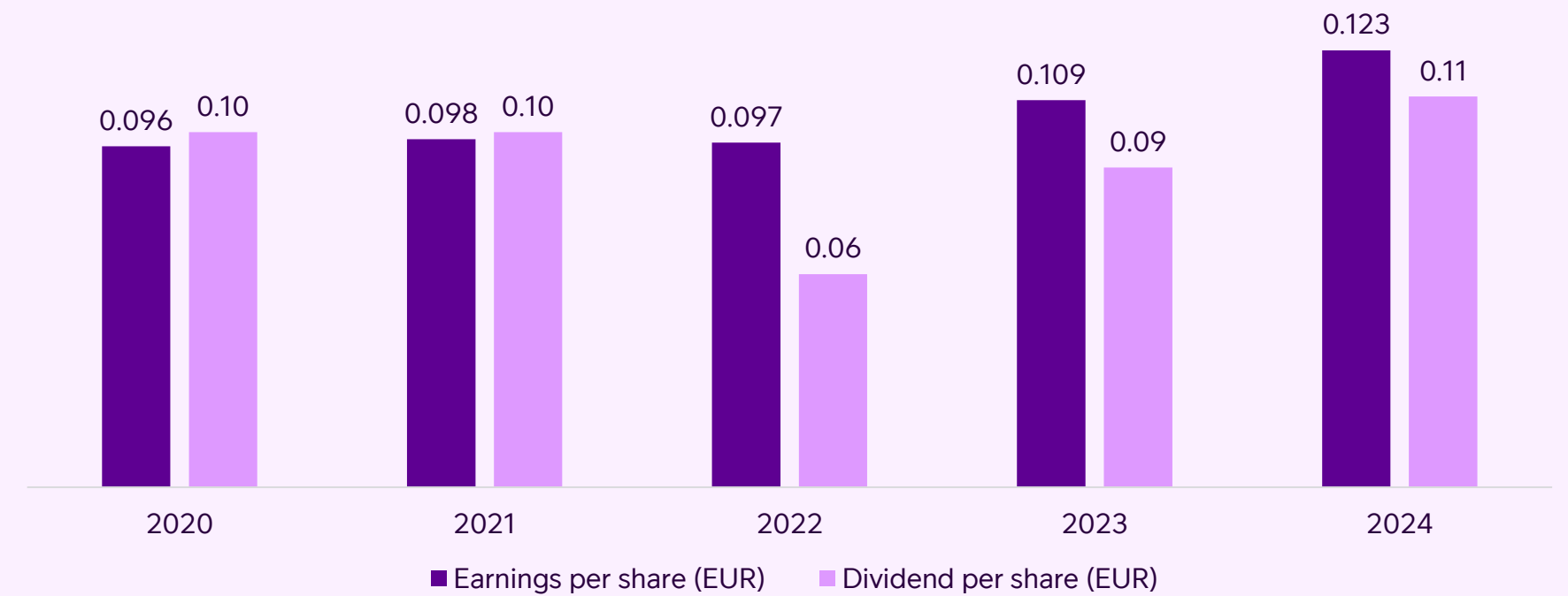
- the Company must maintain the net debt to EBITDA ratio not higher than 1,5, and
- to pay out not more than 80% of free cash flow but not more than 100% of the Company's net profit as dividend.

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.

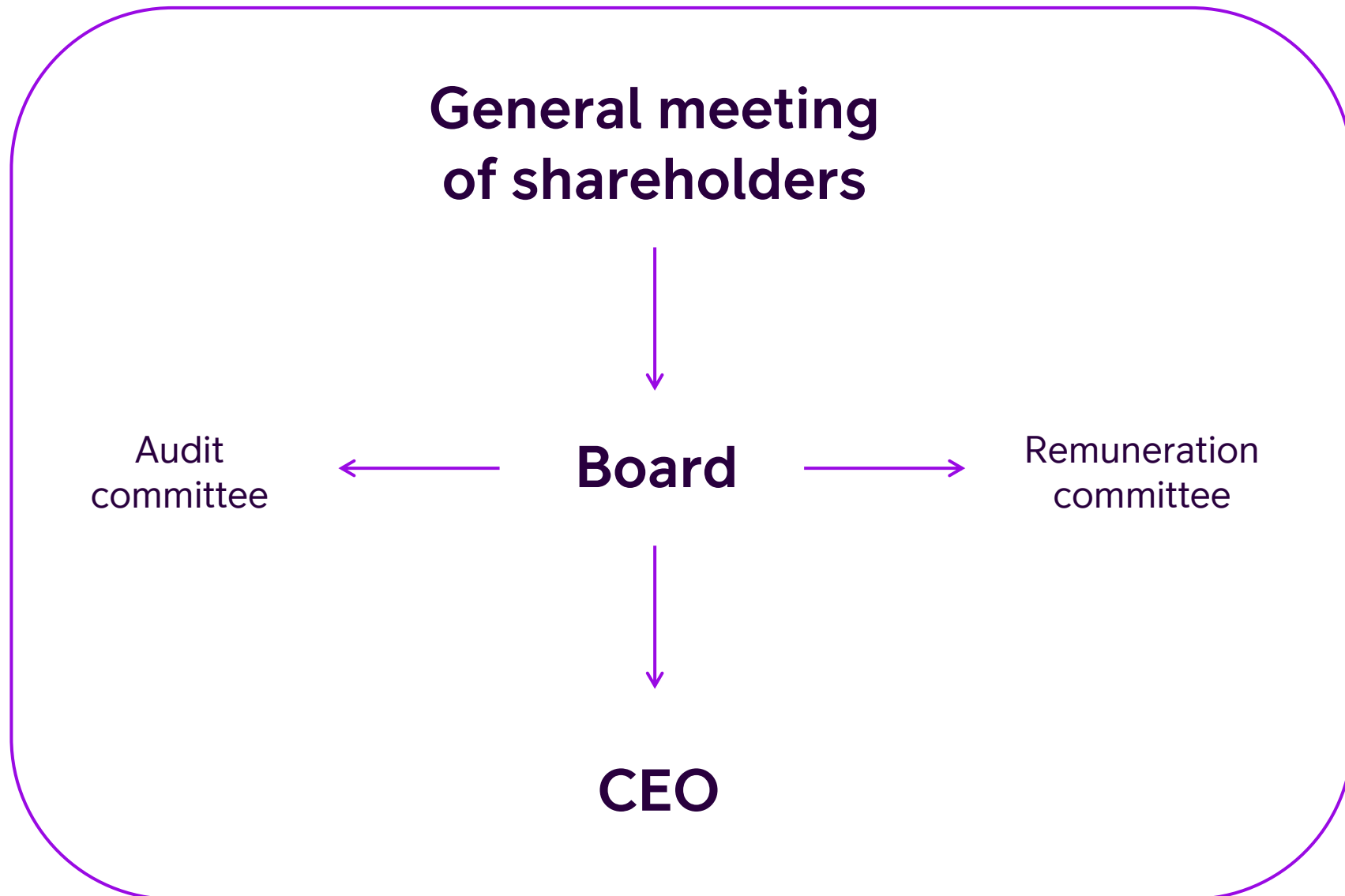
Information about the Company's dividend pay-out during the last five years (in EUR thousand unless otherwise stated):

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



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 Annual General 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.

The Board

On 15 July 2025, the Board of Telia Lietuva:

- re-elected Stefan Backman as a Chair of the Board,
- elected Annelie Lakner and re-elected both independent members of the Board – Leda Iržikevičienė and Mindaugas Glodas – to the Audit Committee; Leda Iržikevičienė was elected as Chair of the Audit Committee,
- re-elected Claes Nycander, Hannu-Matti Mäkinen and Mindaugas Glodas (an independent member of the Board) to the Remuneration Committee; Claes Nycander was re-elected as Chair of the Remuneration Committee.

Management team

From 1 February 2025, Giedrė Kaminskaitė-Salters, CEO of Telia Lietuva, became Senior Vice President, Head of Telia Baltics and member of the Group Executive Management team of Telia Company AB.

From 1 November 2025, the Company’s Technology unit will be merged with Digital Transformation unit and will be temporary led by the current Head of Digital Transformation Vygintas Domarkas until an internal leadership selection process is underway. Also, People and Culture unit will be merged with Legal and Corporate Affairs unit and will be led by current Head of Legal and Corporate Affairs Daiva Kasperavičienė. The current Head of People and Culture Ramūnas Bagdonas will continue his career at Telia Company Group, while current Head of Technology Andrius Šemeškevičius will leave the Company at the beginning of 2026.

Members of the Board



Stefan Backman
Chair of the Board



Claes Nycander
Member of the Board,
Chair of the Remuneration Committee



Hannu-Matti Mäkinen
Member of the Board,
Member of the Remuneration Committee



Annelie Lakner
Member of the Board,
Member of the Audit Committee



Leda Iržikevičienė
Independent member of the Board,
Chair of the Audit Committee



Mindaugas Glodas
Independent member of the Board,
Member of the Audit and Remuneration Committees

Management Team



**Giedrė
Kaminskaitė-
Salters**
CEO



**Elina
Dapkevičienė**
Head of Consumer
(B2C)



**Aurimas
Žlibinas**
Head of Enterprise
(B2B)



**Lina
Bandzinė**
Head of Sales &
Customer Care



**Andrius
Šemeškevičius**
Head of Technology
(till 1 November 2025)



**Vygintas
Domarkas**
Head of Digital
Transformation



**Daina
Večkytė**
Head of Finance



**Ramūnas
Bagdonas**
Head of People &
Culture
(till 1 November 2025)



**Daiva
Kasperavičienė**
Head of Legal &
Corporate Affairs



**Vaida
Jurkonienė**
Head of Marketing &
Communication



**Vytautas
Bučinskas**
Head of Business
Assurance &
Transformation

Financial Statements

Statement of profit or loss and other comprehensive income

In thousands of EUR, except per share data		July – September		January – September	
	Notes	2025	2024	2025	2024
Revenue		125,290	121,596	366,964	360,077
Cost of goods and services		(43,846)	(44,500)	(127,478)	(132,522)
Employee related expenses		(16,484)	(16,373)	(50,102)	(50,553)
Other operating expenses		(13,973)	(15,270)	(42,146)	(44,844)
Other gain / (loss) – net		(11)	218	84	884
Depreciation, amortisation and impairment of fixed assets and assets classified as held for sale	6	(21,511)	(22,734)	(63,631)	(65,959)
Operating profit		29,465	22,937	83,691	67,083
Finance income		588	598	1,819	1,673
Finance costs		(1,368)	(2,046)	(4,250)	(6,200)
Finance and investment activities – net		(780)	(1,448)	(2,431)	(4,527)
Profit before income tax		28,685	21,489	81,260	62,556
Income tax	3	(5,754)	(3,985)	(13,587)	(8,635)
Profit for the year		22,931	17,504	67,673	53,921
Other comprehensive income:					
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		22,931	17,504	67,673	53,921
Profit and comprehensive income attributable to:					
Owners of the Parent		22,931	17,504	67,673	53,921
Basic and diluted earnings per share for profit attributable to the equity holders of the Company (expressed in EUR per share)	4	0.039	0.030	0.116	0.093

Statement of financial position

In thousands of EUR		As at 30 September	As at 31 December
	Notes	2025	2024
ASSETS			
Non-current assets			
Property, plant and equipment	6	231,293	243,694
Goodwill	7	26,769	26,769
Intangible assets	7	136,516	140,136
Right-of-use assets	8	48,040	47,177
Costs to obtain contract		5,826	5,587
Contract asset		179	423
Trade and other receivables		18,430	20,497
Finance lease receivables		4,010	5,545
		471,063	489,828
Current assets			
Inventories		11,759	13,037
Contract asset		1,180	1,375
Trade and other receivables		65,486	65,859
Current income tax assets		-	-
Finance lease receivables		4,282	5,668
Cash pool receivables		46,114	27,771
Cash and cash equivalents		3,940	7,025
		132,761	120,735
Assets classified as held for sale		51	51
Total assets		603,875	610,614

In thousands of EUR		As at 30 September	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		193,743	190,158
Equity attributable to owners of the Company		379,597	376,012
Total equity		379,597	376,012
LIABILITIES			
Non-current liabilities			
Lease liabilities		43,901	44,474
Deferred tax liabilities		19,764	17,592
Deferred revenue and accrued liabilities		17,999	18,394
Provisions	11	13,433	13,462
		95,097	93,922
Current liabilities			
Trade, other payables and accrued liabilities		63,621	69,738
Current income tax liabilities		2,747	2,835
Borrowings		45,581	50,150
Contract liability		3,014	3,067
Lease liabilities		14,218	14,890
		129,181	140,680
Total liabilities		224,278	234,602
Total equity and liabilities		603,875	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	-	-	53,921	53,921
Other comprehensive income for the year, net of income tax	-	-	-	-
Total comprehensive income for the year	-	-	53,921	53,921
Dividends paid for 2023	-	-	(52,435)	(52,435)
Balance at 30 September 2024	168,958	16,896	172,460	358,314
Balance at 1 January 2025	168,958	16,896	190,158	376,012
Profit for the year	-	-	67,673	67,673
Other comprehensive income for the year, net of income tax	-	-	-	-
Total comprehensive income for the year	-	-	67,673	67,673
Dividends paid for 2024	-	-	(64,088)	(64,088)
Balance at 30 September 2025	168,958	16,896	193,743	379,597

Statement of cash flows

In thousands of EUR		January – September	
	Notes	2025	2024
Operating activities			
Profit for the year		67,673	53,921
Adjustments for:			
Income tax expenses recognized in profit or loss	3	13,587	8,635
Depreciation, amortisation and impairment charge	6	64,177	67,639
Other gain / (loss) – net		19	(934)
Interest income		(1,819)	(1,672)
Interest expenses		4,181	6,163
Changes in working capital (excluding the effects of acquisition and disposal of subsidiaries):			
Inventories / Assets held for sale		1,499	(4,206)
Trade and other receivables		1,550	8,691
Decrease/(increase) in contract assets		439	(413)
Decrease/(increase) in contract costs		(239)	(99)
Trade, other payables and accrued liabilities, deferred tax liability		485	278
Increase/(decrease) in contract liabilities		(53)	443
Increase/(decrease) in deferred revenue and accrued liabilities		(429)	(435)
Increase/(decrease) in provisions	11	(29)	(60)
Cash generated from operations		151,041	137,951
Interest paid		(3,908)	(5,656)
Interest received		975	234
Income taxes paid		(11,503)	(5,286)
Net cash generated by operating activities		136,605	127,243

In thousands of EUR		January – September	
	Notes	2025	2024
Investing activities			
Purchase of property, plant and equipment and intangible assets		(45,844)	(44,957)
Proceeds from disposal of property, plant and equipment and intangible assets		357	1,887
Proceeds from / repayments for finance sublease receivables		3,765	1,444
Receipt of asset-related government grant		157	196
Net cash used in investing activities		(41,565)	(41,430)
Financing activities			
Repayment of borrowings		(68,599)	(136,768)
Proceeds from borrowings		64,030	113,321
Increase (decrease) in lease liabilities		(11,125)	(8,390)
Dividends paid to shareholders		(64,088)	(52,435)
Net cash received in financing activities		(79,782)	(84,272)
Increase (decrease) in cash and cash equivalents		15,258	1,541
Movement in cash and cash equivalents			
At the beginning of the financial year		34,796	20,604
Increase (decrease) in cash and cash equivalents		15,258	1,541
At the end of the financial year		50,054	22,145

Notes to the financial statements

1 Basic of preparation

The interim financial statements for the 9 months' period ended 30 September 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 September 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 September 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 September 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	July – September		January – September	
	2025	2024	2025	2024
Current tax expenses	4,445	3,462	11,415	8,164
Deferred tax change	1,309	523	2,172	471
Total	5,754	3,985	13,587	8,635

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 1.1 million (2024: EUR 2.0 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	July – September		January – September	
	2025	2024	2025	2024
Net profit	22,931	17,504	67,673	53,921
Weighted average number of ordinary shares in issue (thousands)	582,613	582,613	582,613	582,613
Basic earnings per share (EUR)	0.039	0.030	0.116	0.093

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 – September	
	2025	2024
Depreciation of property, plant and equipment (Note 6)	33,672	34,067
Impairment of property, plant and equipment (Note 6)	82	32
Amortisation of intangible assets (Note 7)	20,860	23,275
Impairment of intangible assets (Note 7)	-	-
Amortisation of right-of-use-asset (Note 8)	9,017	8,585
Total	63,631	65,959
Impairment of assets classified as held for sale	-	-
Total	63,631	65,959

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
Nine months ended 30 September 2024					
Opening net book amount	8,249	218,849	10,944	15,696	253,738
Additions	-	-	-	24,965	24,965
Reclassifications	34	(36)	-	(286)	(288)
Disposals and write-offs	(180)	(303)	(4)	-	(487)
Transfers from construction in progress	440	22,180	1,441	(24,061)	-
Depreciation charge	(957)	(29,611)	(3,499)	-	(34,067)
Impairment charge	-	(32)	-	-	(32)
Closing net book amount	7,586	211,047	8,882	16,314	243,829
At 30 September 2024					
Cost	27,364	759,463	46,597	16,314	849,738
Accumulated depreciation	(19,737)	(547,576)	(37,714)	-	(605,027)
Impairment charge	(41)	(840)	(1)	-	(882)
Net book amount	7,586	211,047	8,882	16,314	243,829
Nine months ended 30 September 2025					
Opening net book amount	6,979	208,278	8,414	20,023	243,694
Additions	-	-	-	22,141	22,141
Reclassifications	-	-	(4)	(410)	(414)
Disposals and write-offs	(6)	(276)	(92)	-	(374)
Transfers from construction in progress	599	21,325	3,998	(25,922)	-
Depreciation charge	(832)	(29,930)	(2,910)	-	(33,672)
Impairment charge	-	(82)	-	-	(82)
Closing net book amount	6,740	199,315	9,406	15,832	231,293
At 30 September 2025					
Cost	24,481	693,946	43,838	15,832	778,097
Accumulated depreciation	(17,699)	(493,998)	(34,431)	-	(546,128)
Impairment charge	(42)	(633)	(1)	-	(676)
Net book amount	6,740	199,315	9,406	15,832	231,293

7 Intangible assets

In thousands of EUR	Licenses and software	Goodwill	Other intangible assets	Construction in progress	Total
Nine months ended 30 September 2024					
Opening net book amount	80,763	26,769	24,366	36,613	168,511
Additions	-	-	-	18,323	18,323
Reclassifications	-	-	-	288	288
Disposals and write-offs	(409)	-	-	(1)	(410)
Transfers to other accounts	15,298	-	-	(15,298)	-
Amortization charge	(20,697)	-	(2,578)	-	(23,275)
Closing net book amount	74,955	26,769	21,788	39,925	163,437
At 30 September 2024					
Cost	190,252	29,408	53,124	39,924	312,708
Accumulated amortization	(115,297)	-	(31,336)	1	(146,632)
Impairment charge	-	(2,639)	-	-	(2,639)
Net book amount	74,955	26,769	21,788	39,925	163,437
Nine months ended 30 September 2025					
Opening net book amount	73,154	26,769	20,927	46,055	166,905
Additions	-	-	-	16,828	16,828
Reclassifications	-	-	-	414	414
Disposals and write-offs	(2)	-	-	-	(2)
Transfers to other accounts	41,834	-	-	(41,834)	-
Amortization charge	(18,282)	-	(2,578)	-	(20,860)
Closing net book amount	96,704	26,769	18,349	21,463	163,285
At 30 September 2025					
Cost	227,515	29,408	52,981	21,463	331,367
Accumulated depreciation	(130,811)	-	(34,632)	-	(165,443)
Impairment charge	-	(2,639)	-	-	(2,639)
Net book amount	96,704	26,769	18,349	21,463	163,285

Notes to the financial statements

8 Right-of-use-assets

In thousands of EUR	Land and premises	Dark fiber	Equipment rent	Other	Total
Nine months ended 30 September 2024					
Opening net book amount	33,993	8,413	-	2,728	45,134
Additions	1,262	-	4,354	1,039	6,655
Lease modifications	5,827	285	-	387	6,499
Disposals and write-offs	-	-	(4,354)	-	(4,354)
Amortization charge	(6,959)	(827)	-	(799)	(8,585)
Closing net book amount	34,123	7,871	-	3,355	45,349
At 30 September 2024					
Cost	79,545	14,590	-	5,828	99,963
Accumulated amortization	(45,422)	(6,719)	-	(2,473)	(54,614)
Net book amount	34,123	7,871	-	3,355	45,349
Nine months ended 30 September 2025					
Opening net book amount	34,807	9,433	-	2,937	47,177
Additions	1,009	-	3,033	465	4,507
Lease modifications	8,521	78	-	(193)	8,406
Disposals and write-offs	-	-	(3,033)	-	(3,033)
Amortization charge	(7,368)	(910)	-	(739)	(9,017)
Closing net book amount	36,969	8,601	-	2,470	48,040
At 30 September 2025					
Cost	92,177	16,527	-	5,955	114,659
Accumulated depreciation	(55,208)	(7,926)	-	(3,485)	(66,619)
Net book amount	36,969	8,601	-	2,470	48,040

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 September 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	-	13,039	13,039
Additions	-	-	-
Discounting	-	-	-
Used provisions	-	(60)	(60)
Closing net book amount at 30 September 2024	-	12,979	12,979
Closing net book amount at 31 December 2024	-	13,462	13,462
Additions	-	-	-
Discounting	-	-	-
Used provisions	-	(29)	(29)
Closing net book amount at 30 September 2025	-	13,433	13,433

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 – September	
	2025	2024
Sales of telecommunication and other services to Telia Company AB and its subsidiaries:		
Sales of telecommunication and other services	5,608	7,177
of which Telia Company AB	-	-
Cash pool interest revenues	733	582
Sales of assets	-	381
Other	-	20
Total sales of telecommunication and other services	6,341	8,160
Purchases of assets and services from Telia Company AB and its subsidiaries:		
Purchases of services	10,333	10,803
of which Telia Company AB	9,064	9,310
Interest expenses on borrowings (incl. commitment fee)	129	995
Purchases of assets	838	62
Other purchases	284	255
Total purchases of assets and services	11,584	12,115

Receivables and accrued revenue from related parties:

In thousands of EUR	January – September	
	2025	2024
Receivables and accrued revenue from Telia Company AB and its subsidiaries:		
Short-term receivables	147	543
of which Telia Company AB	9	328
Interest bearing receivables (cash pool)	46,114	16,014
Accrued revenue	273	304
Total receivables and accrued revenue	46,534	16,861

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 – September	
	2025	2024
Borrowings, payables and accrued expenses to Telia Company AB and its subsidiaries:		
Borrowings	-	25,000
Short term borrowings	-	25,000
Short-term payables	2,114	2,178
of which Telia Company AB	1,015	1,345
Accrued expenses	72	13
Total payables and accrued expenses	2,186	2,191

Till 10 January 2025, the Company had 2-years agreement regarding revolving credit facility with Telia Company AB that provided 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. The loan was extended on 26 May 2025 and repaid on 26 August 2025.

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 9 months' period ended 30 September 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.

Giedrė Kaminskaitė-Salters
CEO

Daina Večkytė
Head of Finance

Vilnius, 22 October 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	Saltoniškių str. 7A, LT-03501 Vilnius, Lithuania
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