

Interim results

9 months of 2023



Telia Lietuva provides telecommunication, IT & TV services in Lithuania from a single point



Telia Lietuva means



Wide range
of services



The most
developed
networks



Modern data
centres



Everything
from a single
point



Telia Lietuva means



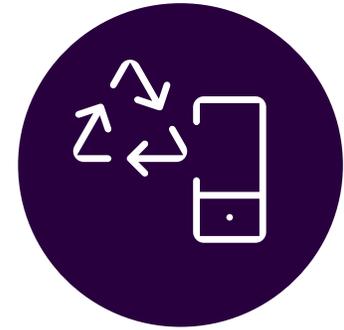
Customer care
24/7/365



Quality of
operations'
management
confirmed by
ISO certificates



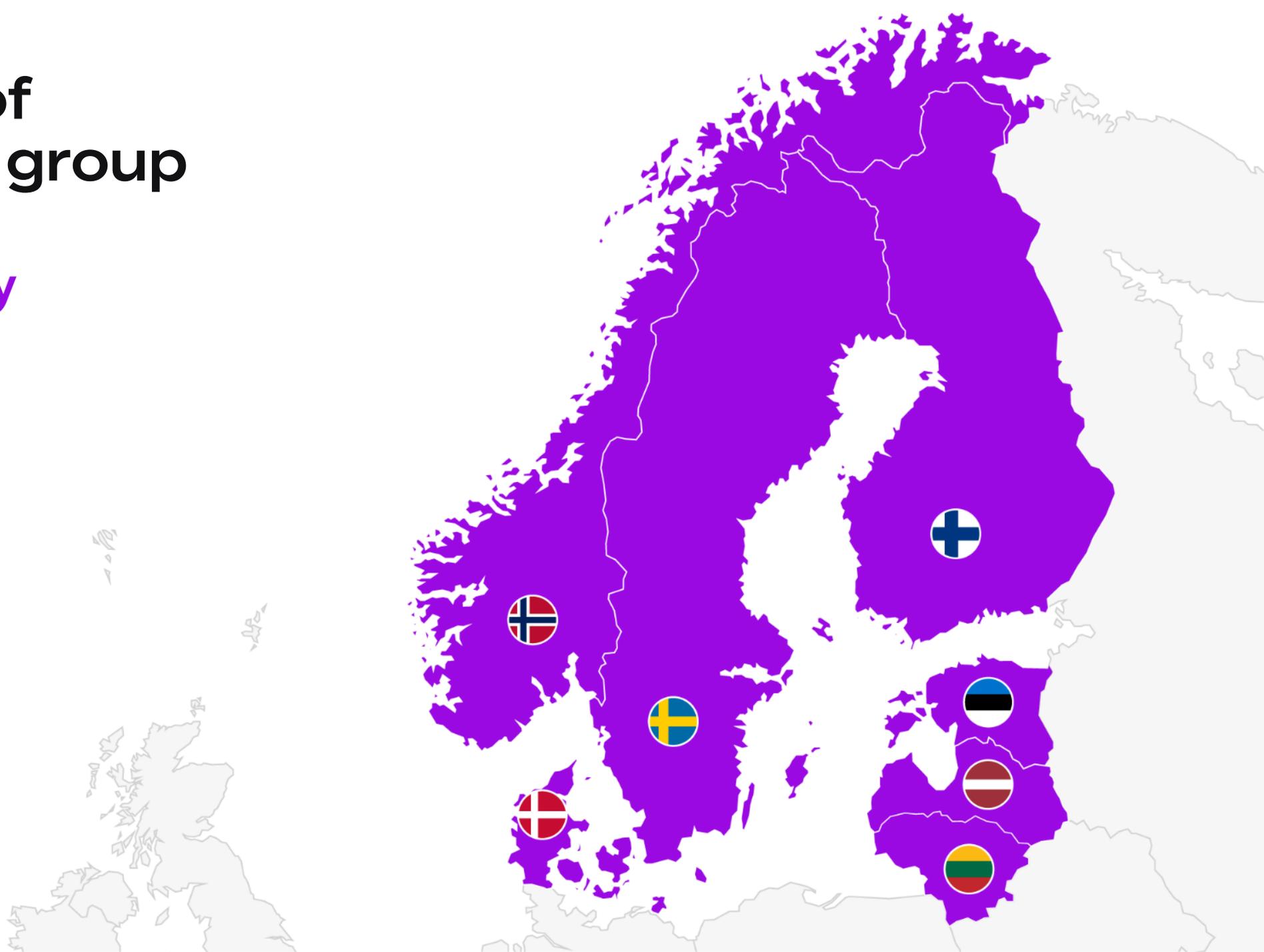
Team of 2,000
professionals



Sustainable and
responsible
business



**We are part of
international group**



**Our
purpose**



**We
reinvent
better
connected
living**



Our values

We Dare
to make an impact

Speed up
Make the right decisions fast

Make it happen
Enable everyone to make better happen

Radical honesty
Call things out even when it's difficult

We Care
for everyone

Look out for each other
Treat everyone with respect

Walk in our customers' shoes
Make customer experience your obsession

Celebrate the good stuff
Be generous with your praise

We Simplify
the way we do things

Less is more
Do what matters most

One team
Align goals and prioritize

1% a day
Make small improvements every day

Telia Lietuva has an associate



50%

VšĮ Numerio Perkėlimas

— **Telia Lietuva** provides integrated mobile and fixed communication and IT services

— **Numerio Perkėlimas** administers the central database to ensure telephone number portability in Lithuania (Tele2 and Bitė Lietuva owns 25% each)



Highlights of Q3 2023

#1

Strong revenue & earnings growth

#2

Continuous double-digit growth in revenue from billed mobile & IT services

#3

Telia Lietuva was providing connectivity services during NATO summit in Vilnius

#4

Every fourth device operating in the Company's network supports 5G connectivity

#5

Voice over Wi-Fi service became available to iPhone holders

#6

Signed contracts with ESO for SMS sending service & with Lietuvos Draudimas & PZU Life Insurance for IT systems maintenance

#7

The Company intends to renounce and return the electronic money institution license issued by the Bank of Lithuania

#8

Telia Lietuva continues to provide calls to/from Ukraine at reduced tariffs

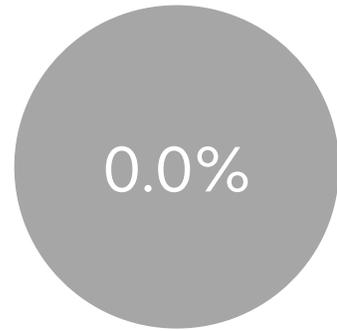


Number of customers



1,642,000

of **mobile** service users



426,000

of **broadband Internet** connections



259,000

of **TV service** users



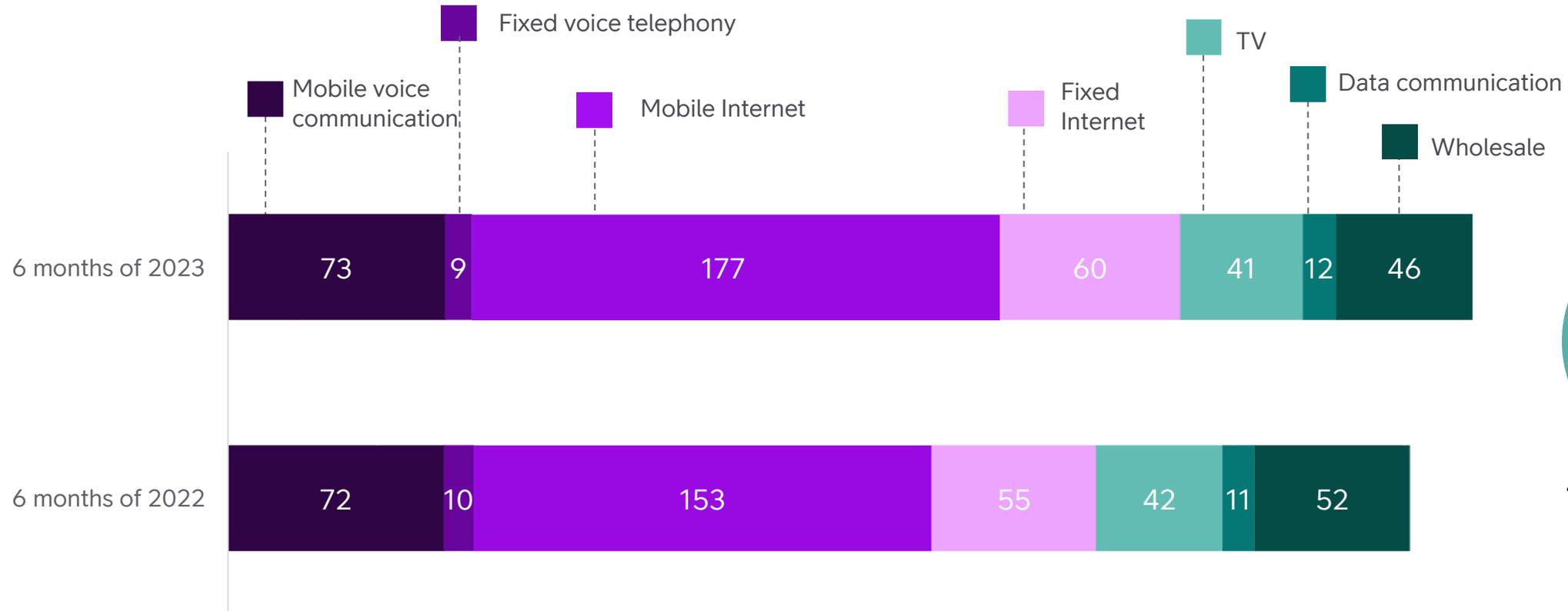
182,000

of **fixed telephone** lines in service



Telecommunications market of Lithuania

Internet drives telco market growth (mEur)

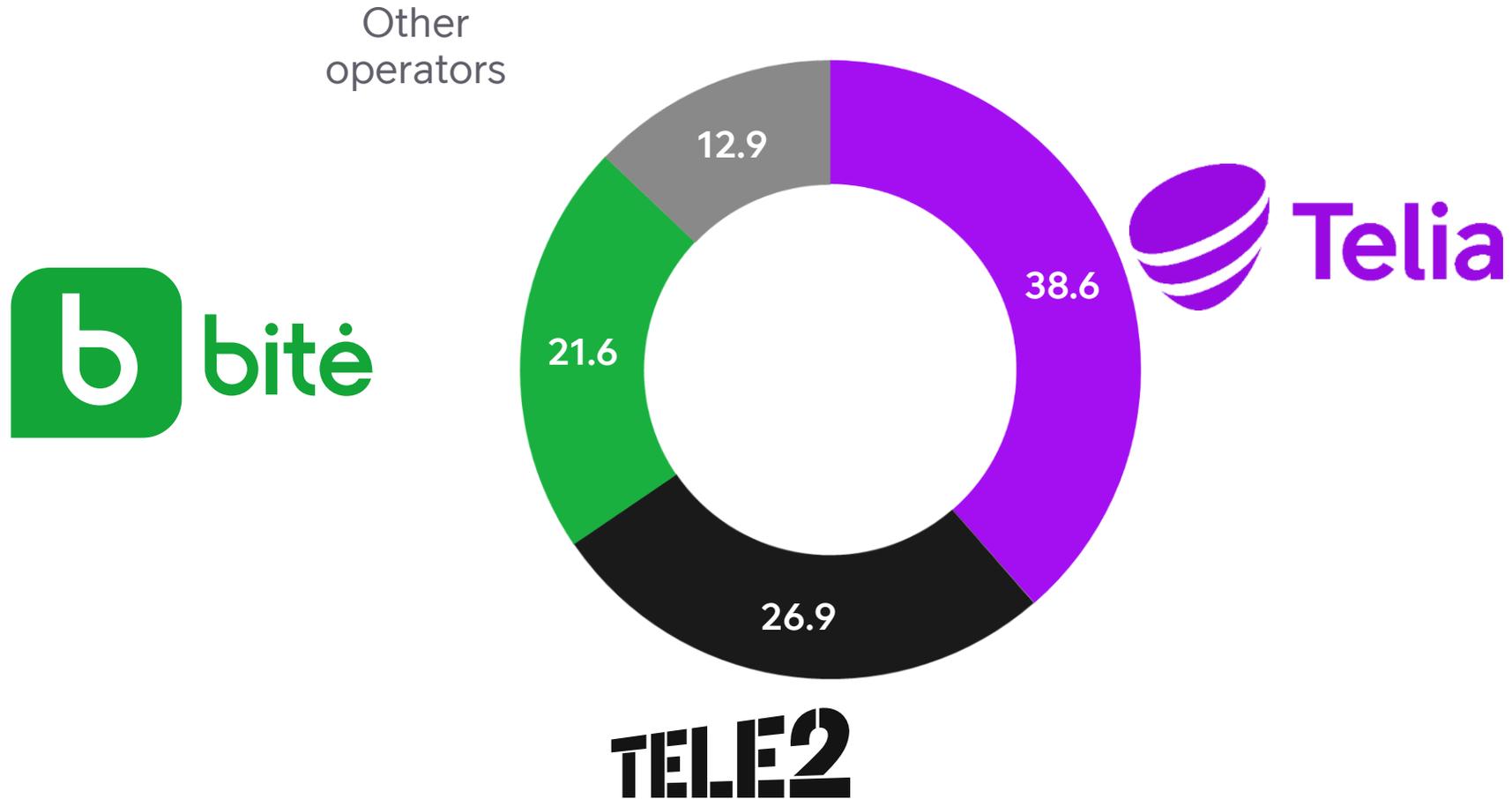


+5.3%
(y-o-y)

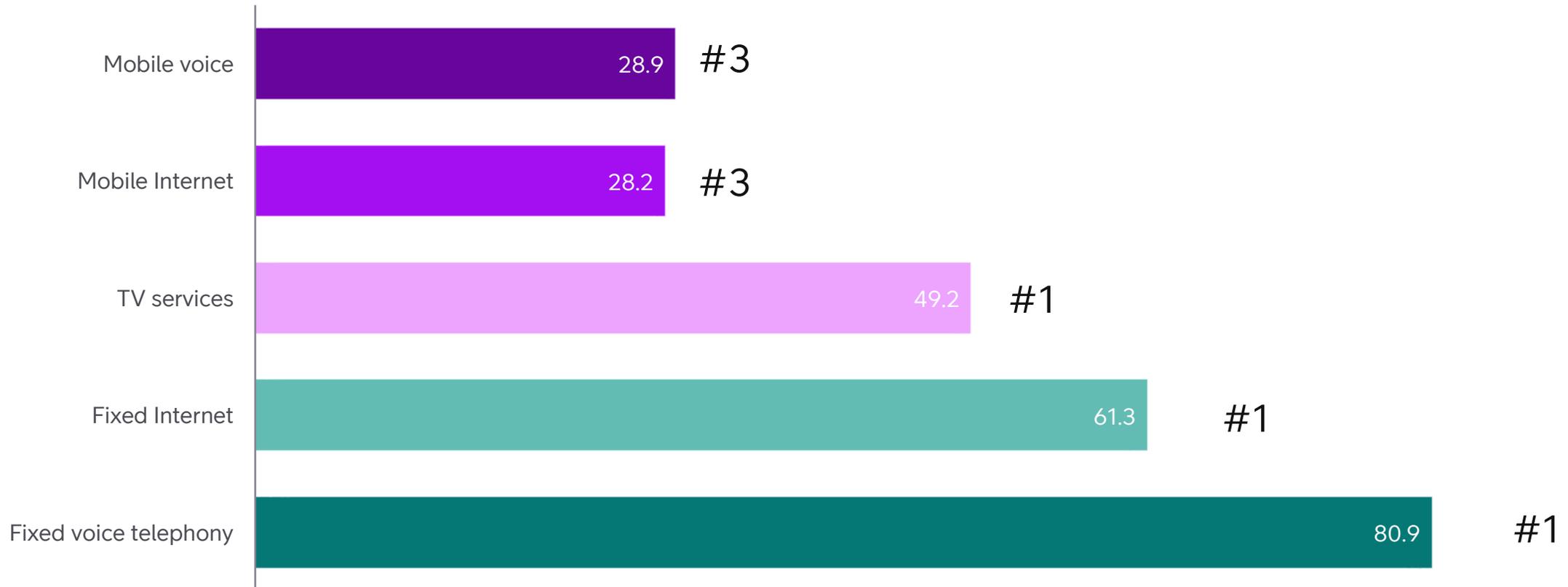
Total market



Breakdown of the telecommunications market revenue by operators for Q2 2023 (%)



Telia Lietuva market shares in terms of revenue for Q2 2023 (%)



Market: growing usage of mobile data



+21.3% (y-o-y)

Growing usage of
mobile data

(uploaded / downloaded
324,054 TB of data per quarter)



+1.0% (y-o-y)

Increased number of
FTTH/B connections

(accounts for **79.2%** of all
fixed Internet connections)



+0.5% (y-o-y)

Increased number of
IPTV users

(accounts for **52.6%** of all
pay-TV service users)



Market penetration



136.3

Mobile
communications
subscribers

(per 100 inhabitants)



14.6

Fixed
telephony
lines

(per 100 households)



54.0

Broadband
Internet
access

(per 100 households)



41.3

Pay-TV
subscribers

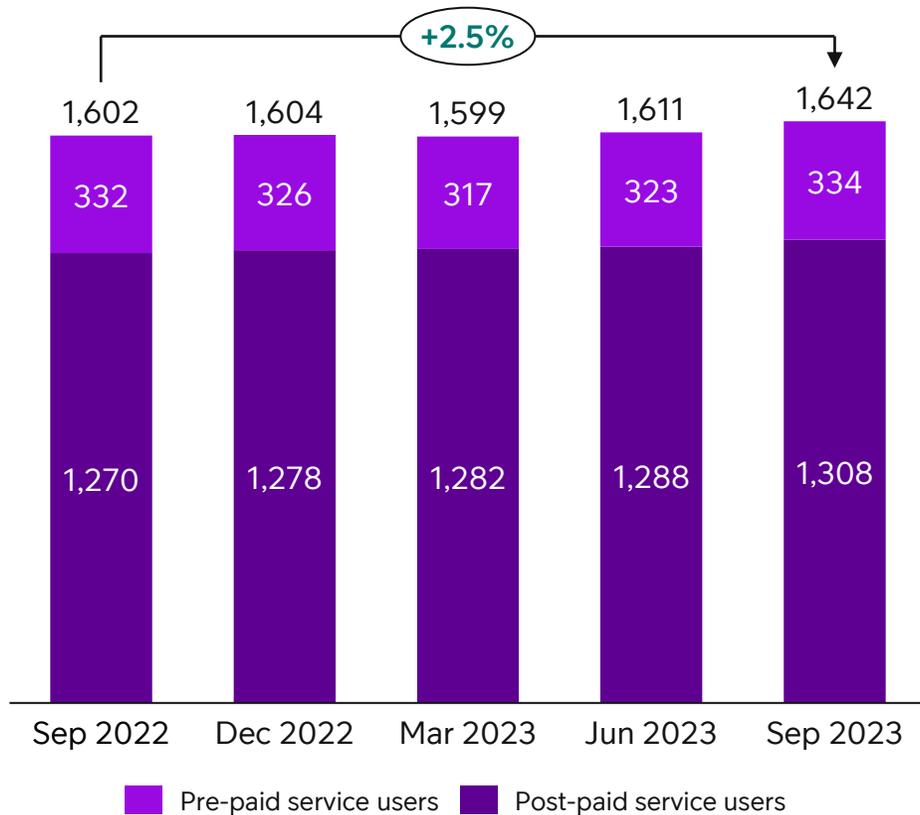
(per 100 households)



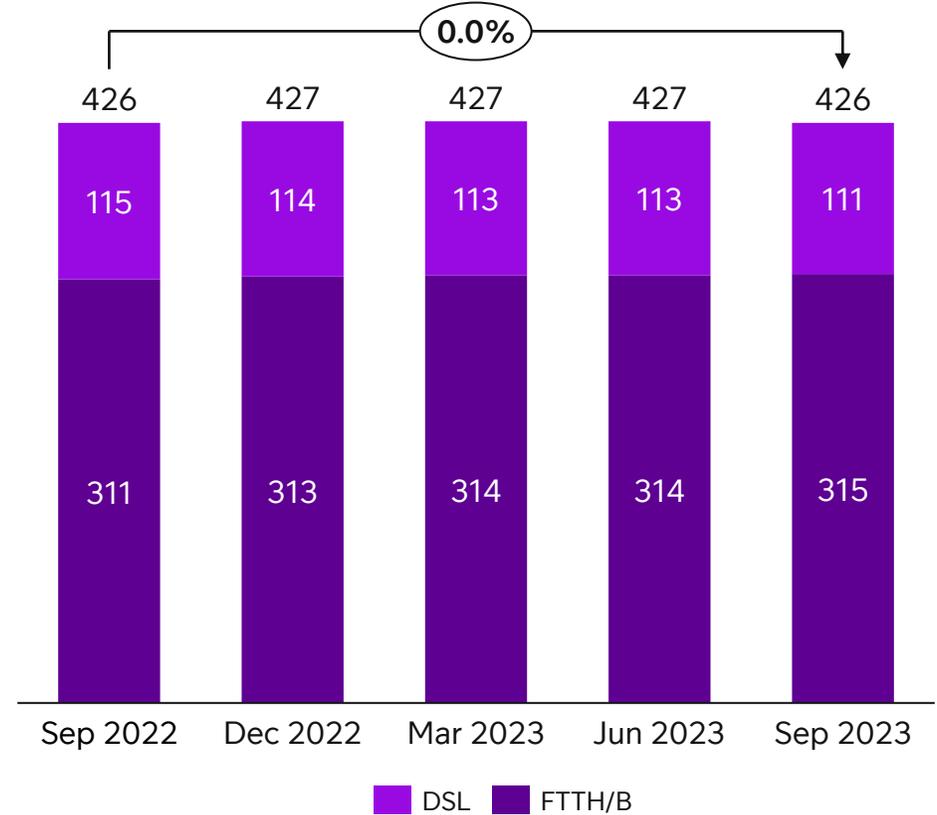
Operating and financial results

Number of mobile and broadband service users

Mobile communication users (thousands)

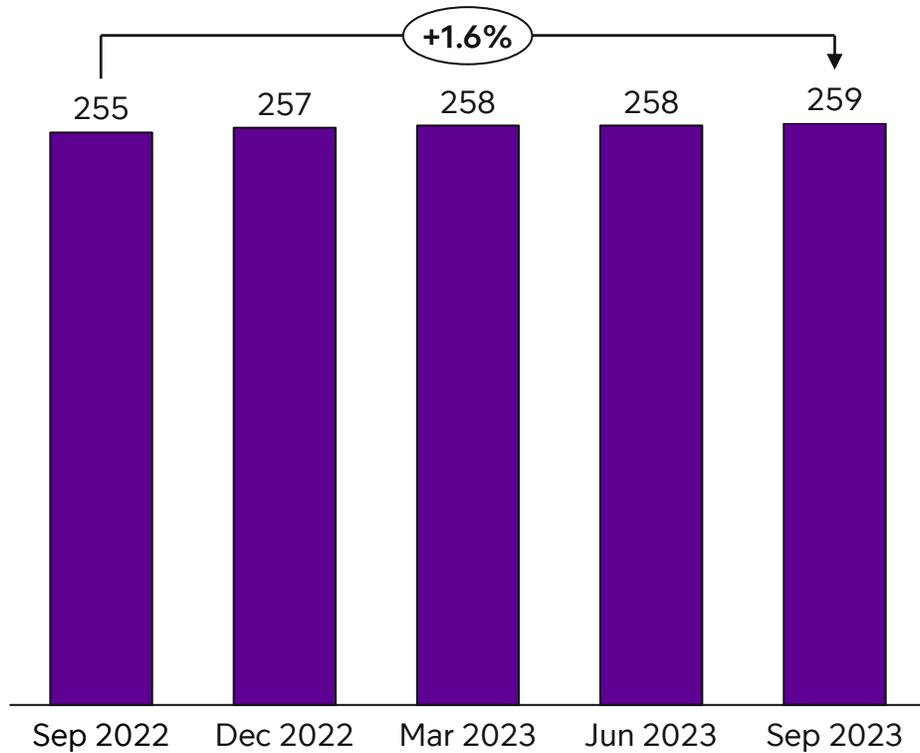


Broadband Internet connections (thousands)

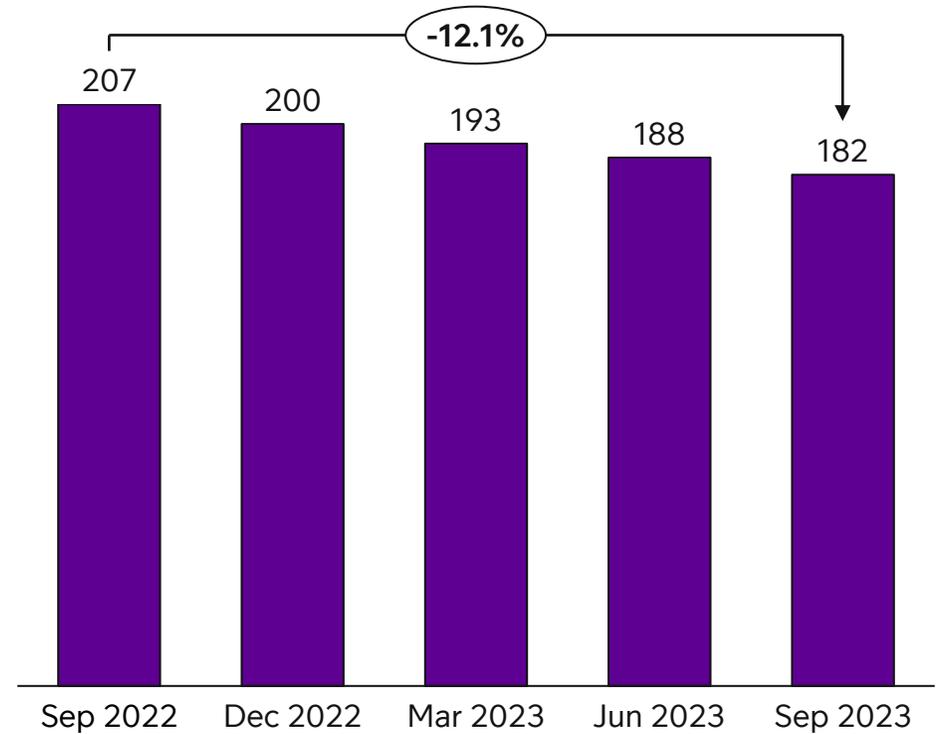


Number of TV and fixed voice service users

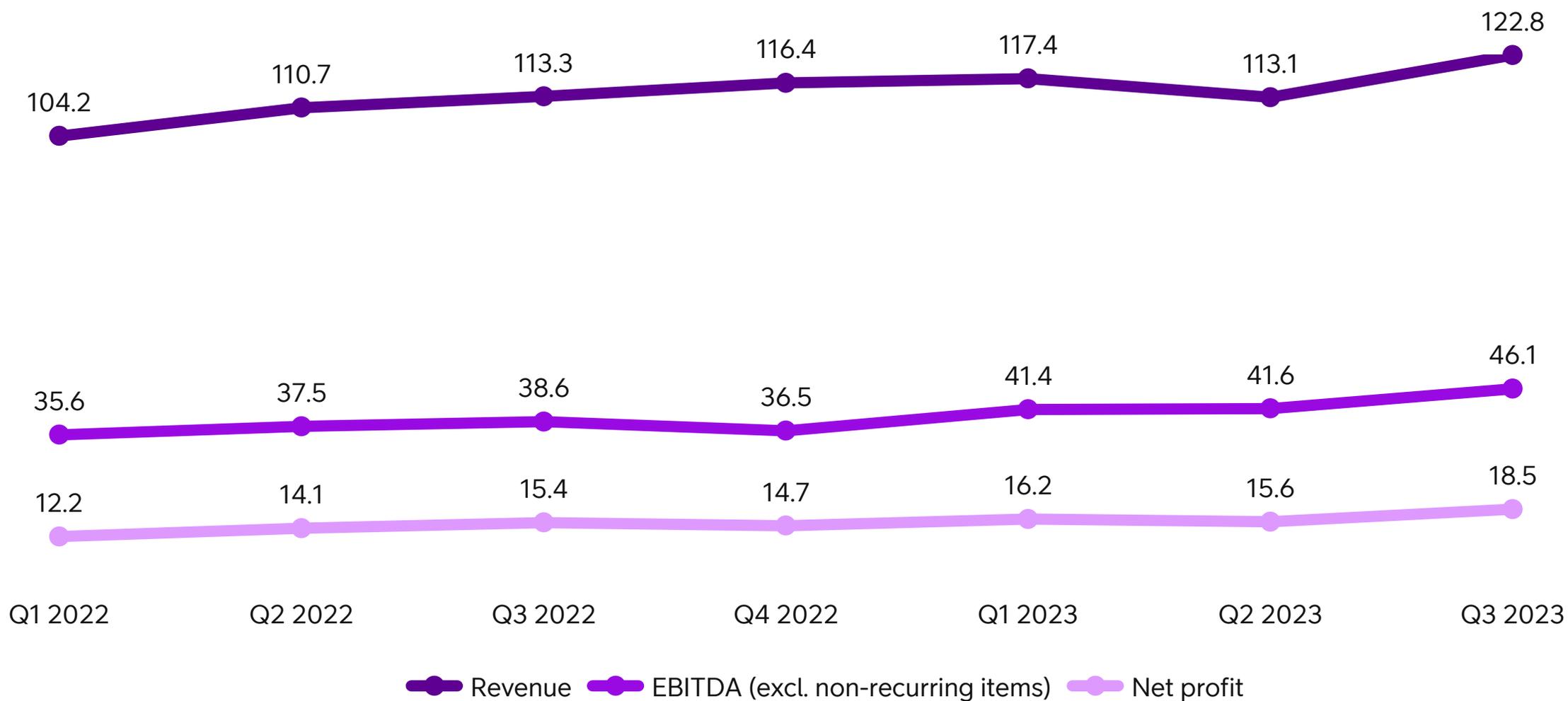
TV service users (thousands)



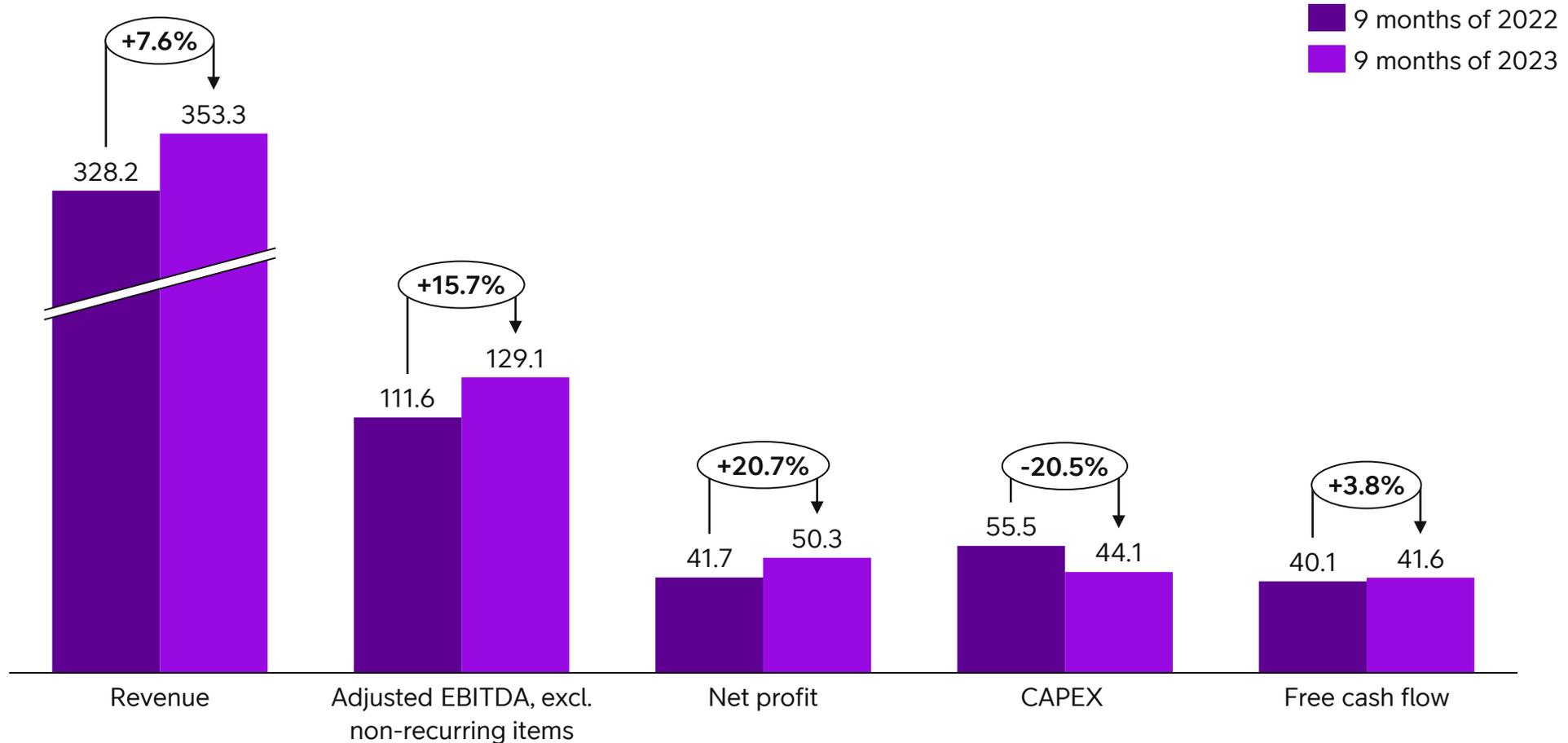
Fixed telephone lines (thousands)



Revenue, EBITDA & Net profit (mEur)



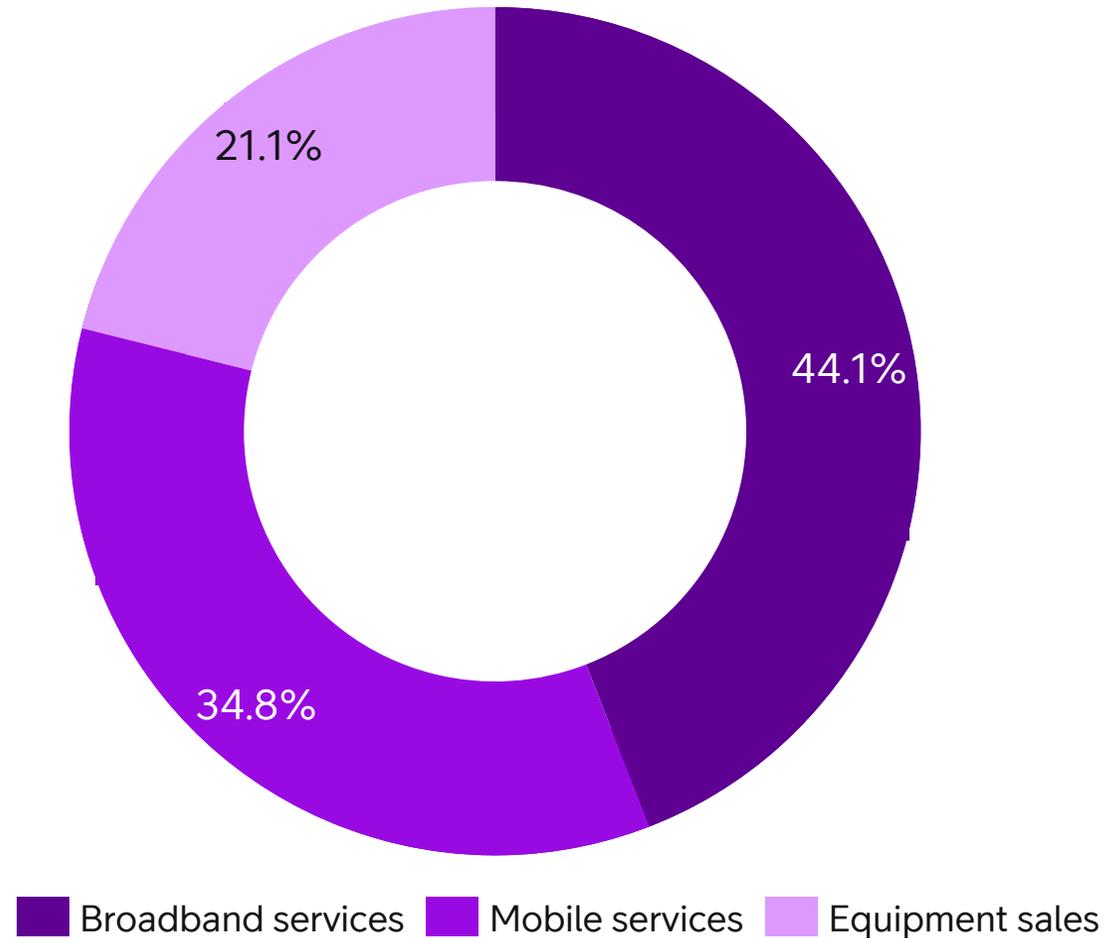
Dynamics of main financial indicators (mEur)



NOTE. Non-recurring items for 9 months of 2023 were comprised of one-off redundancy pay-outs of EUR 874 thousand (2022: EUR 428 thousand), non-recurring other expenses of EUR 1,465 thousand (EUR 219 thousand) and gain of EUR 123 thousand (EUR 305 thousand) from sale of property.



Revenue breakdown for 9 months of 2023



37.6%

Enterprises

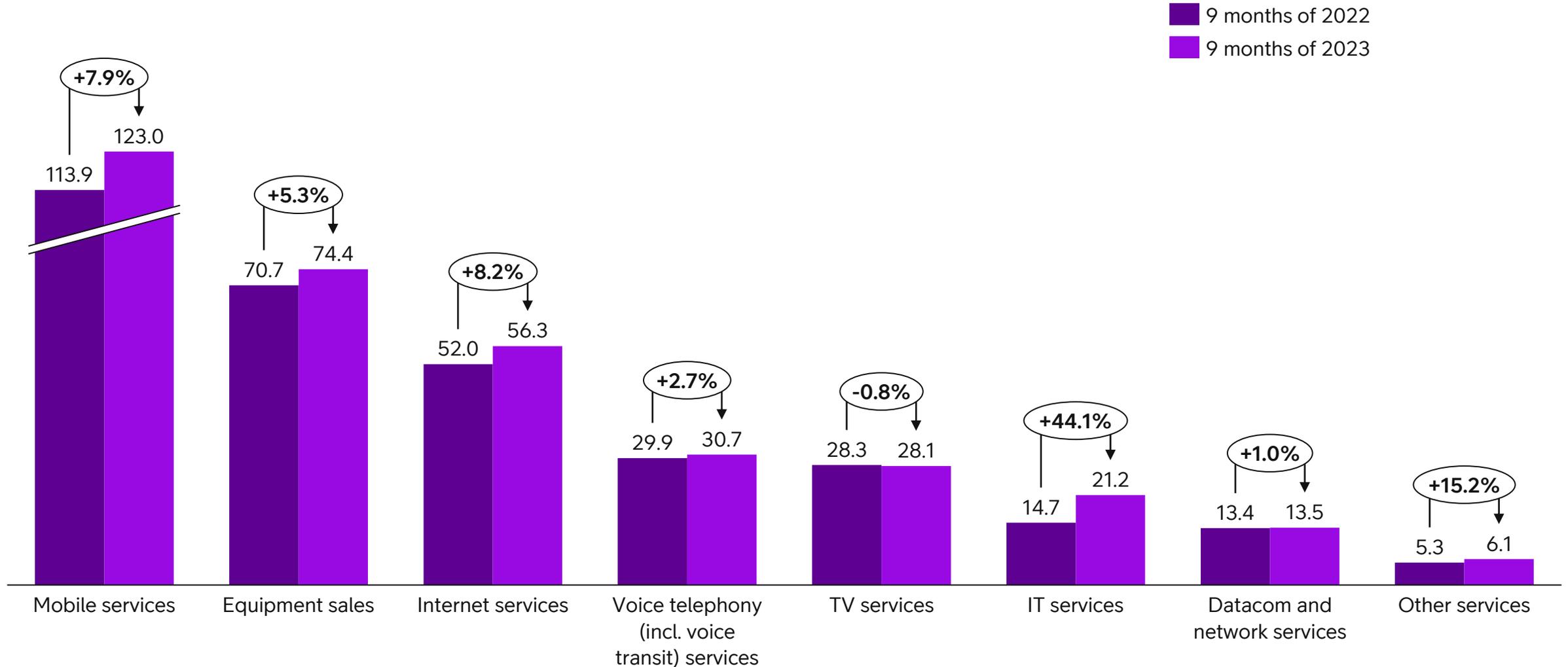


62.4%

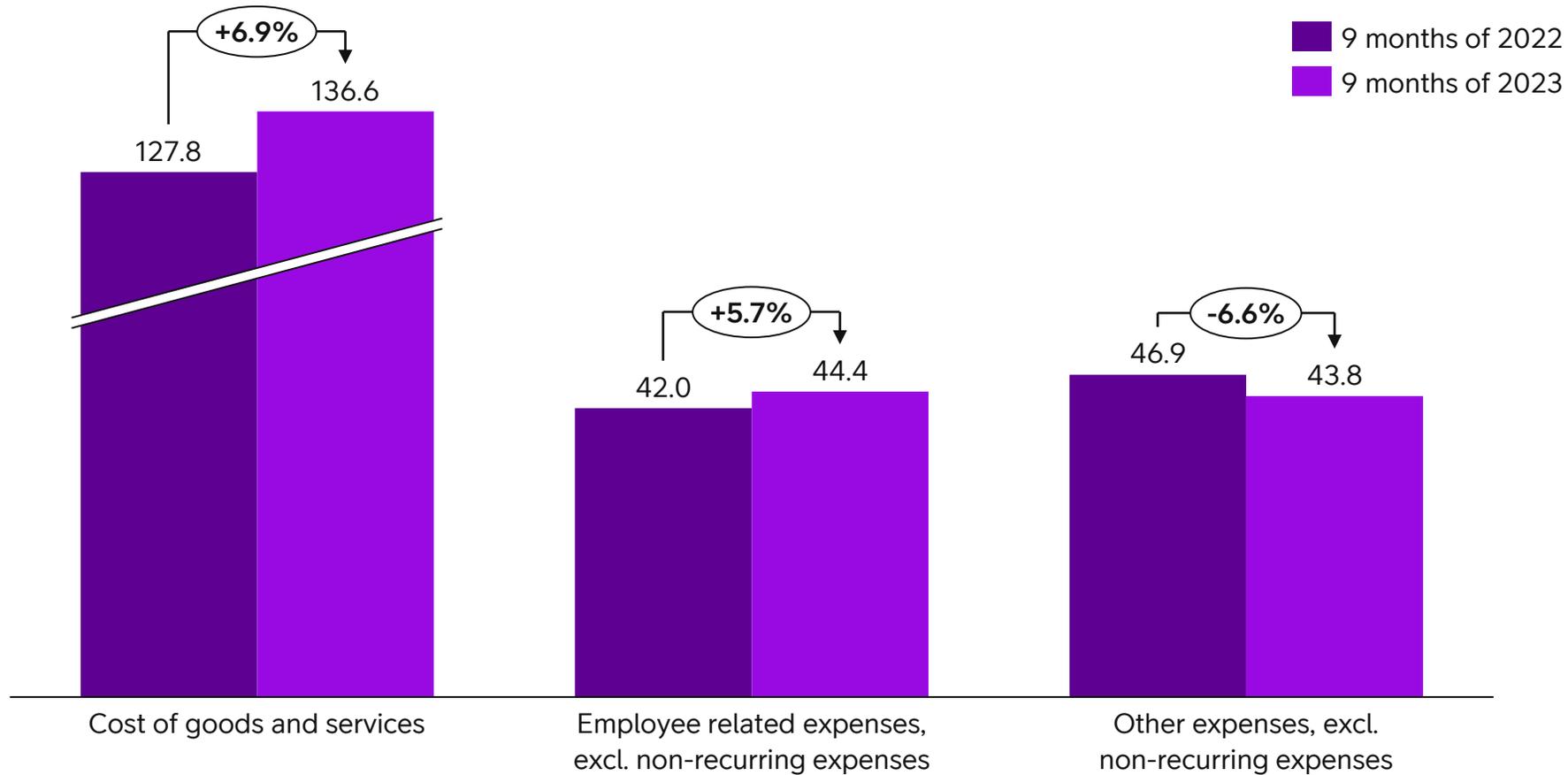
Consumers



Revenue by services (mEur)



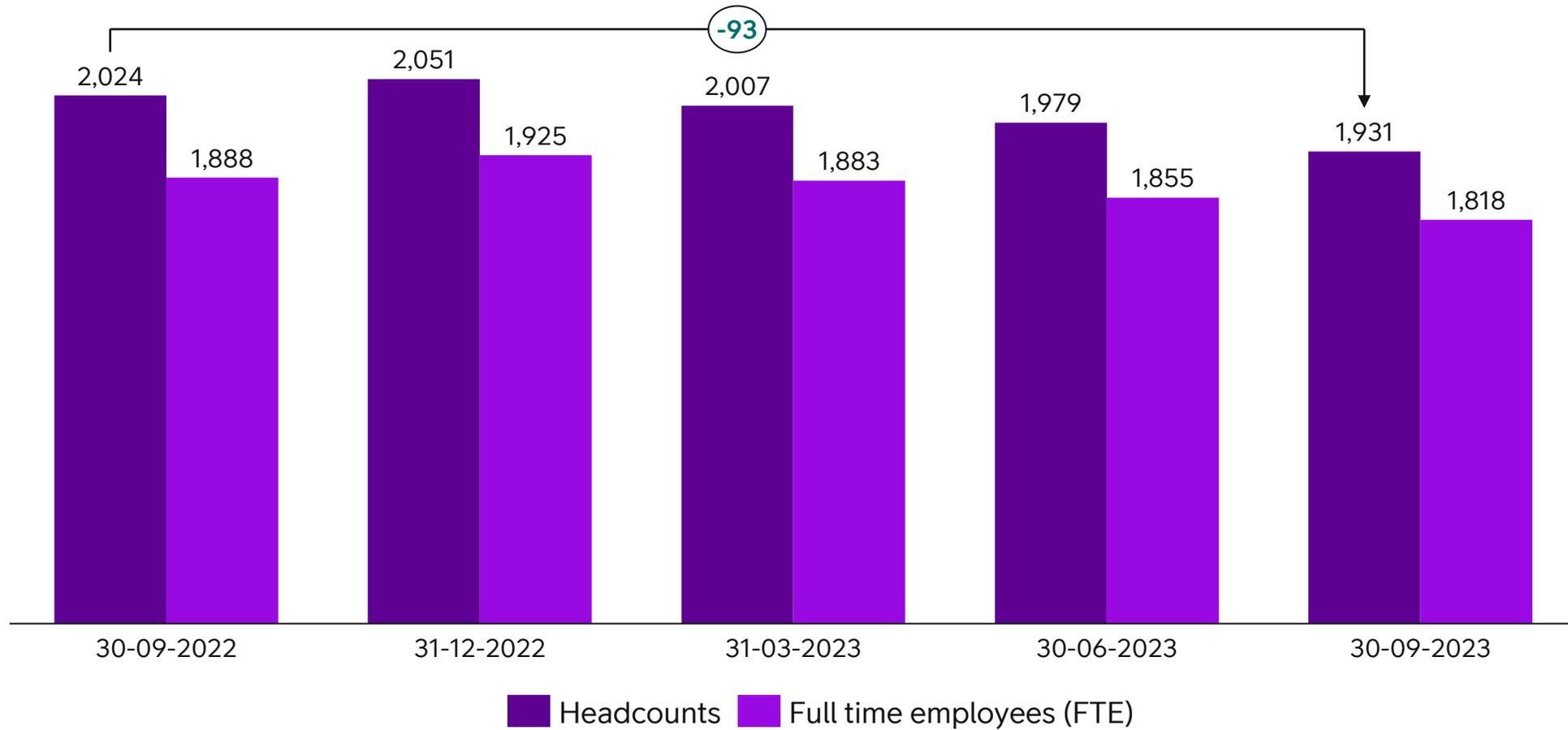
Operating expenses (mEur)



NOTE. Non-recurring items for 9 months of 2023 were comprised of one-off redundancy pay-outs of EUR 874 thousand (2022: EUR 428 thousand), non-recurring other expenses of EUR 1,465 thousand (EUR 219 thousand)

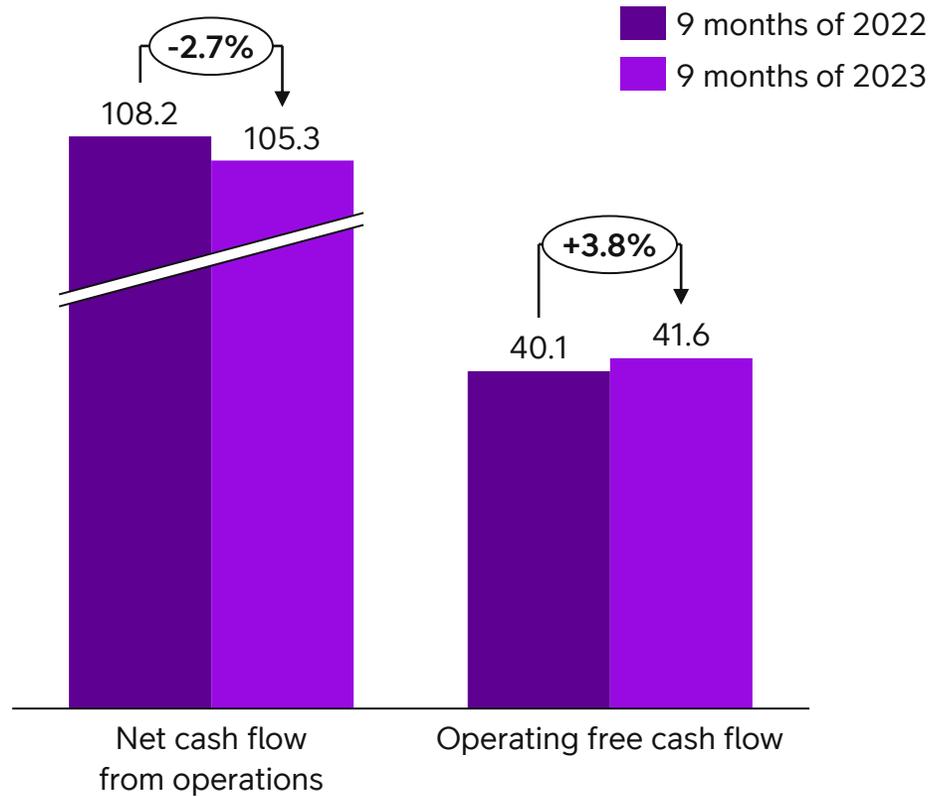


Number of employees

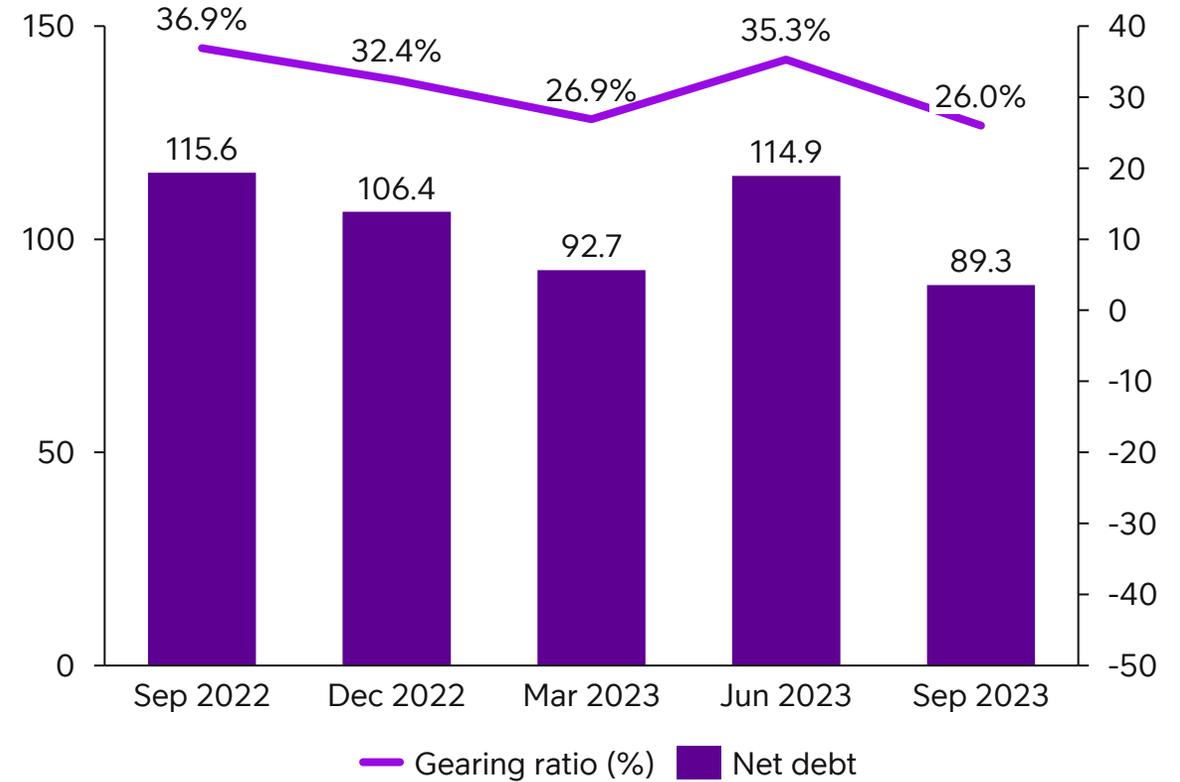


Cash flow & Net debt (mEur)

Cash flow

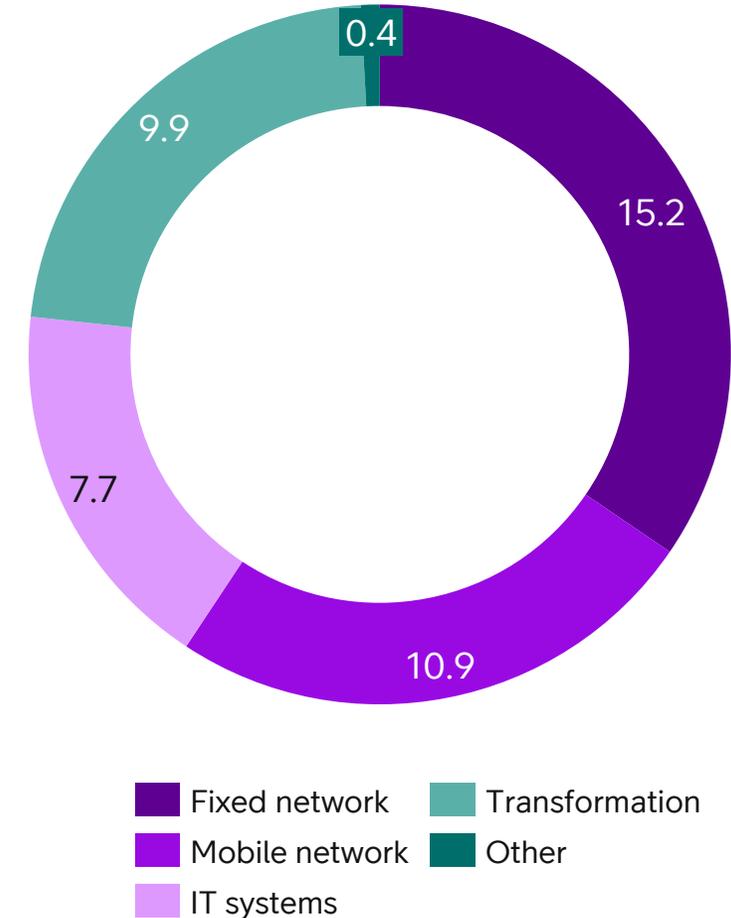
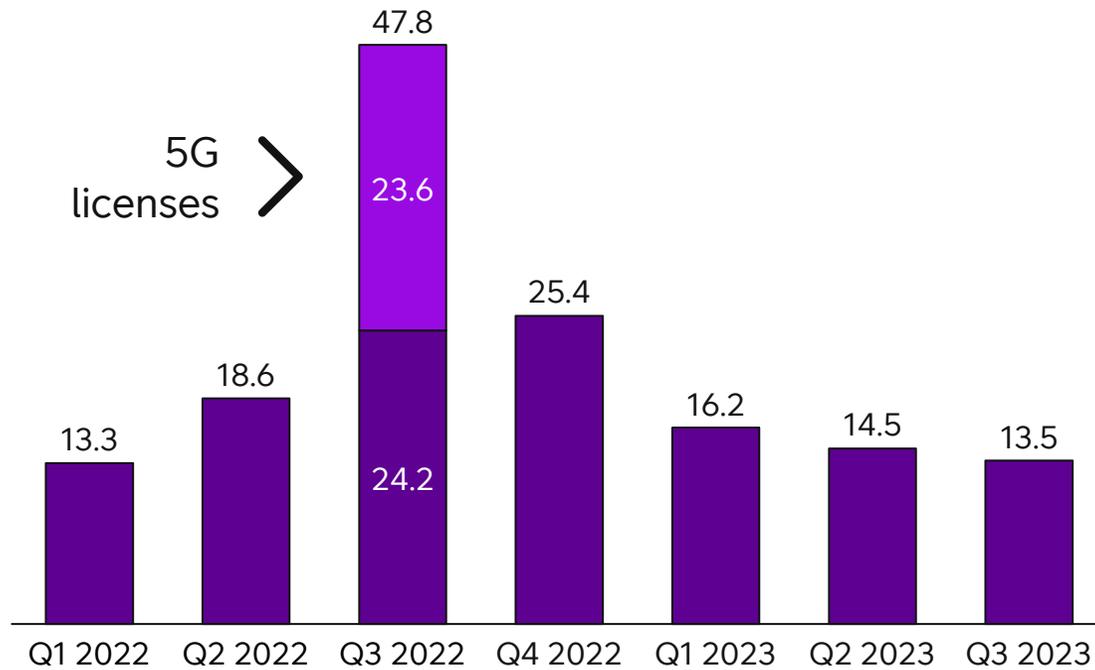


Net debt & Gearing ratio



CAPEX & its breakdown for 9 months of 2023 (mEur)

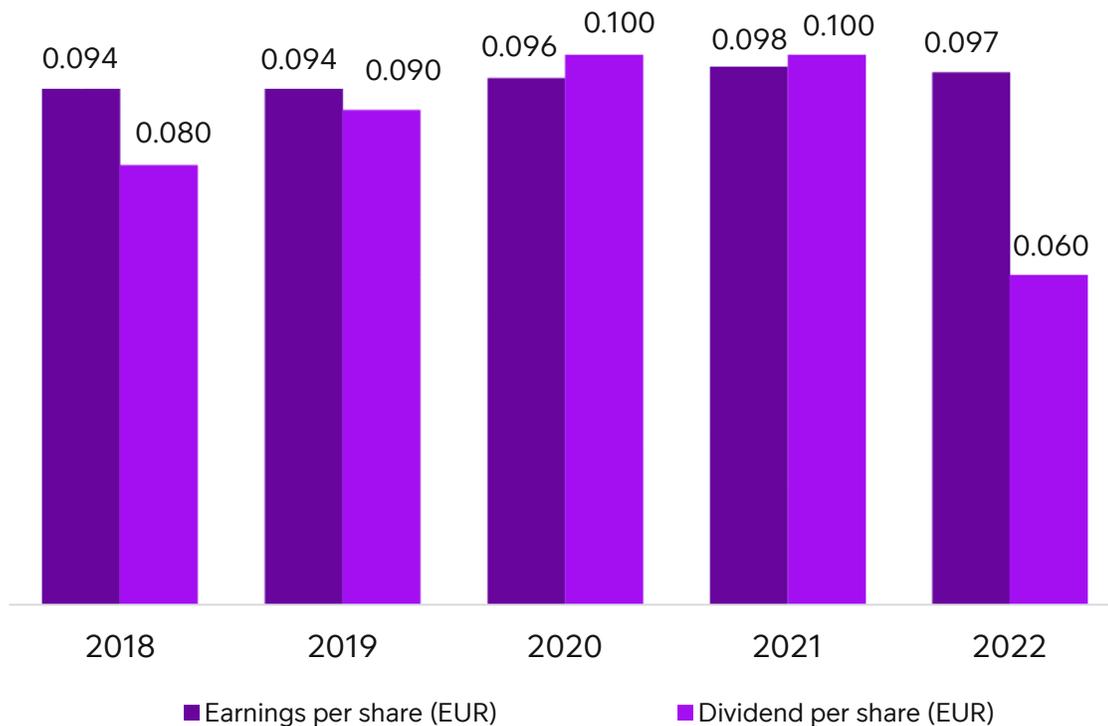
Capex (excl. mobile licenses) to Sales (12 months' rolling)	
30-09-2022	30-09-2023
22.1%	14.8%



Dividends

Dividend payout ratio

2022	2021
62%	102%



NOTE. Financial data for the years 2018-2020 is consolidated, for the year 2021-2022 – standalone

- The 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 **up to 80% of free cash flow** as dividend
- Earnings and dividends are allocated to **582,613,138** shares
- On 27 April 2023, the Annual General Meeting of shareholders approved pay-out of **EUR 35 million** (EUR 0.06 per share) **of dividends** for the year 2022
- **Dividends were paid** on 25 May 2023



Shares and shareholders

Shareholders

- **Telia Company AB** (Sweden) is the largest shareholder of Telia Lietuva, AB
- The Company's share capital consist of **582,613,138** ordinary registered shares of **EUR 0.29** nominal value each
- The **total number of** Telia Lietuva **shareholders is 14.7 thousand**

Shareholders

as of 30-09-2023

Telia Company AB

88.15%

Other

11.85%

Part of shares and votes

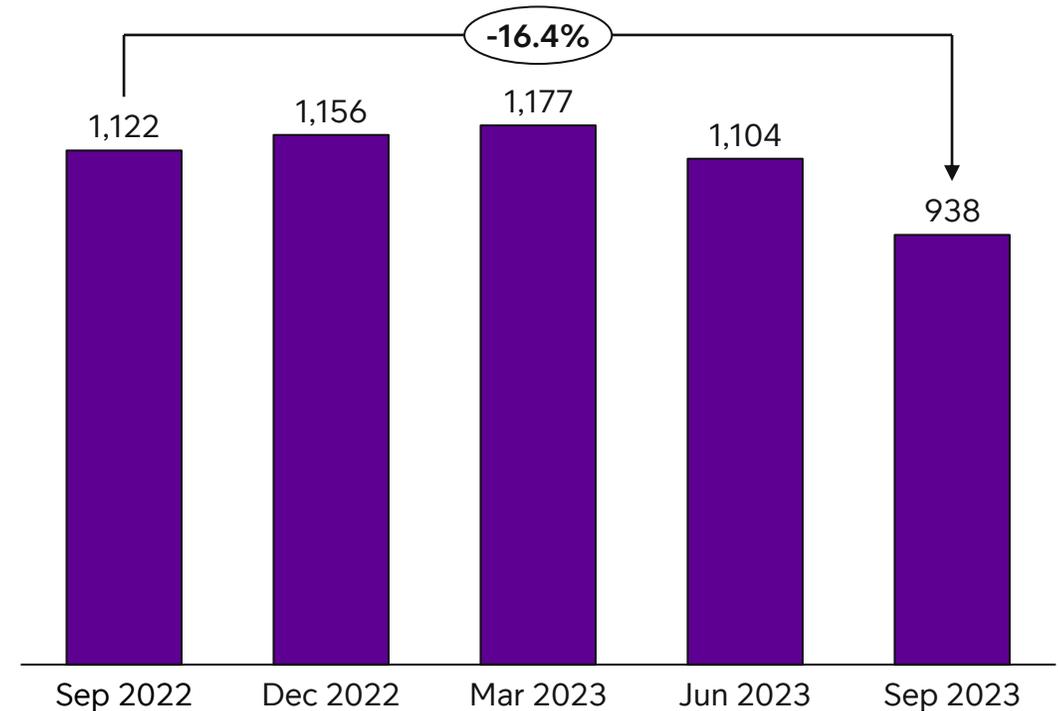


Shares

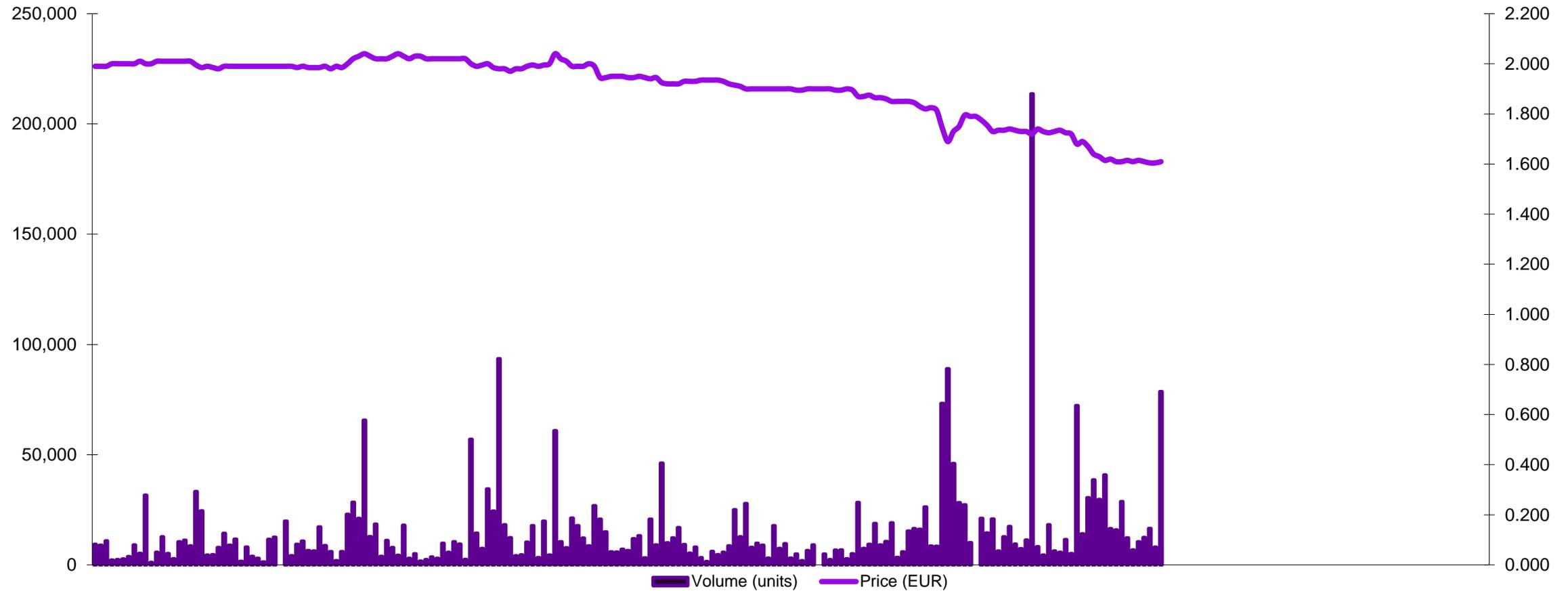
- Since June 2000, the Company's shares are listed on **Nasdaq Vilnius stock exchange** (ticker: TEL1L)
- Since January 2011, the Company's shares were included into the trading lists of a few German stock exchanges (ticker: ZWS)
- **Turnover** on Nasdaq Vilnius stock exchange during January-September 2023: 2.9 million of shares or EUR 5.4 million
- Share **price** on Nasdaq Vilnius:

01-01-2023	High	Low	30-09-2023
1.985 €	2.05 €	1.595 €	1.61€

Market capitalization (mEur)



Trading in the Company's shares on Nasdaq Vilnius stock exchange in 2023



The company's share price and Nasdaq Vilnius indexes comparison



■ OMX Baltic Benchmark GI

■ OMX Vilnius GI

■ TEL1L - Telia Lietuva

	Opening value	Closing value	Change %
■ OMX Baltic Benchmark GI	1,384.42	1,467.6	+6.01
■ OMX Vilnius GI	947.14	942.23	-0.52
■ TEL1L – Telia Lietuva	1.985	1.61	-18.89

P/E ratio: **14.4** (19.7 a year ago)

Source: Nasdaq Vilnius

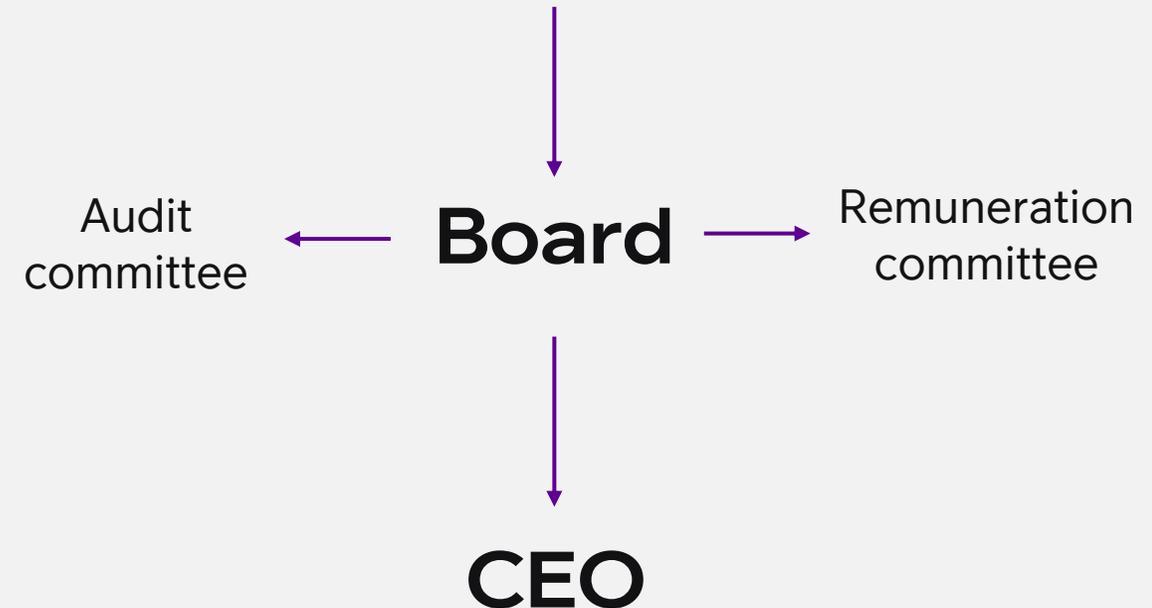


Corporate governance

Governing bodies

- The **Annual General Meeting** of Shareholders was held on 27 April 2023
- AGM for a new 2-years' term till 27 April 2025 re-elected **members of the Board**
- The Company's **Board consist of 6 members**: 4 representing Telia Company and 2 are independent
- In June 2023, Dan Strömberg was re-elected as **Chair of the Board**
- 3 members of the Board comprise **Audit and Remuneration Committees**
- **UAB Deloitte Lietuva** is appointed the Company's audit enterprise for 2023 & 2024
- The Board elects and recalls **CEO**

General meeting of shareholders



Board



**Dan
Strömberg**

Chair of the Board,
represents Telia
Company AB



**Claes
Nycander**

Member of the Board,
Chair of the
Remuneration
committee,
represents Telia
Company AB



**Agneta
Wallmark**

Member of the Board,
Chair of the Audit
Committee,
represents Telia
Company AB



**Hannu-Matti
Mäkinen**

Member of the Board,
member of the
Remuneration
Committee, represents
Telia Company AB



**Leda
Iržikevičienė**

Independent member
of the Board,
member of the Audit
Committee



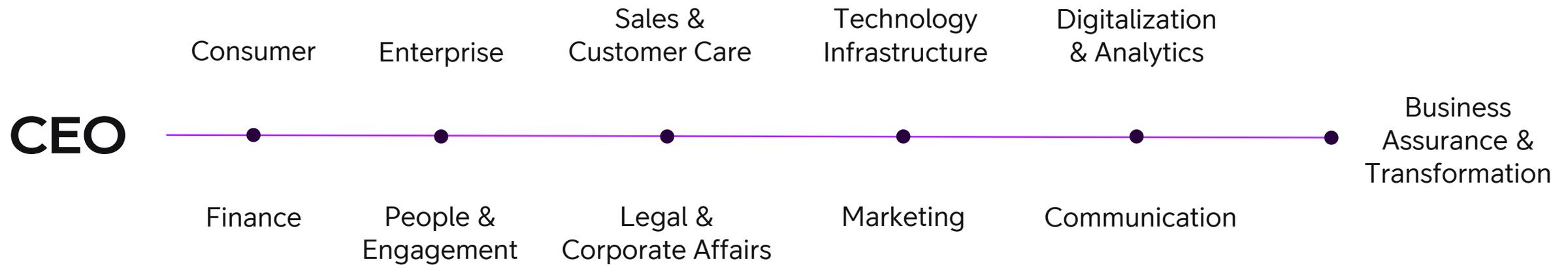
**Mindaugas
Glodas**

Independent member
of the Board,
member of the Audit
and Remuneration
Committees

Members of the Board do not own direct shares of Telia Lietuva



Governing structure of Telia Lietuva valid from 1 July 2022



Management team



Giedrė Kaminskaitė-Salters,
CEO



Elina Dapkevičienė,
Head of Consumer



Daniel Karpovič,
Head of Enterprise



Lina Bandzinė,
Head of Sales &
Customer Care



Andrius Šemeškevičius,
Head of Technology



Diana Gold,
Head of Digital & Analytics



Daina Večkytė,
Head of Finance



Ramūnas Bagdonas,
Head of People &
Engagement



Daiva Kasperavičienė,
Head of Legal & Corporate
Affairs



Vaida Jurkonienė,
Head of Marketing



Birutė Eimontaitė,
Head of Communication
till 31 October 2023



Vytautas Bučinskas,
Head of Business
Assurance & Transformation



Business sustainability

How we understand sustainability?



Climate & Circularity



Digital Inclusion



Privacy & Security



Responsible Business

Human Rights, Diversity & Inclusion, Well-being of Employees
Freedom of Expression, Health and Safety, etc.



Sustainability highlights – 2023 Q3



Building awareness around cyber security and digitalization topics through **Telia's Center of Digital Progress**



Digital skills development initiatives: **educational information packages** for parents & caregivers on children safety online



Reduction of fossil fuel consumption by **approx. 6% this year.**



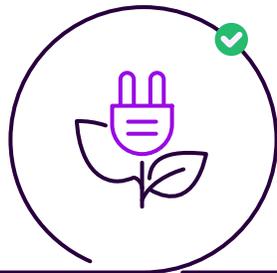
Diversity & inclusion: disability focus

- Internal events and survey for employees,
- Training programme created with external partner (SOPA) for a group of people with disabilities
- Investigation of accessibility of our website as well as retail store



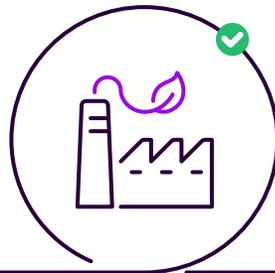
Ambitious environmental goals

2023



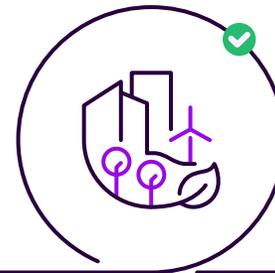
- Ongoing focus on **refurbished devices** sales
- Reduction of fossil fuel consumption by **approx. 6% this year.**
- 28%** off all Telia Play new sales use OTT solution (without Set Top Box equipment)
- 48 of 115** electric cars already in use and **61 of 101** charging stations are already constructed . Plan for the year to have over 100 charging stations to be constructed for the new electric car fleet (115 new EV)

2025



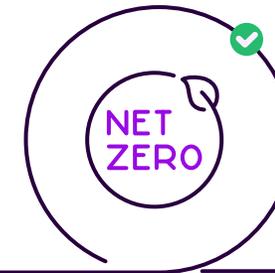
- **Halve emission** in our own operations
- Reduce emissions related to the use of sold and leased products by **29%**
- Engage with suppliers, making sure that suppliers representing **72%** of emissions have set science-based targets
- **84%** of our own and network operations materials must be reused or recycled

2030



- **Climate-neutral** value chain by 2030, by at least halving emissions and offsetting the rest (base year: 2018)
- Reduce CO2 emissions in own operations (scope 1 and 2) by **90%**

2040



- **Net Zero by 2040**, aligned with the requirements of the new Science Based Target initiative (SBTi) Net-Zero Standard (approved externally in September 2023)



Thank you