



# RESULTS FOR THE 12 MONTHS OF 2020

Telia Lietuva, AB Group





**TELIA LIETUVA PROVIDES TELECOMMUNICATION,  
IT & TV SERVICES IN LITHUANIA FROM A SINGLE POINT**

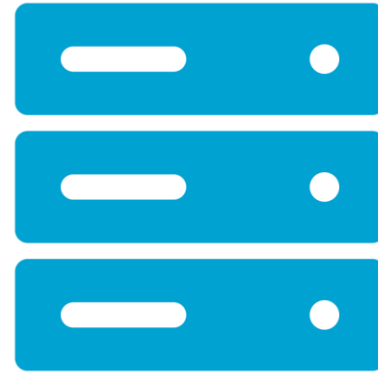
# TELIA LIETUVA MEANS:



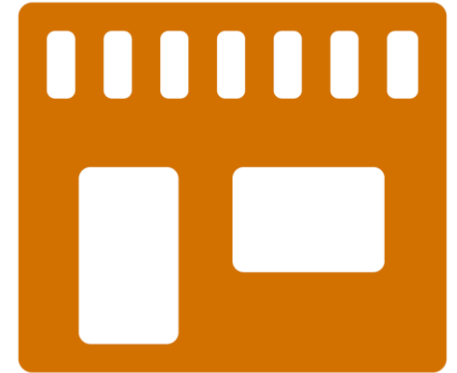
Wide range of  
services



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



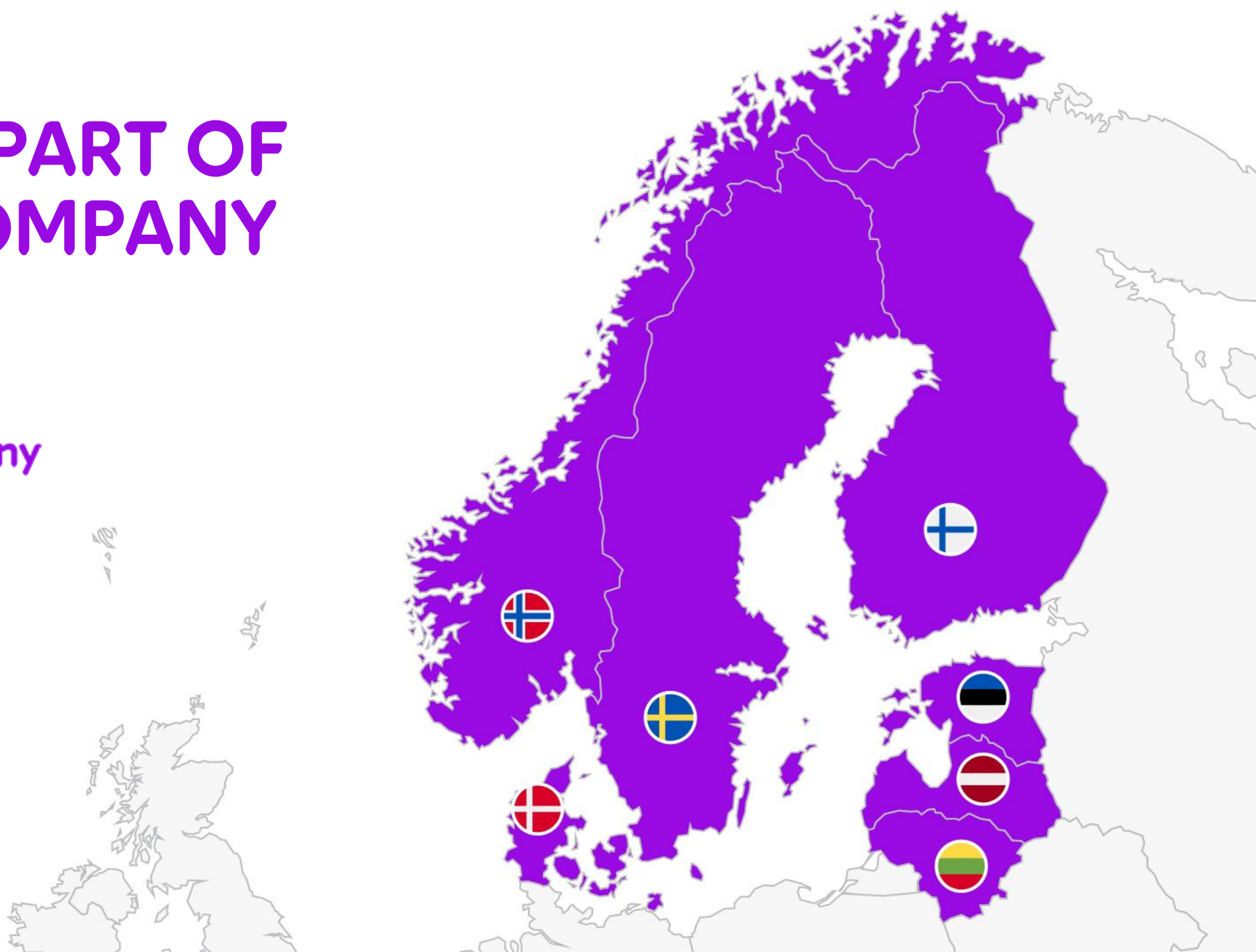
Team of 2,100  
professionals



Sustainable and  
responsible  
business



# WE ARE PART OF TELIA COMPANY GROUP



A man with long hair and glasses, wearing a light blue shirt and a dark vest, is smiling and pushing a grey wheelbarrow on a green lawn. Inside the wheelbarrow, a young child wearing a blue helmet and a red and white striped shirt is laughing with arms outstretched. A large, fluffy brown dog is sitting in the wheelbarrow behind the child. In the background, there is a wooden gazebo, a dark blue fence, and lush green trees under bright sunlight.

**OUR PURPOSE:  
BRINGING THE  
WORLD CLOSER**

# OUR VALUES



## **We dare to:**

- innovate
- lead
- speak-up

## **We care for:**

- our customers
- each other
- our world

## **We simplify:**

- execution
- teamwork
- our operations



# TELIA LIETUVA GROUP

## TELIA LIETUVA, AB

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VšĮ Numerio Perkėlimas

50 %

- **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)
- **Telia Customer Service LT**, a Contact Centre that remotely served customers of Telia Lietuva and provided Directory Inquiry services 118, on 1 July 2020 was **merged into Telia Lietuva**
- On 18 June 2020, the Company and other two shareholders (Tele2 and Bitė Lietuva) **disposed** their 33.3 per cent stakes in **UAB Mobilieji Mokėjimai**, a provider of mobile payment till 18 May 2020 under the brand *MoQ*





# HIGHLIGHTS OF Q4 2020

- **Partnership with Ericsson** for upgrade of existing mobile network and 5G rollout
- **5G network** launch for non-commercial use in 3 largest cities of Lithuania
- **Second lockdown** due to Covid-19 pandemic is imposed since November
- Our retail **outlets remain opened** for provision of only vital services
- Market capitalization **exceeded EUR 1 billion**
- **Douglas Lubbe** stepped in as a **new Chair** of the Board
- The Company's constant improvements were recognized with **Corporate Excellence Award 2020** among the Baltic listed companies



# NUMBER OF CUSTOMERS



+3.8%

1,398

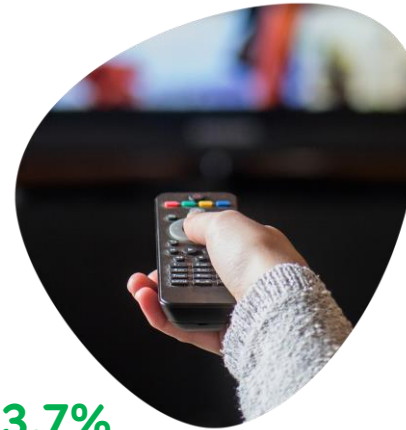
thousand of  
**mobile** service users



-0.5%

417

thousand of  
**broadband Internet** (excl.  
Wi-Fi) connections



+3.7%

253

thousand of  
**IPTV service** users



-11.8%

261

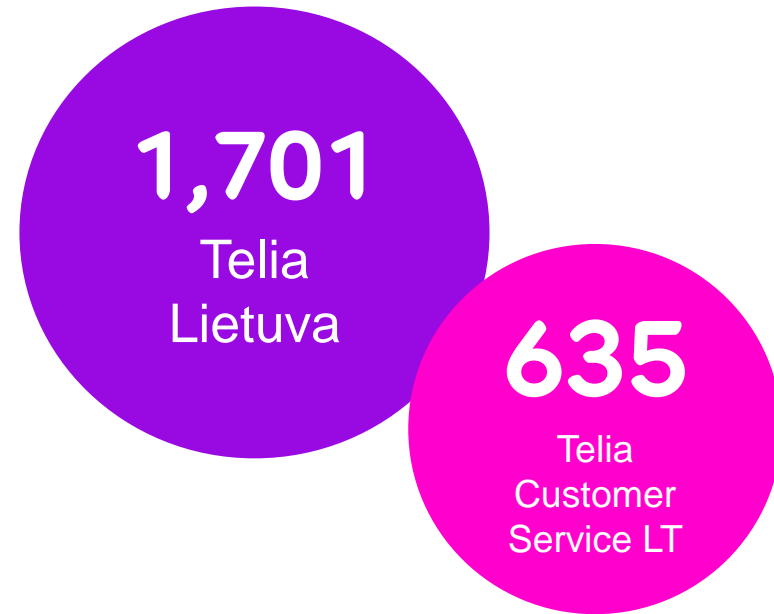
thousand of  
**fixed telephone** lines  
in service



# NUMBER OF EMPLOYEES



**2,161** (31-12-2020)

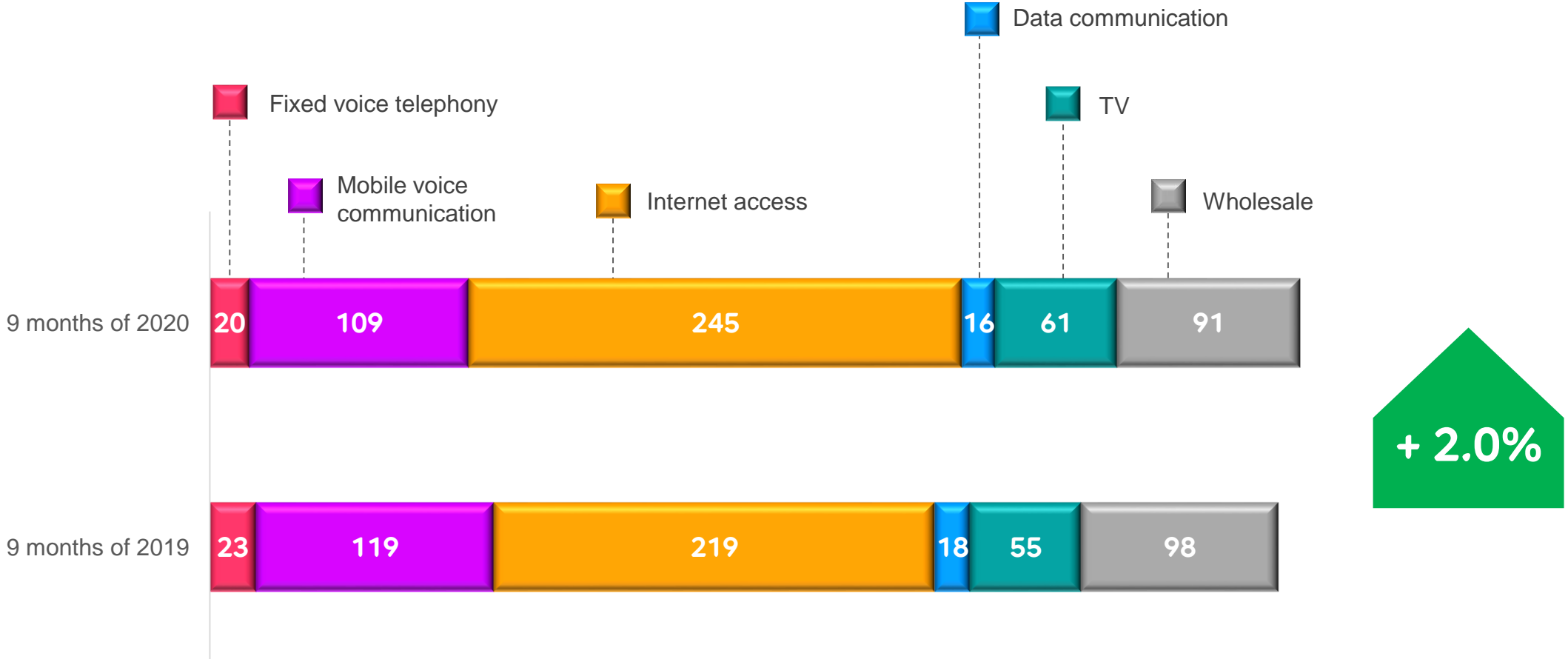


In total **2,336** (31-12-2019)



# ELECTRONIC COMMUNICATIONS MARKET OF LITHUANIA

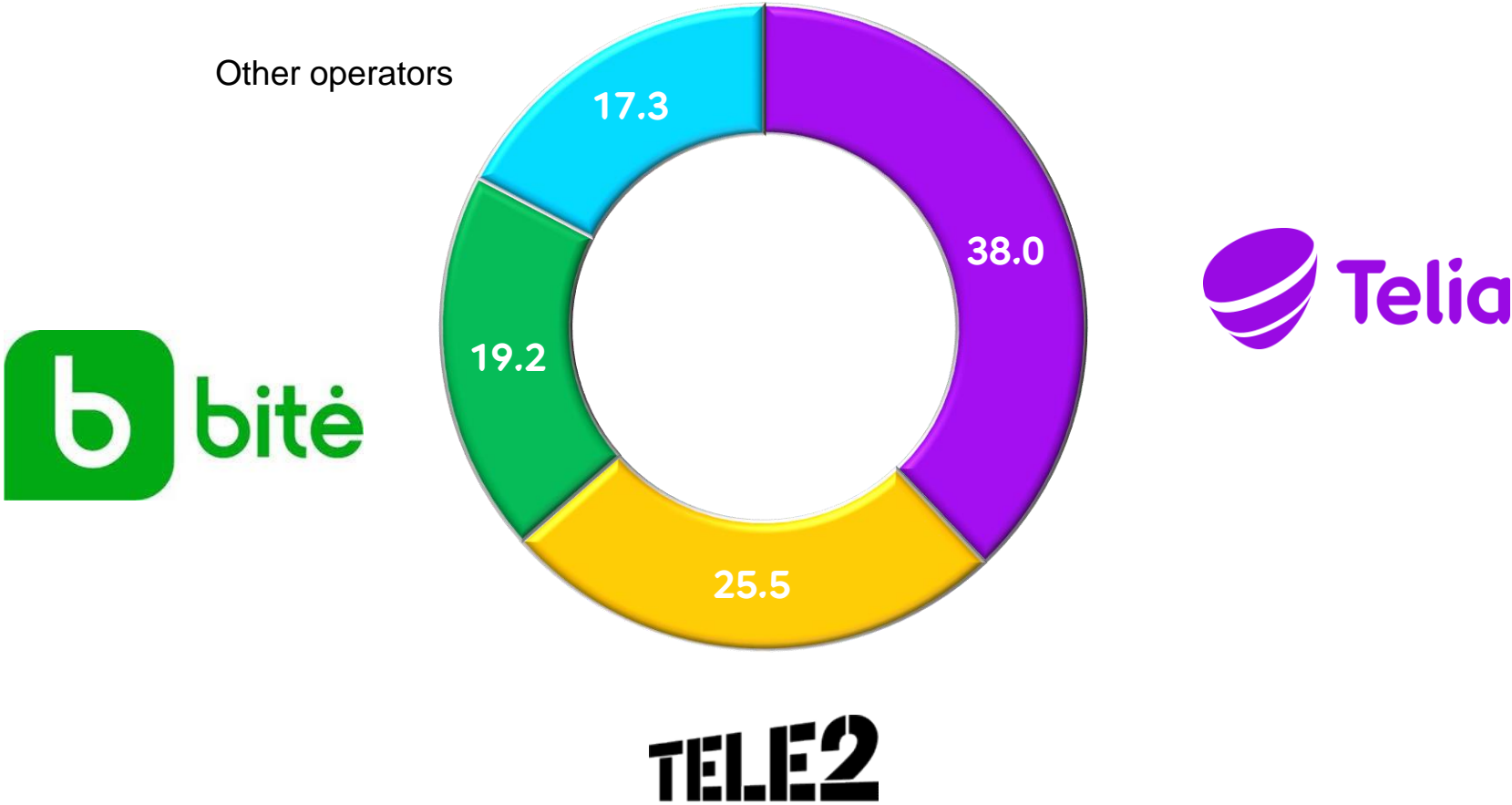
# INTERNET & PAY TV DRIVE TELCO MARKET GROWTH (EUR million)



Source: Report of the Communications Regulatory Authority



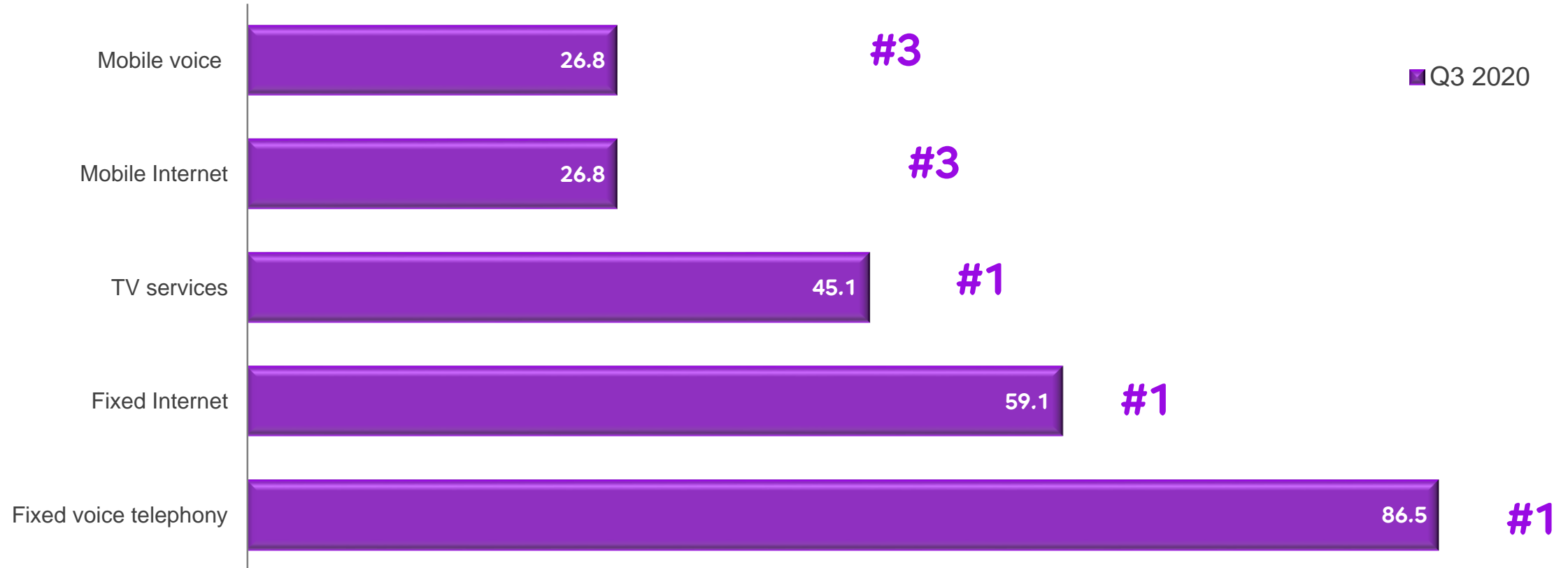
# BREAKDOWN OF THE TELECOMMUNICATIONS MARKET REVENUE BY OPERATORS FOR Q3 2020 (%)



Source: Report of the Communications Regulatory Authority



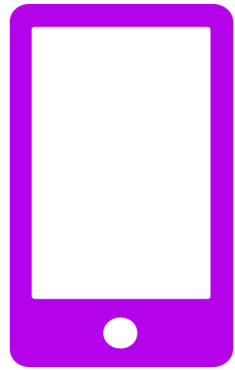
# TELIA LIETUVA MARKET SHARES IN TERMS OF REVENUE (%)



Source: Report of the Communications Regulatory Authority



# MARKET: THE FASTEST GROWTH IN USAGE OF DATA



**42.6%**  
(y-o-y)

Increasing usage of  
**mobile data**

(uploaded/downloaded  
**178,478 million MB**  
of data per quarter)



**1.8%**  
(y-o-y)

Growing number of  
**FTTH/B connections**

(accounts for **75.8%** of all  
fixed Internet connections)



**8.8%**  
(y-o-y)

Growing number of  
**IPTV users**

(accounts for **44.4%** of all  
pay-TV service users)





# MARKET PENETRATION



132.7

**mobile** communications  
subscribers  
(per 100 inhabitants)



24.5

**fixed telephony** lines  
(per 100 households)



52.8

broadband **Internet**  
access  
(per 100 inhabitants)



51.7

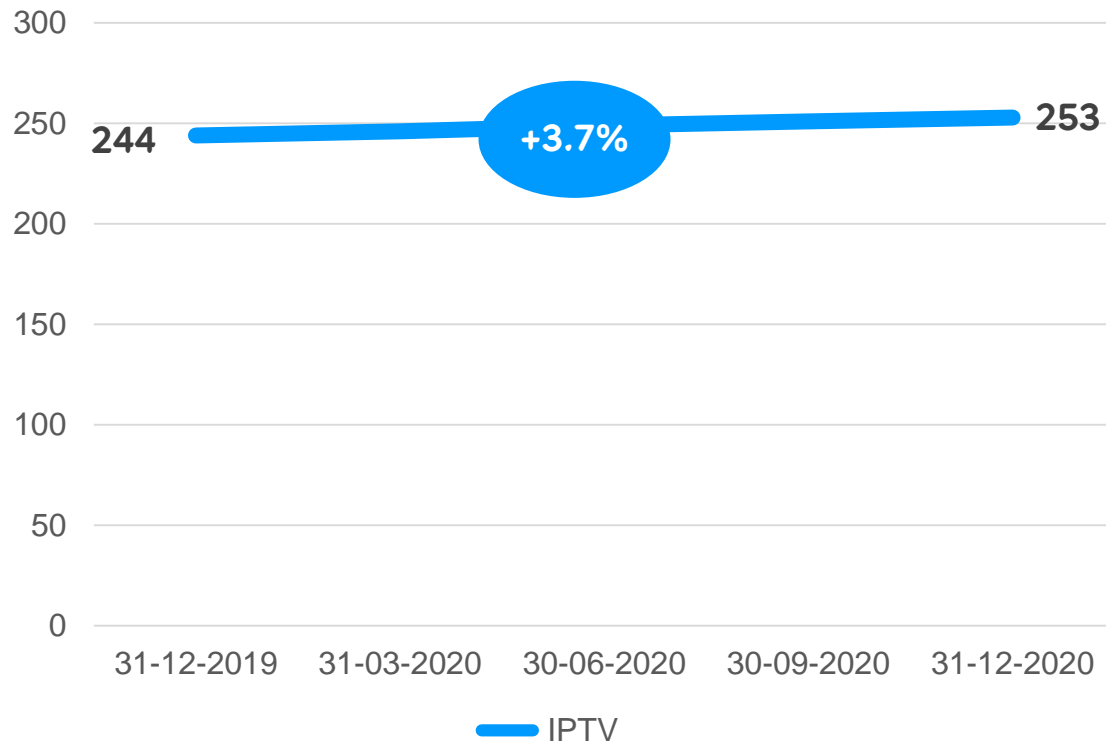
**pay-TV** subscribers  
(per 100 households)



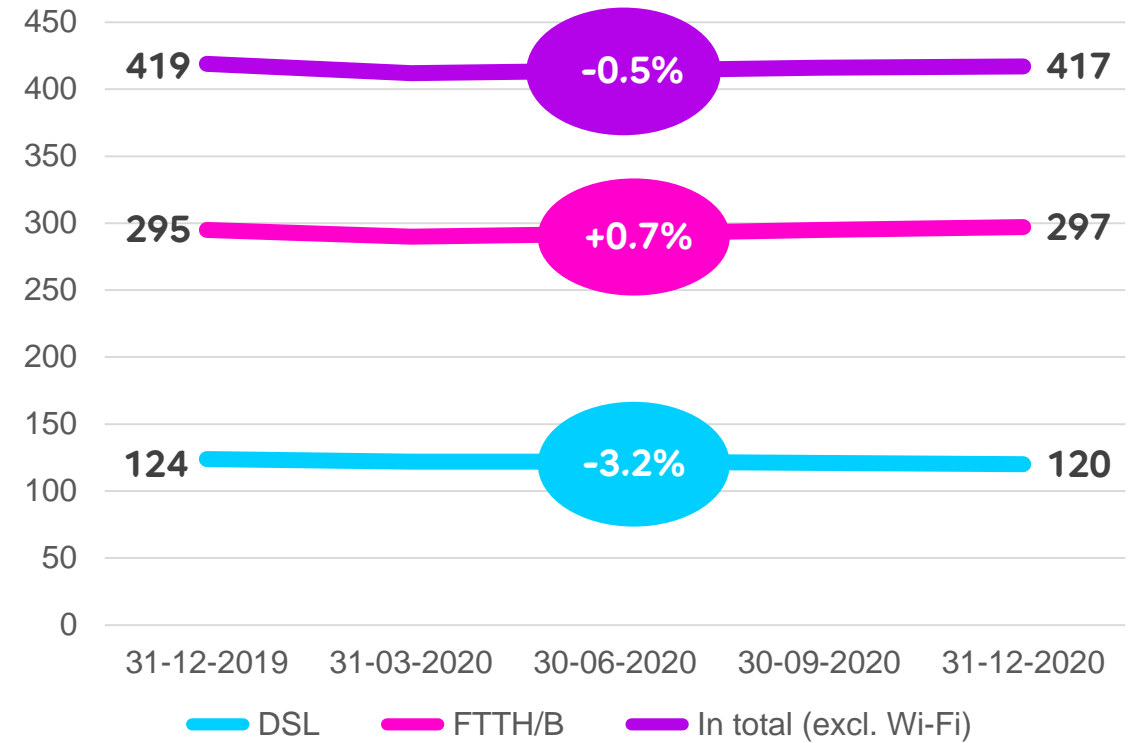
# OPERATING AND FINANCIAL RESULTS

# NUMBER OF IPTV AND BROADBAND INTERNET USERS

## Number of TV service users (thousands)

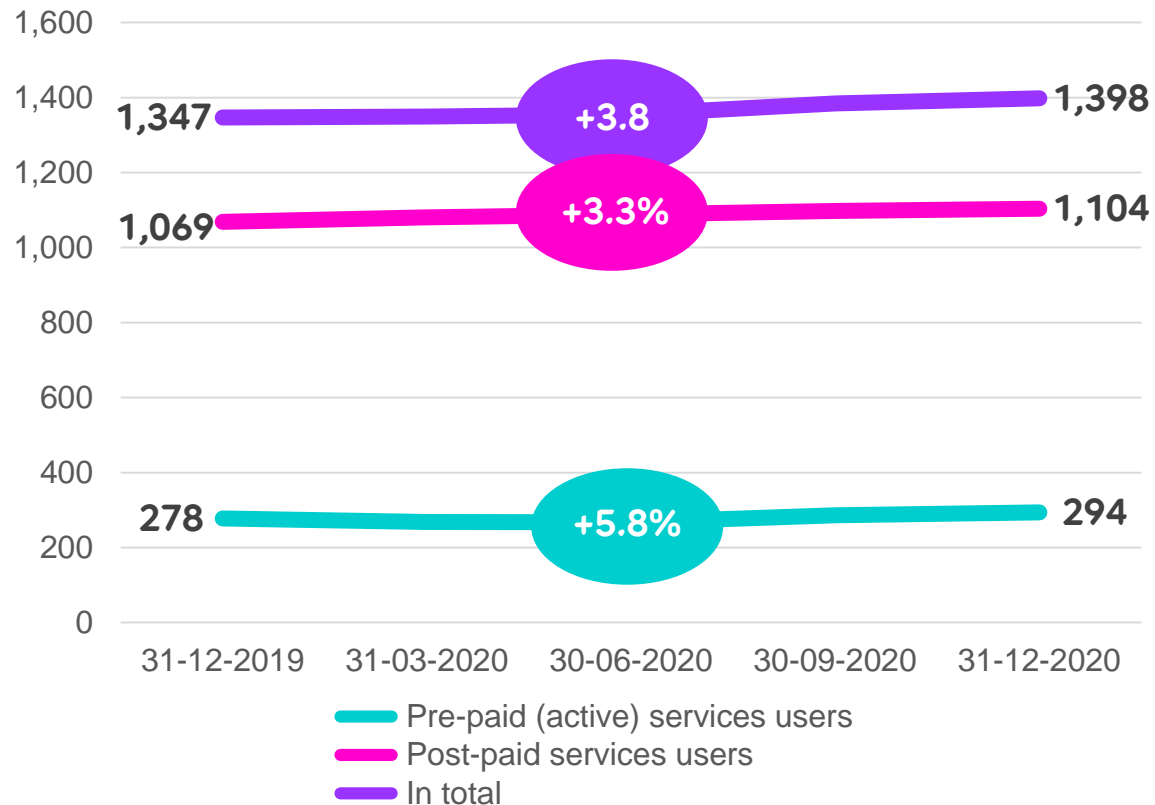


## Number of broadband Internet users (thousands)

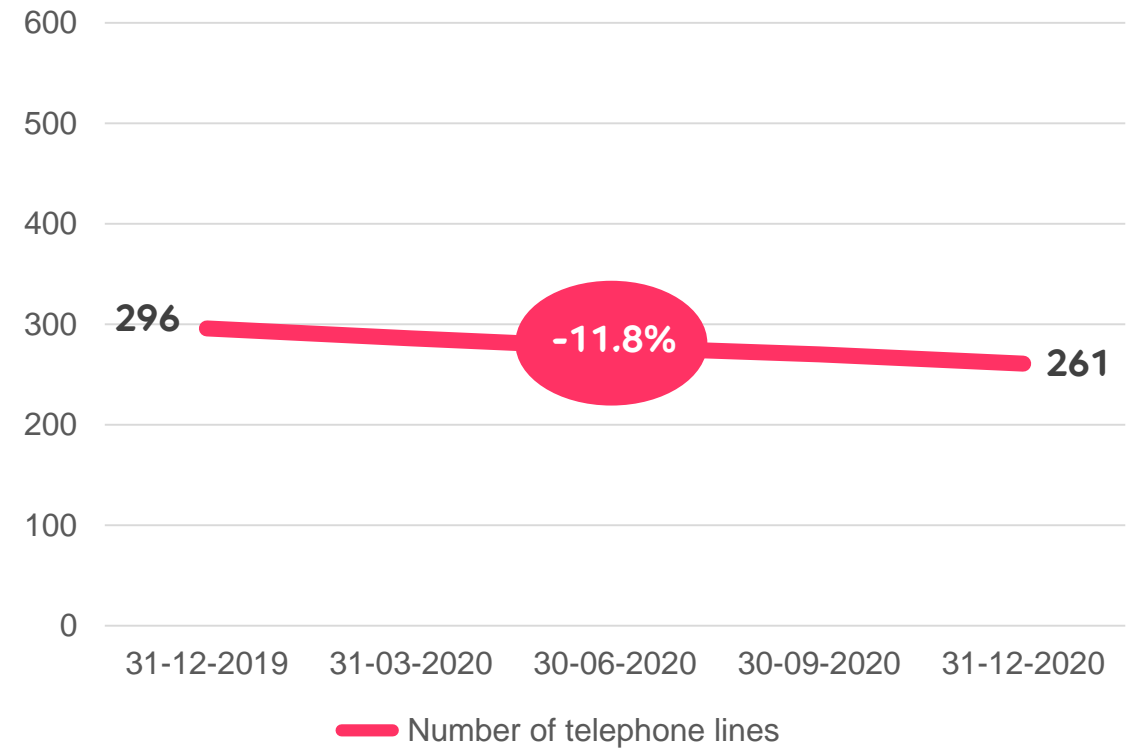


# NUMBER OF MOBILE AND FIXED VOICE SERVICE USERS

## Mobile communication users (thousands)

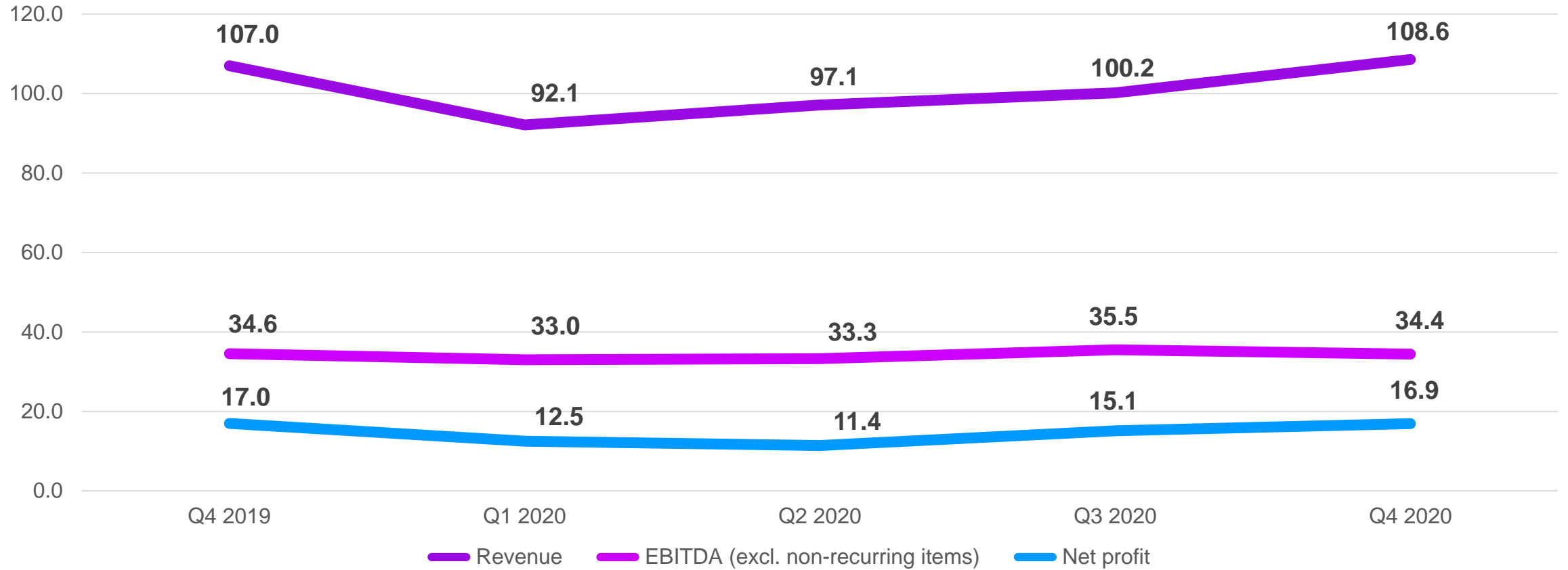


## Number of fixed telephone lines (thousands)



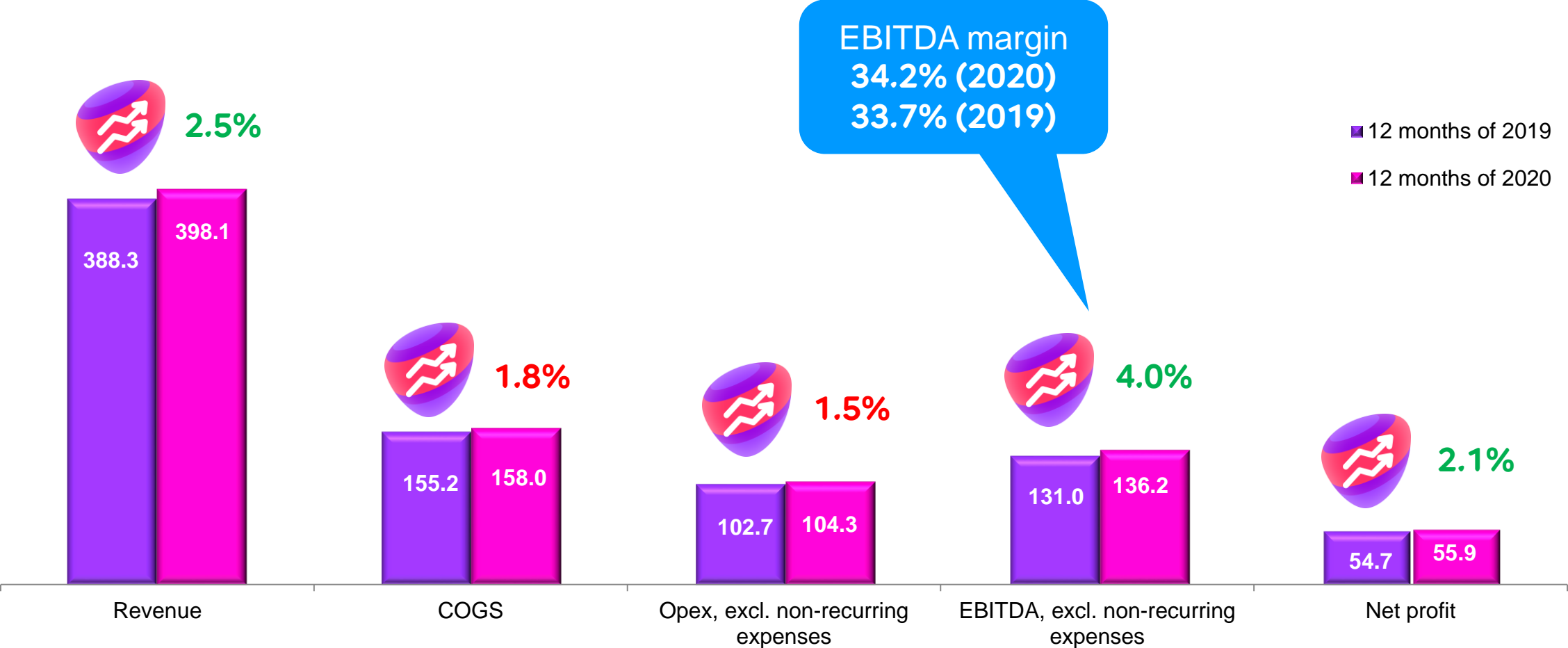
# REVENUE, EBITDA & NET PROFIT

(EUR million)

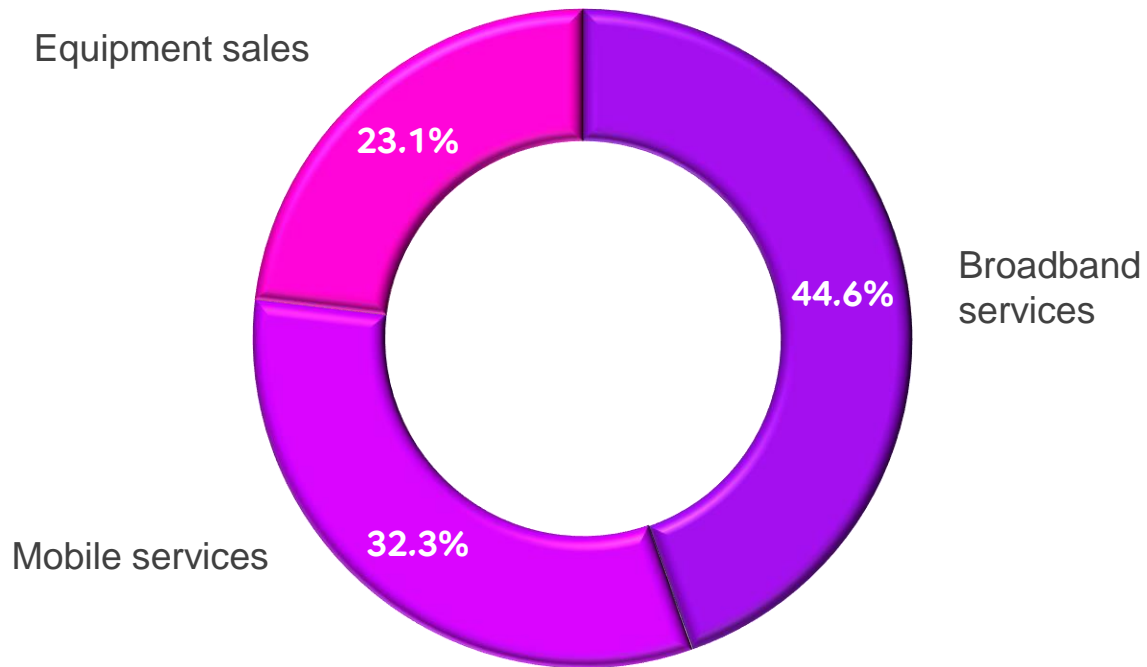


# DYNAMICS OF MAIN FINANCIAL INDICATORS

(EUR million)



# 12 MONTHS OF 2020 REVENUE BREAKDOWN



Enterprises

**37.8%**

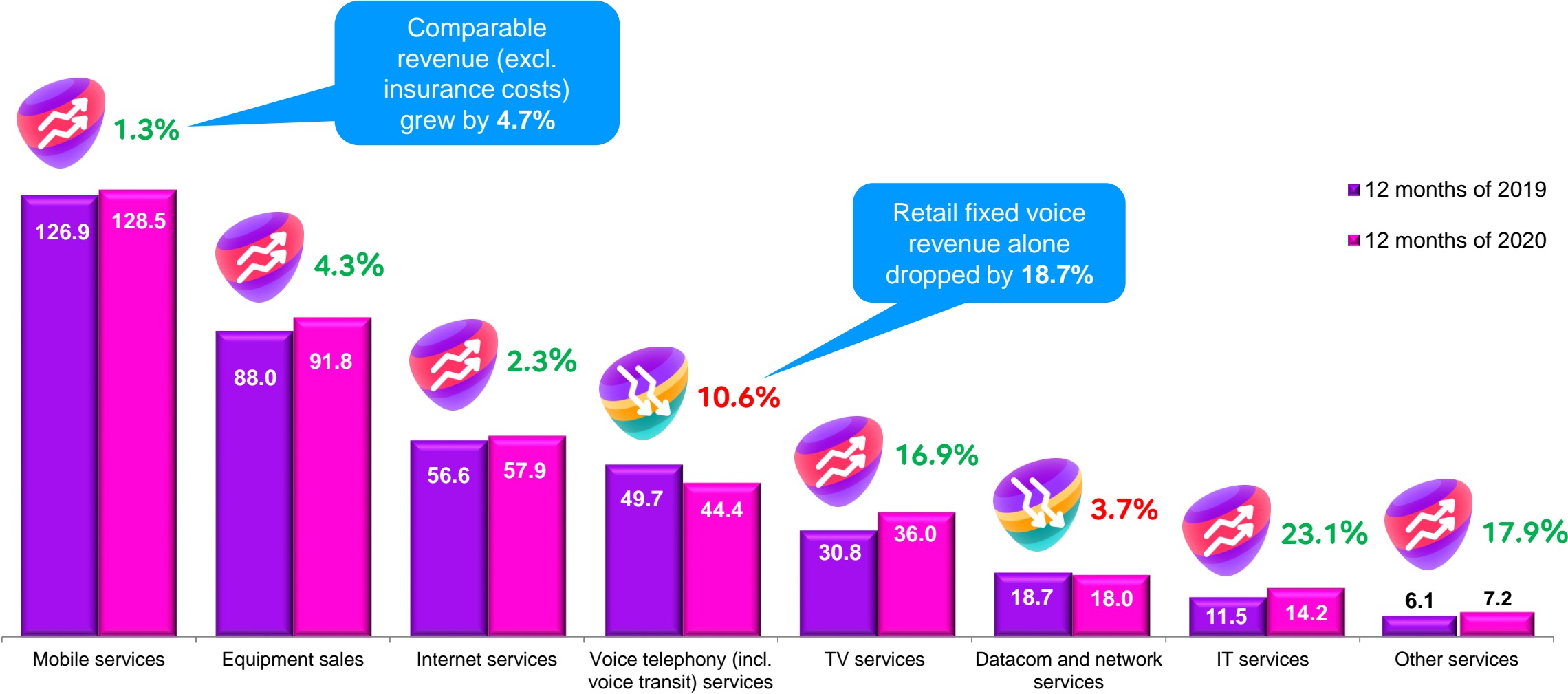


Consumers

**61.4%**



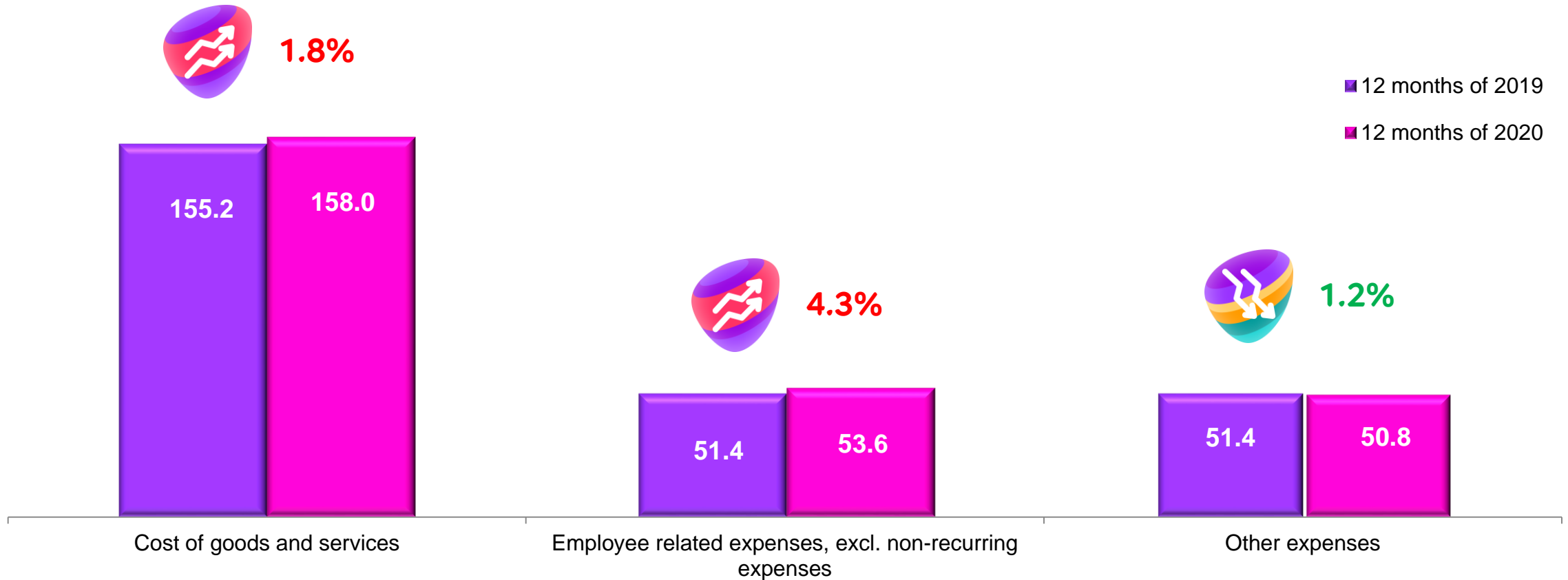
# REVENUE BY SERVICES (EUR million)



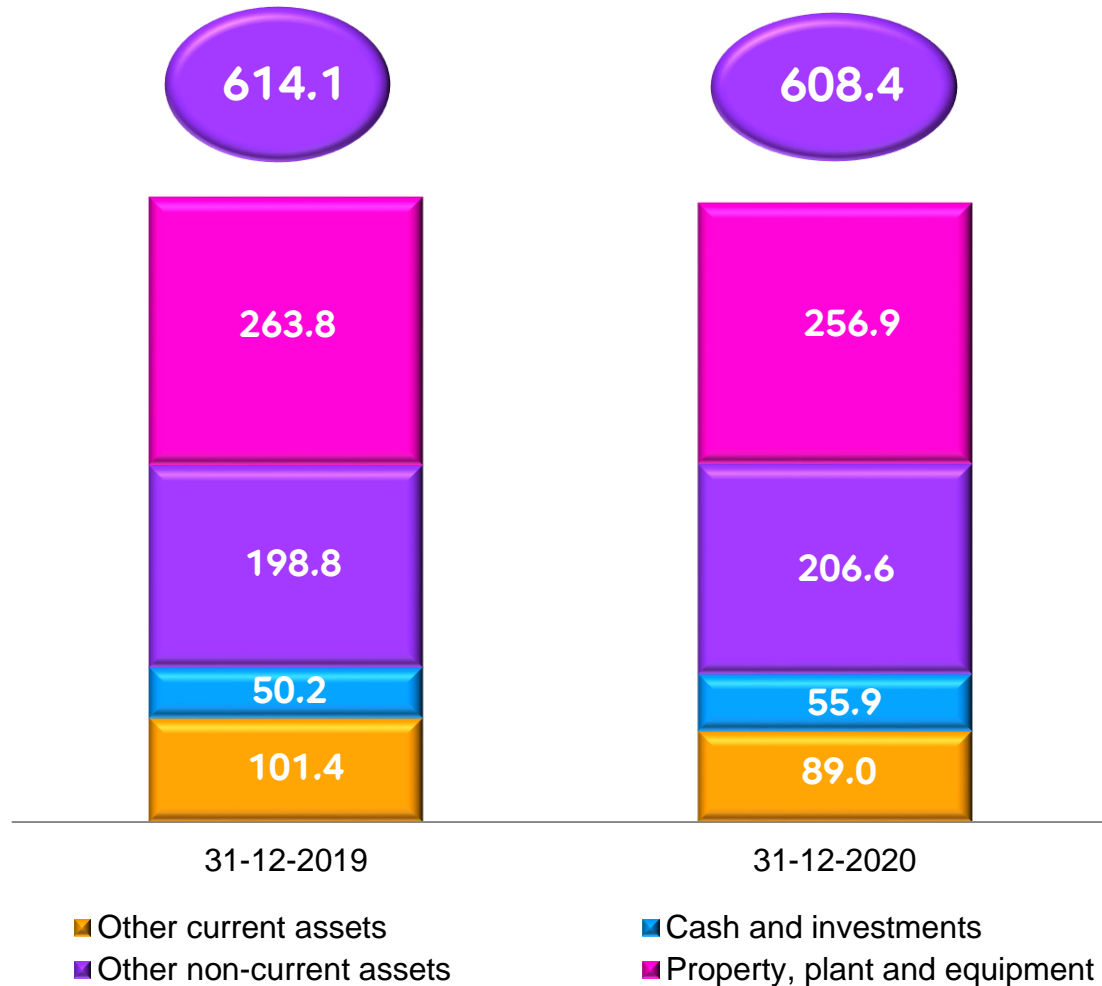


# OPERATING EXPENSES

(EUR million)



# ASSETS (EUR million)



- During January-December 2020, **total assets** decreased by 0.9%
- **Non-current assets** amounted to 76.2% of total assets (31-12-2020)
- **Cash** alone amounted to 9.2%
- **Return on capital employed:** 14.7%
- **Return on average assets:** 10.8%



# EQUITY AND LIABILITIES (EUR million)

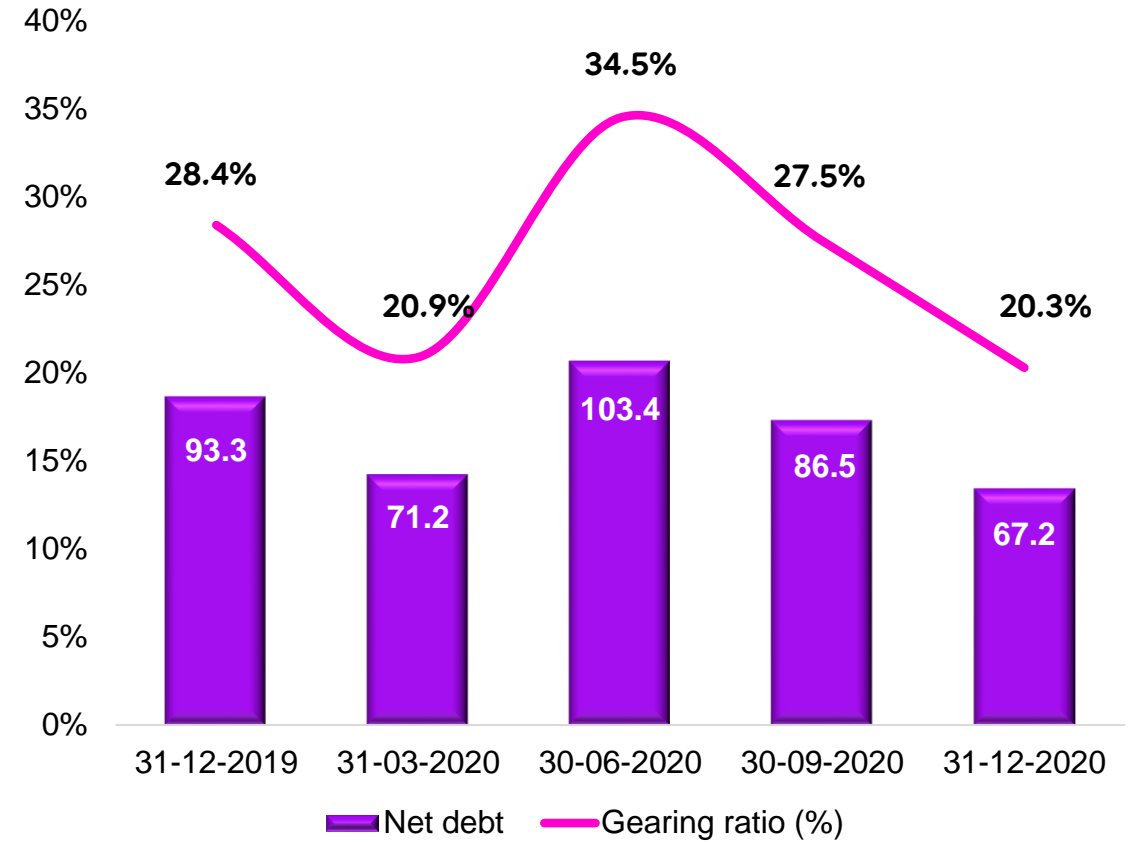
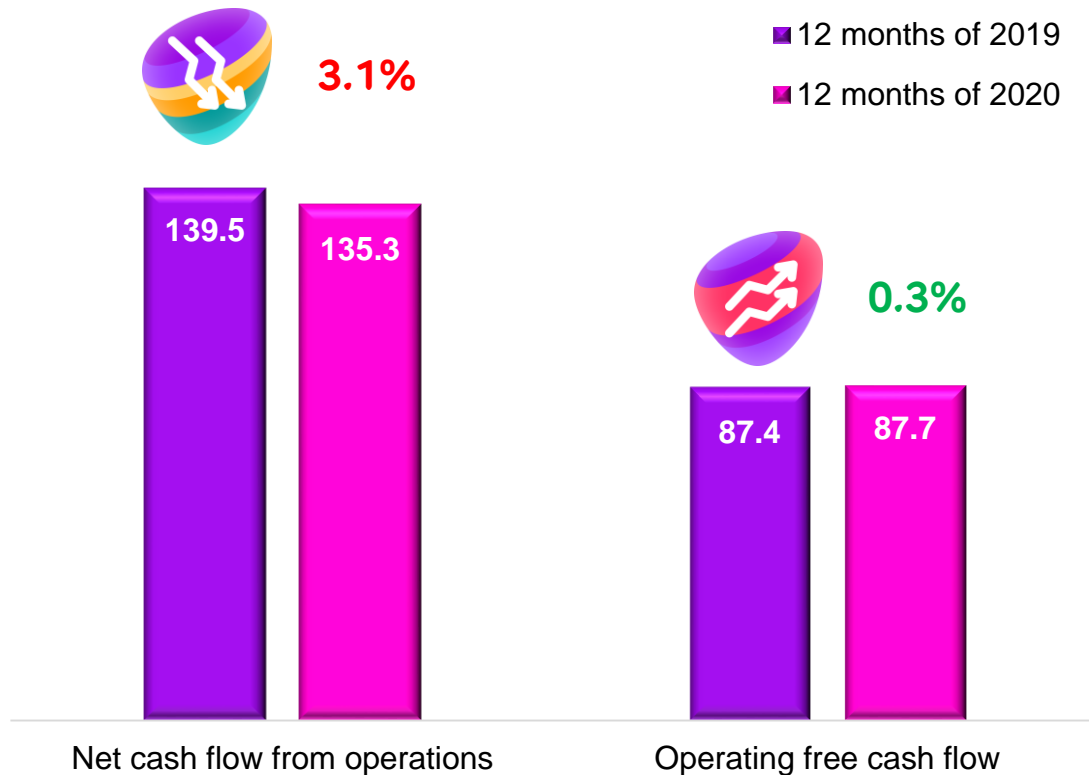


- During 12 months of 2020 shareholders' **equity** increased by 1% due dividend payout and amounted to 54.5% of the total assets (31-12-2020)
- Total **borrowings** (31-12-2020) amounted to EUR 123.1 million: EUR 67.5 million – bank loans, EUR 52.4 million – vendor financing and EUR 3.2 – financial lease.
- **Gearing ratio:** 20.3%
- **Debt to equity:** 37.1%
- **Return on equity:** 17.0%

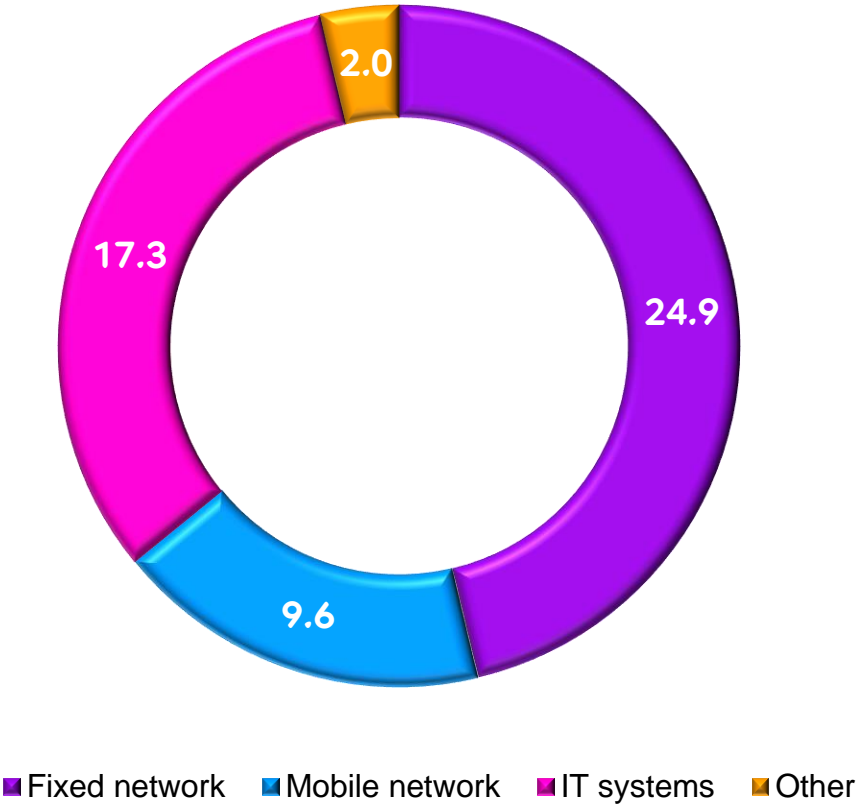
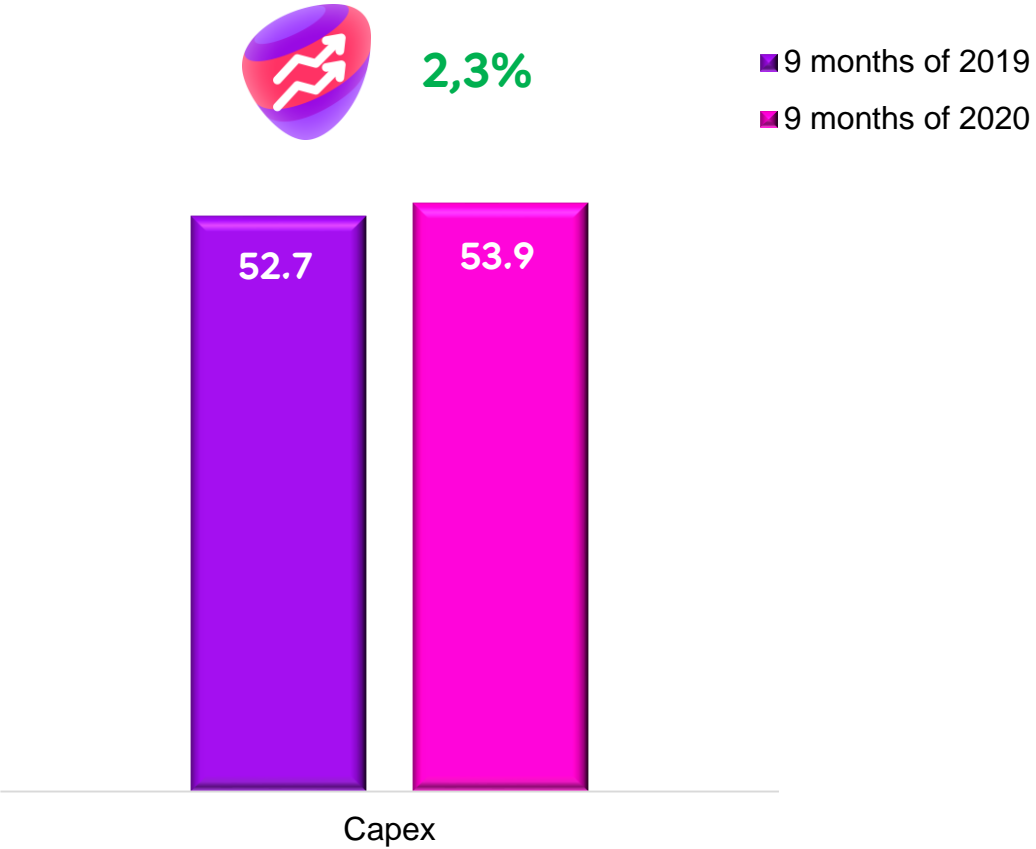


# CASH FLOW & NET DEBT

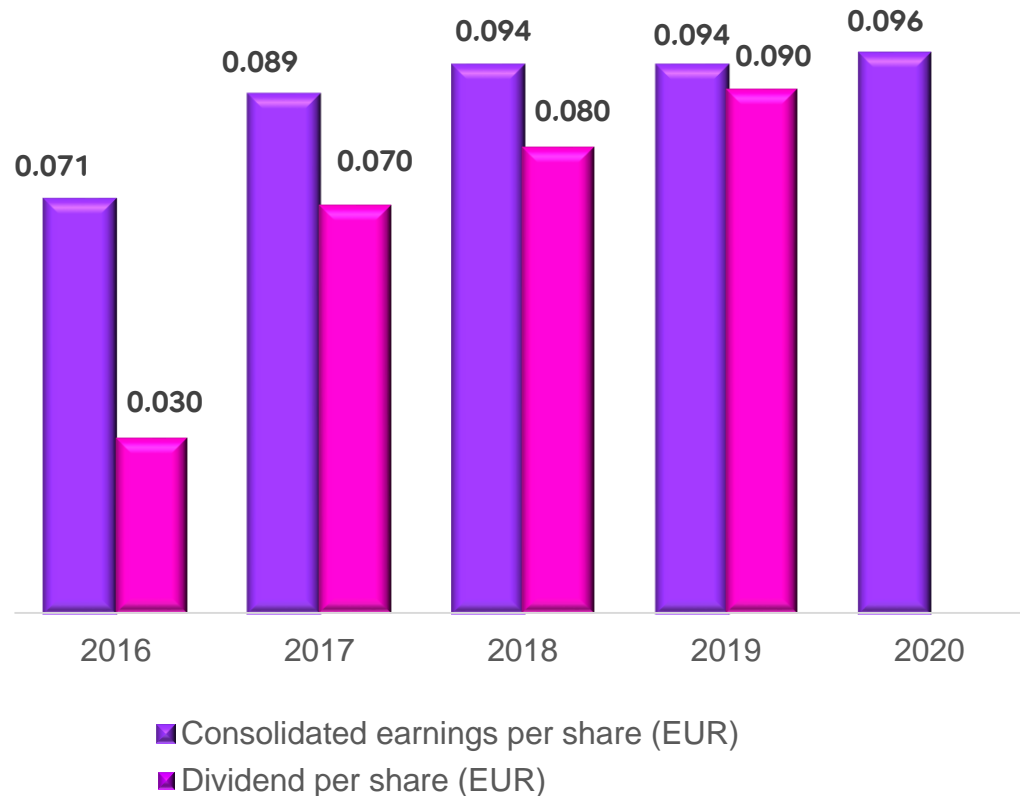
(EUR million)



# CAPEX & CAPEX BREAKDOWN FOR 12 MONTHS OF 2020 (EUR million)



# DIVIDENDS



- Earnings and dividends are allocated to **582,613,138** shares
- The Board set a target to maintain the Company's **net debt to EBITDA ratio** not higher than 1.5 and to pay 80 per cent of free cash flow as dividend
- According to the Law, dividends should be paid from **retained earnings of the Company**
- As of 31 December 2020, retained earnings of the Company amounted to **EUR 145.7 million**
- The Annual **General Meeting** of Shareholders that shall decide on allocation of profit for the year 2020 is planned to be held **on 27 April 2021**



# 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
- On **24 October 2014**, **authorized capital was reduced** by EUR 56.2 million and accordingly number of **voting shares was reduced** from 776,817,518 to **582,613,138**
- The **total number of Telia Lietuva shareholders** is **11.7 thousand**

## Shareholders as of 31-12-2020

	Part of shares and votes
Telia Company AB	88.15%
Other	11.85%



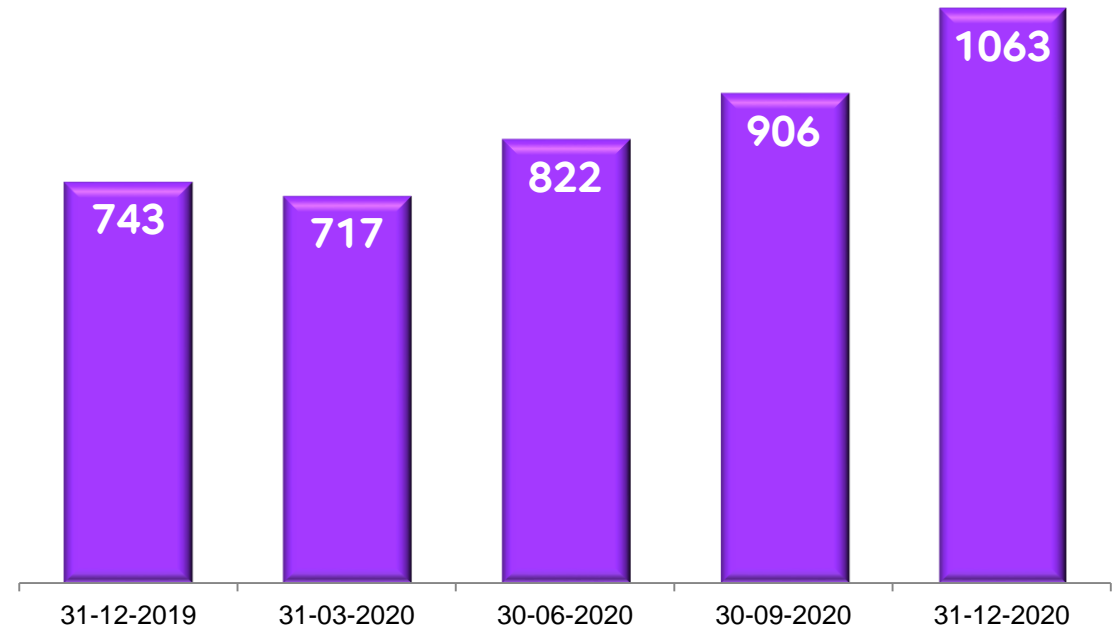


# SHARES

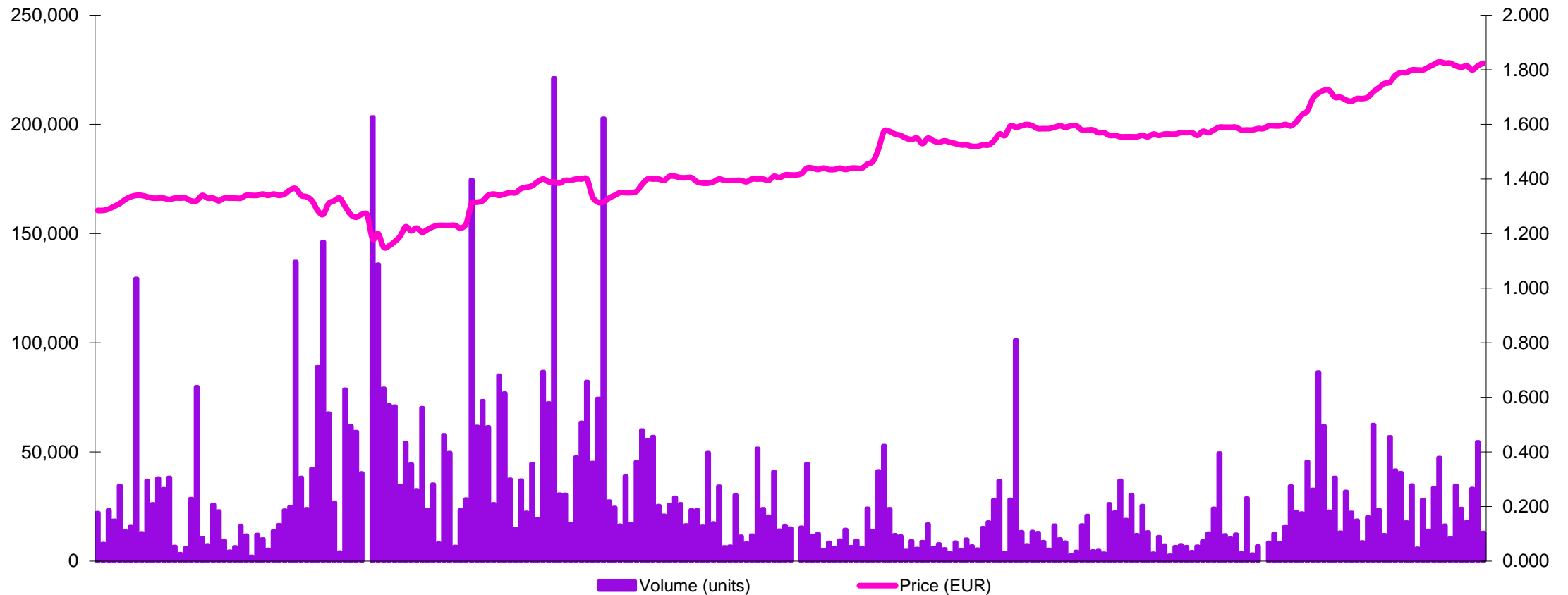
- Since June 2000, the Company's shares are listed on **Nasdaq Vilnius stock exchange** (ticker: TEL1L)
- Since January 2011, the Company's shares were included into the trading lists of a few German stock exchanges (ticker: ZWS)
- **Turnover** on Nasdaq Vilnius stock exchange during January-December 2020: 7.6 million of shares or EUR 10.8 million
- Share **price** on Nasdaq Vilnius:

	EUR
01-01-2020	1.275
High	1.840
Low	1.135
31-12-2020	1.825

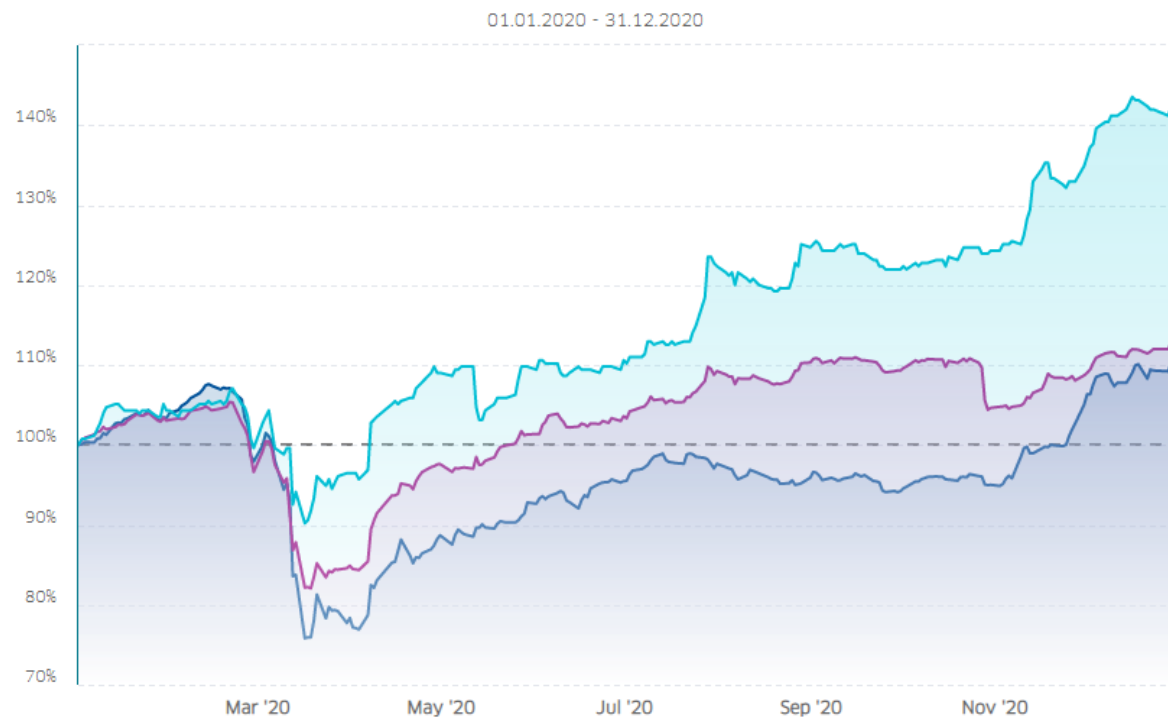
Market capitalization (EUR million)



# TRADING IN THE COMPANY'S SHARES ON NASDAQ VILNIUS STOCK EXCHANGE IN 2020



# THE COMPANY'S SHARE PRICE AND NASDAQ VILNIUS INDEXES COMPARISON



INDEX   EQUITY	OPENING VALUE	CLOSING VALUE	CHANGE %
■ OMX_Baltic_Benchmark_GI	992.83	1,104.74	+11.27
■ OMX Vilnius_GI	712.14	816.64	+14.67
■ TEL1L - Telia Lietuva	1.27	1.82	+43.14

Source: Nasdaq Vilnius



# CORPORATE GOVERNANCE

The background features a series of overlapping, wavy, diagonal bands of color. From top-left to bottom-right, the colors are: a dark purple band, a medium purple band, a light yellow band, a bright orange band, and a small teal band in the bottom right corner.

# GOVERNING BODIES

- In 2020, the **Annual General Meeting** of Shareholders was held on 28 April 2020 & the **Extraordinary General Meeting** was held on 23 November 2020
- The **Board** consist of 6 members elected for the 2 year term
- The Board for a **2 years' term** was elected in 2019
- **Emil Nilsson**, Chair of the Board, **resigned** from the Board as of 21 October 2020
- **Douglas Lubbe**, a **new member** of the Board and a **new Chair** of the Board, was elected in November 2020
- 3 members of the Board comprise **Audit and Remuneration Committees**
- **UAB Deloitte Lietuva** was elected the Company's independent auditor for the year 2020
- The Board elects and recalls **CEO**



# BOARD



**Douglas Lubbe** (born in 1972),  
**Chair** of the Board, represents Telia  
Company AB, member of the  
Remuneration Committee



**Hannu-Matti Mäkinen**  
(born in 1970),  
**Member** of the Board,  
represents Telia Company AB



**Agneta Wallmark** (born in 1960),  
**Member** of the Board,  
represents Telia Company AB,  
Chair of the Audit Committee



**Tomas Balžekas** (born in 1977),  
**Independent member** of the Board,  
Member of the Audit Committee



**Claes Nycander** (born in 1963),  
**Member** of the Board,  
represents Telia Company AB,  
Chair of the Remuneration  
Committee



**Mindaugas Glodas** (born in 1972),  
**Independent member** of the Board,  
Member of the Audit and  
Remuneration Committees

- Members of the Board have no direct interest in the share capital of Telia Lietuva



# GOVERNING STRUCTURE OF TELIA LIETUVA

VALID FROM 1 JANUARY 2020



# MANAGEMENT TEAM



**Dan Strömberg,**  
CEO



**Nortautas Luopas,**  
Head of Consumer,  
Head of Digitalization & Analytics



**Daniel Karpovič,**  
Head of Enterprise



**Giedrė Kaminskaitė-Salters,**  
Head of Sales & Customer Care



**Andrius Šemeškevičius,**  
Head of Technology  
Infrastructure



**Arūnas Lingė,**  
Head of Finance



**Ramūnas Bagdonas,**  
Head of People &  
Engagement



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



**Birutė Eimontaitė,**  
Head of Communication



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





# BUSINESS SUSTAINABILITY

The background features a series of diagonal stripes in various shades of purple, magenta, and cyan, creating a modern and dynamic aesthetic.

# ENVIRONMENTAL ACTION

CLIMATE & CIRCULARITY



# EMPOWERMENT

DIVERSITY & INCLUSION



# DIGITAL INCLUSION

QUALITY OF LIFE & INNOVATION



# RESPONSIBLE BUSINESS

PRIVACY & SECURITY, FREEDOM OF  
EXPRESSION, HEALTH AND WELLBEING  
ETC.



# WE CONTINUE OUR SUSTAINABILITY JOURNEY



# DARING GOALS 2030

**ZERO CO<sub>2</sub>**  
throughout the value chain



**ZERO WASTE**  
circular economy in  
Telia's operations



**100% ACTION**  
team effort



# IN 2020 WE...



✓ REACHED 100% RENEWABLE ELECTRICITY USAGE

✓ BECAME CLIMATE NEUTRAL IN OUR OWN OPERATIONS

✓ ADOPTED SCIENCE BASED TARGETS (SBTi)

✓ OUR NEW SUPPLIERS ARE FILLING CO2 QUESTIONNAIRE



# ALSO...

- ✓ SPENT AROUND EUR 400 THOUSAND TO HELP FIGHTING COVID-19
- ✓ WERE AWARDED THREE WINGS OF EQUALITY
- ✓ RECEIVED INTERNATIONAL AWARD FOR STRONG INPUT IN PROMOTING DIVERSITY

TO BE CONTINUED IN YEARLY  
SUSTAINABILITY REPORT





**Telia**

