

Interim results

9 months of 2022



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



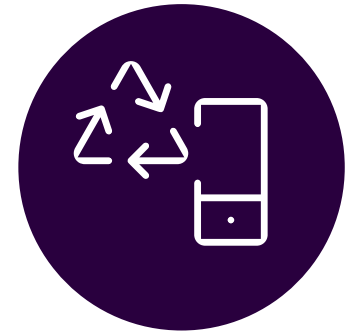
Customer care
24/7/365



Quality of
operations'
management
confirmed by
ISO certificates



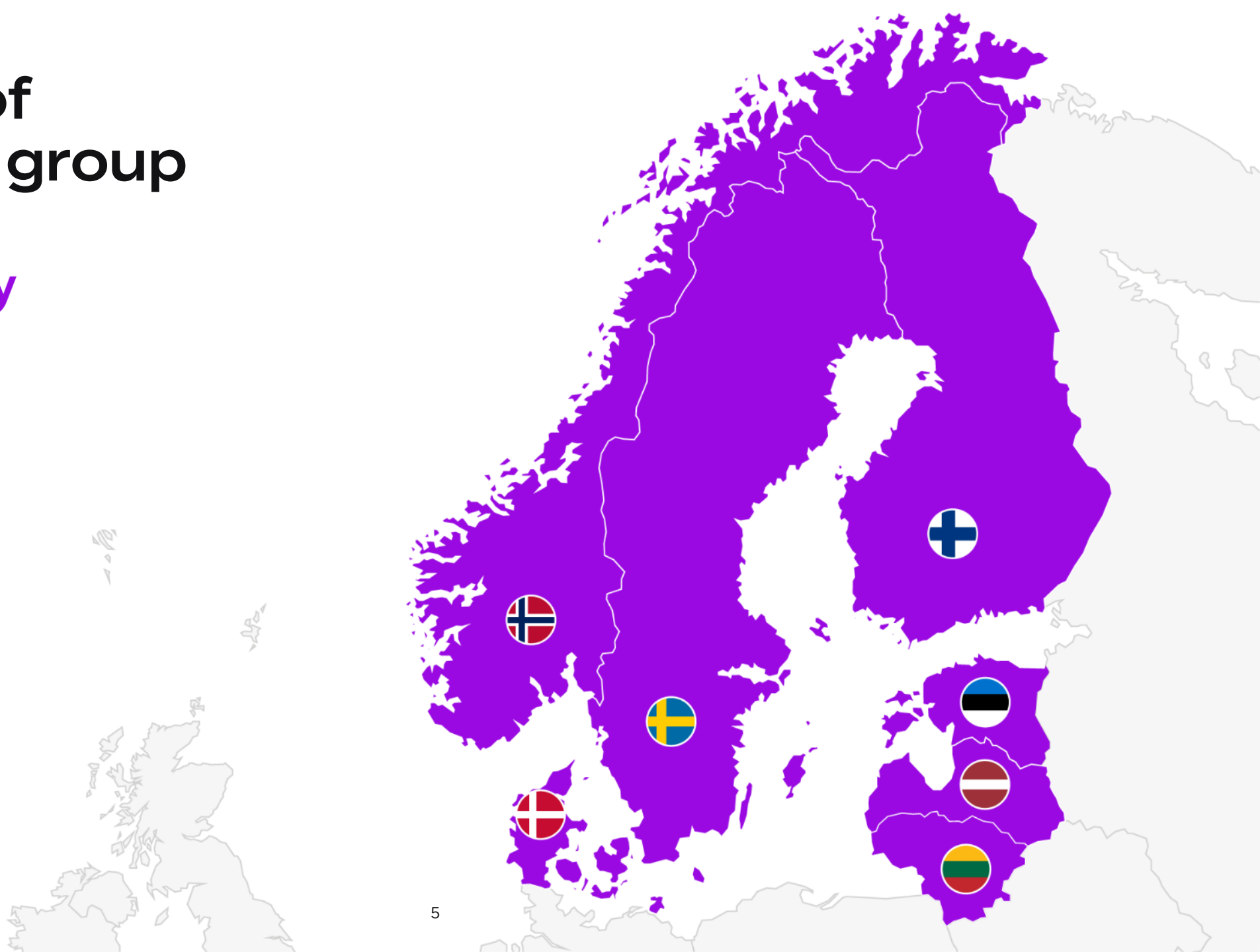
Team of 2,100
professionals



Sustainable and
responsible
business



We are part of international group



**Our
purpose**



**We
reinvent
better
connected
living**



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 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 2022

#1

Telia Lietuva was the first to **launch commercial provision of 5G communication** services in Lithuania

#2

5G was immediately operational with **1,100** of the Company's **base stations in the 700 MHz** and **110 base stations in the 3.5 GHz band**

#3

The Company's 5G network reaches more than **half of the countries' territory** and **80% of population**

#4

Telia Lietuva won both **5G auctions** by offering in total **EUR 30 million** payable over 20 years

#5

Continuous double-digit growth in revenue from billed mobile, IT and broadband Internet services

#6

Offer of **roaming in EU countries service** for prepaid mobile subscriptions' users led to 15 thousand intake of new customers

#7

Surge in electricity price had a negative impact on profitability development

#8

The Company's market capitalisation remains above **EUR 1 billion**

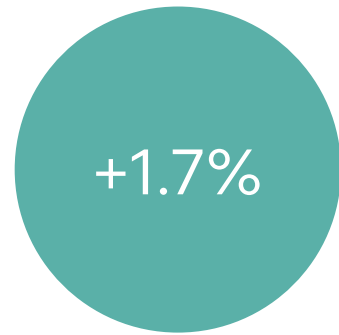


Number of customers



1,602,000

of **mobile** service users



426,000

of **broadband Internet** connections



255,000

of **IPTV** service users



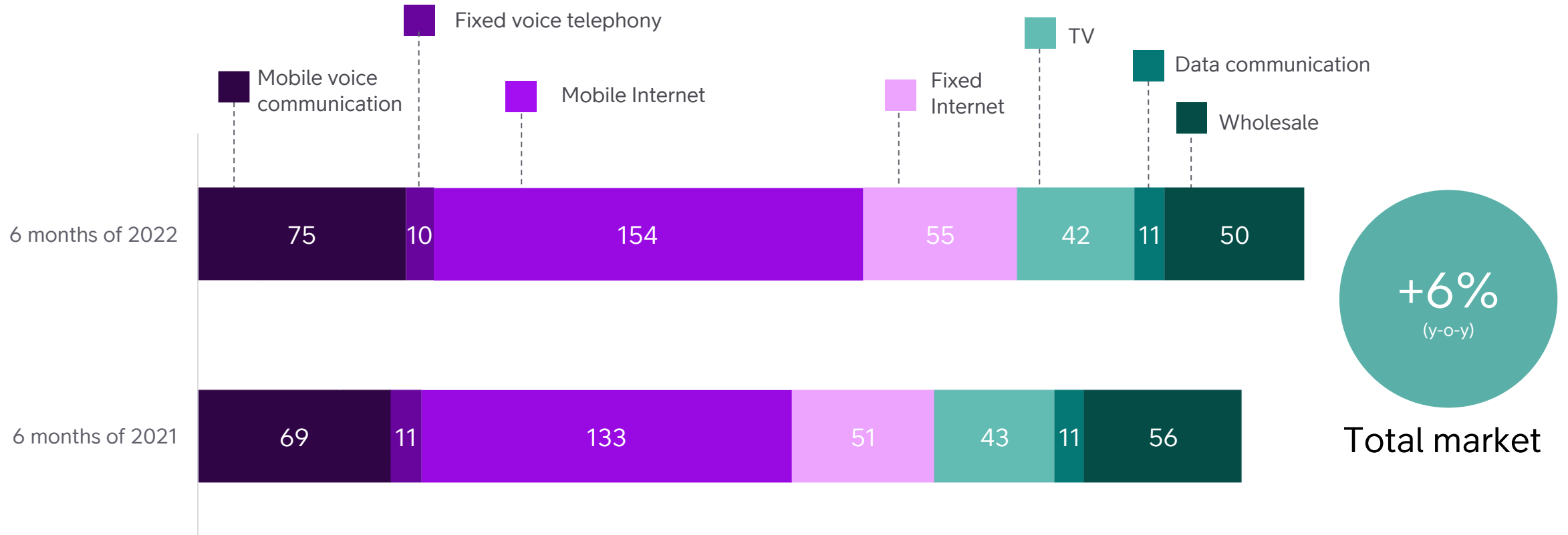
207,000

of **fixed telephone** lines in service

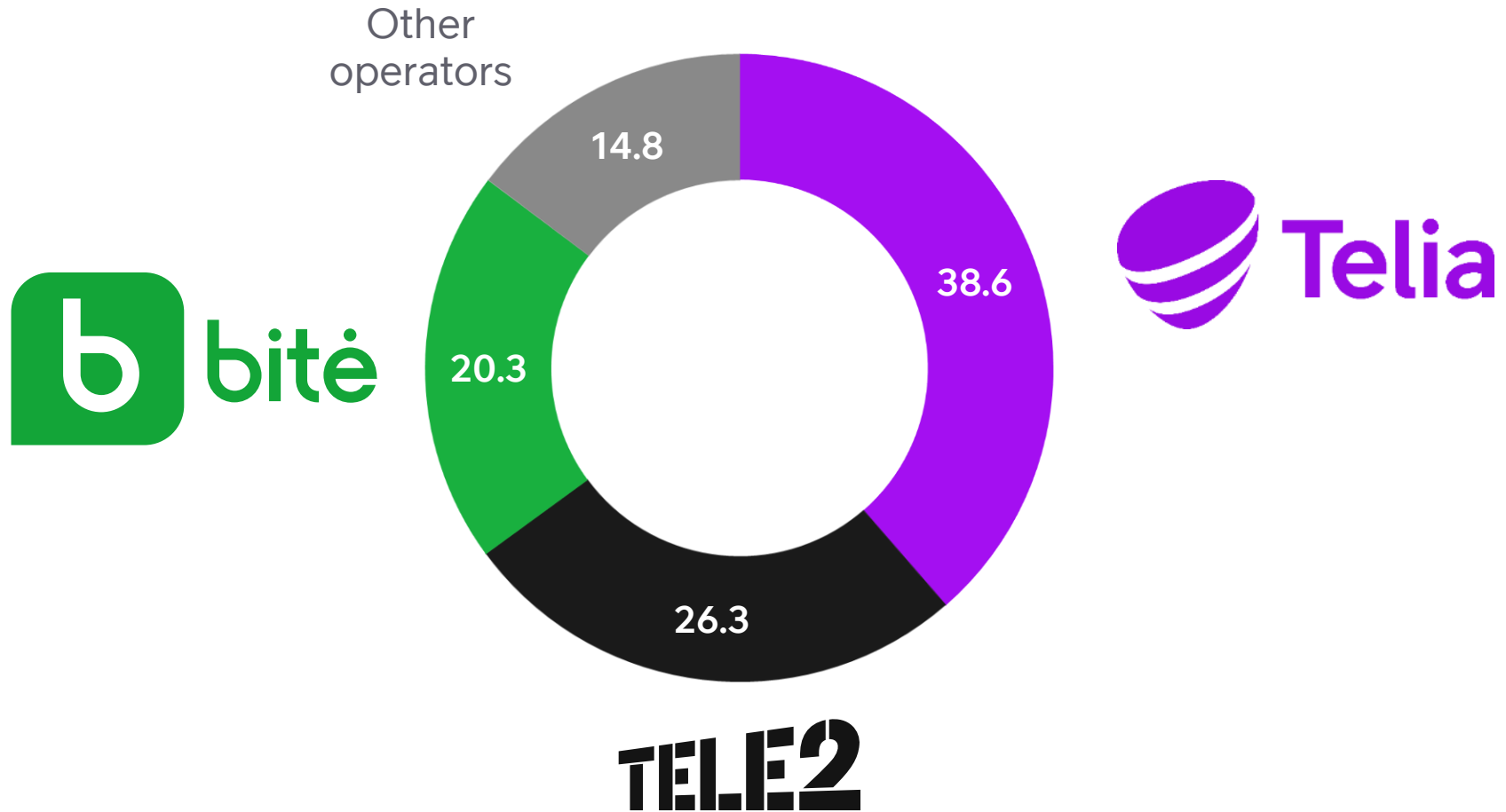


Telecommunications market of Lithuania

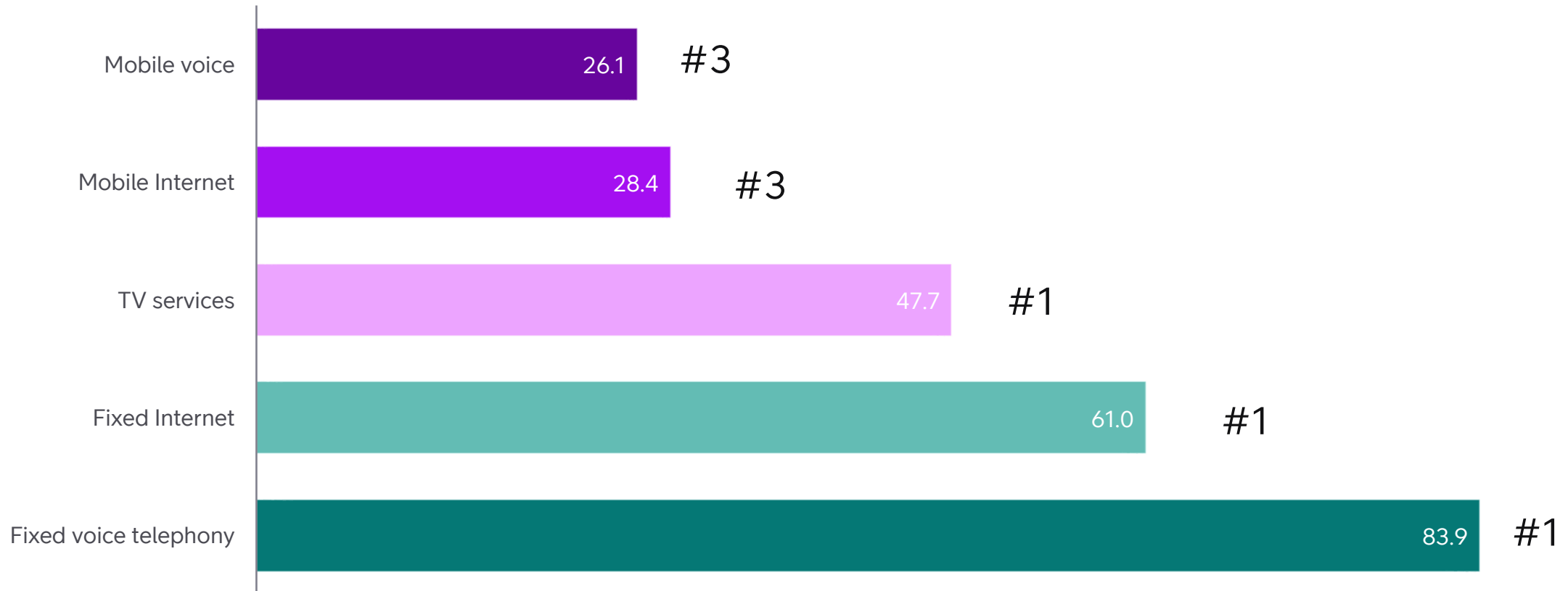
Internet drives telco market growth (mEur)



Breakdown of the telecommunications market revenue by operators for Q2 2022 (%)



Telia Lietuva market shares in terms of revenue for Q2 2022 (%)



Market: growing usage of mobile data



+19.6% (y-o-y)

Increasing usage of
mobile data

(uploaded / downloaded
267,065 TB of data per quarter)



+2.2% (y-o-y)

Growing number of
FTTH/B connections

(accounts for **78.6%** of all
fixed Internet connections)



+3.3% (y-o-y)

Growing number of
IPTV users

(accounts for **50.4%** of all
pay-TV service users)



Market penetration



134.7

Mobile
communications
subscribers

(per 100 inhabitants)



17.4

Fixed
telephony
lines

(per 100 households)



53.4

Broadband
Internet
access

(per 100 households)



45.2

Pay-TV
subscribers

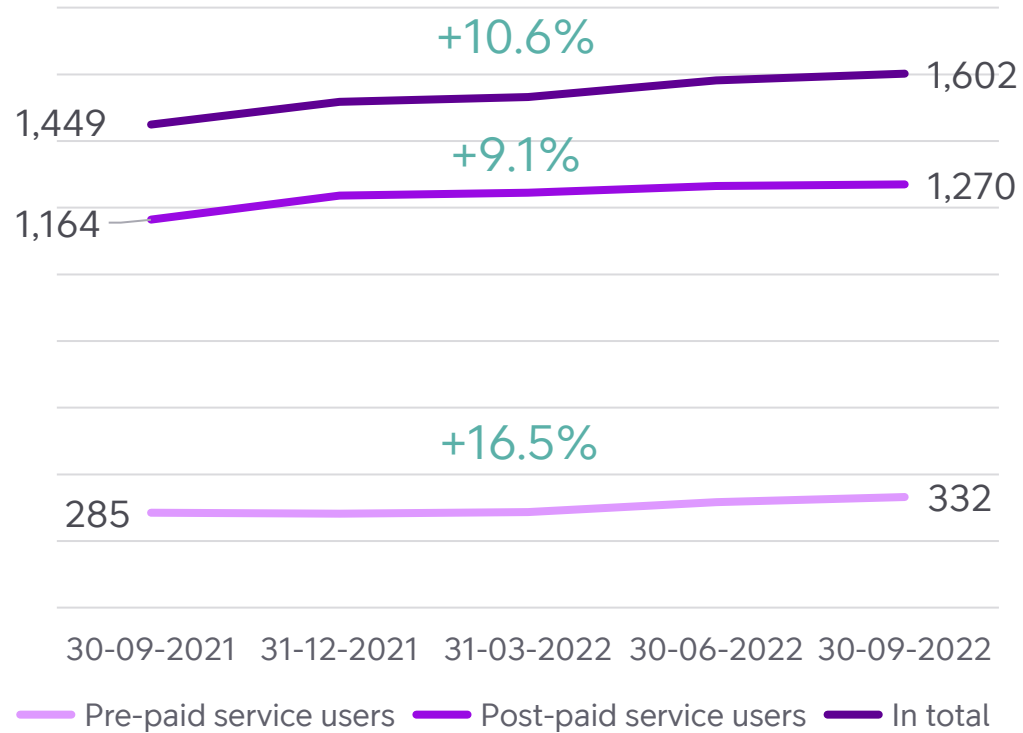
(per 100 households)



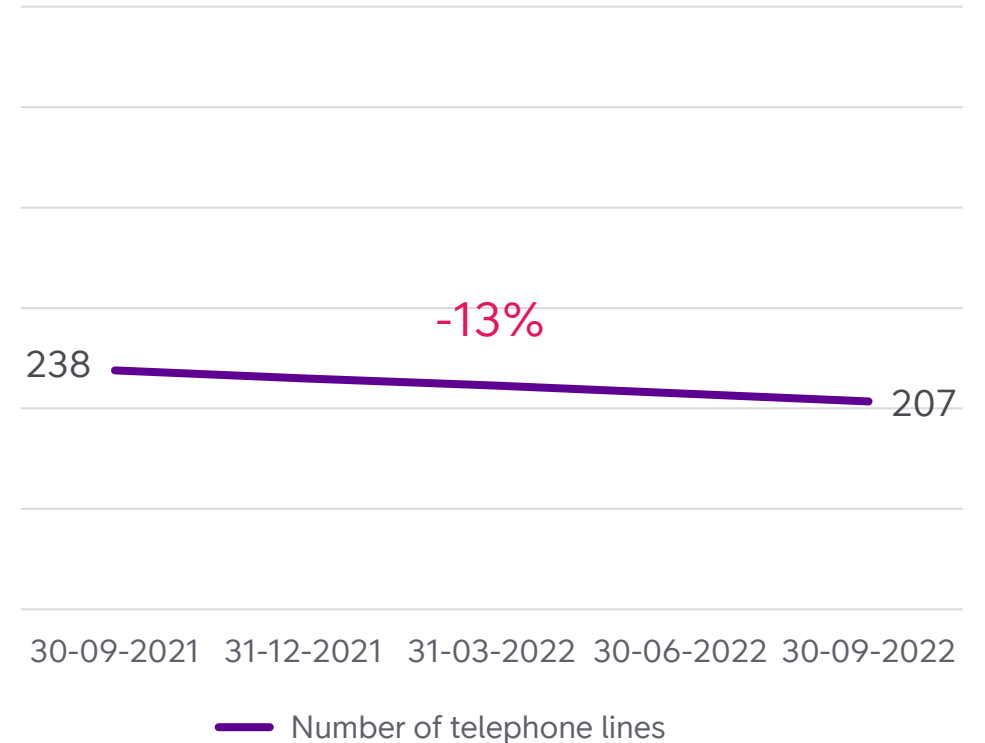
Operating and financial results

Number of mobile and fixed voice service users

Mobile communication users (thousand)

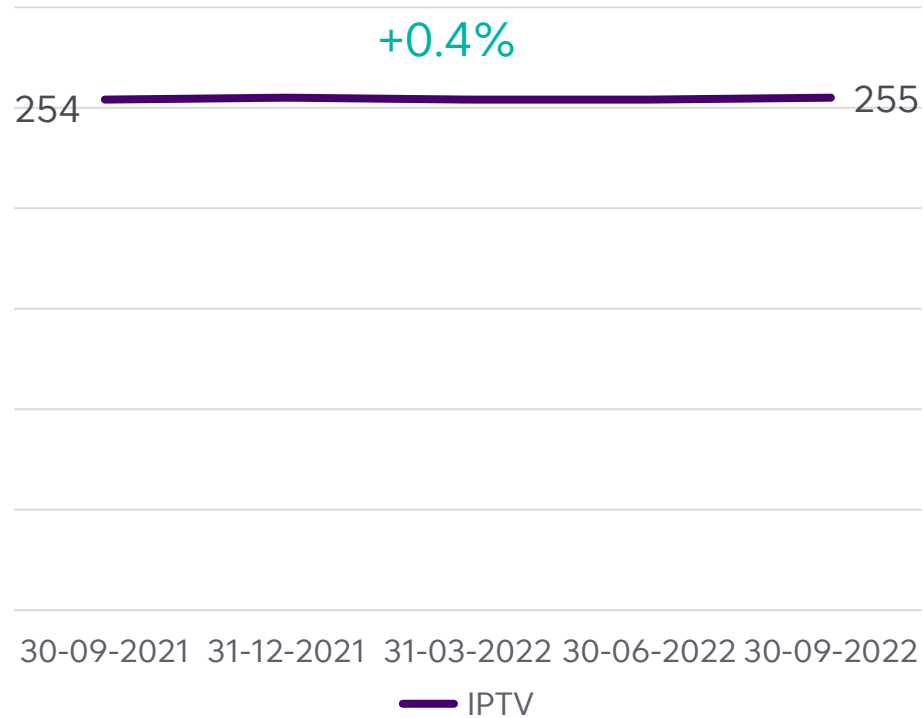


Number of fixed telephone lines (thousand)

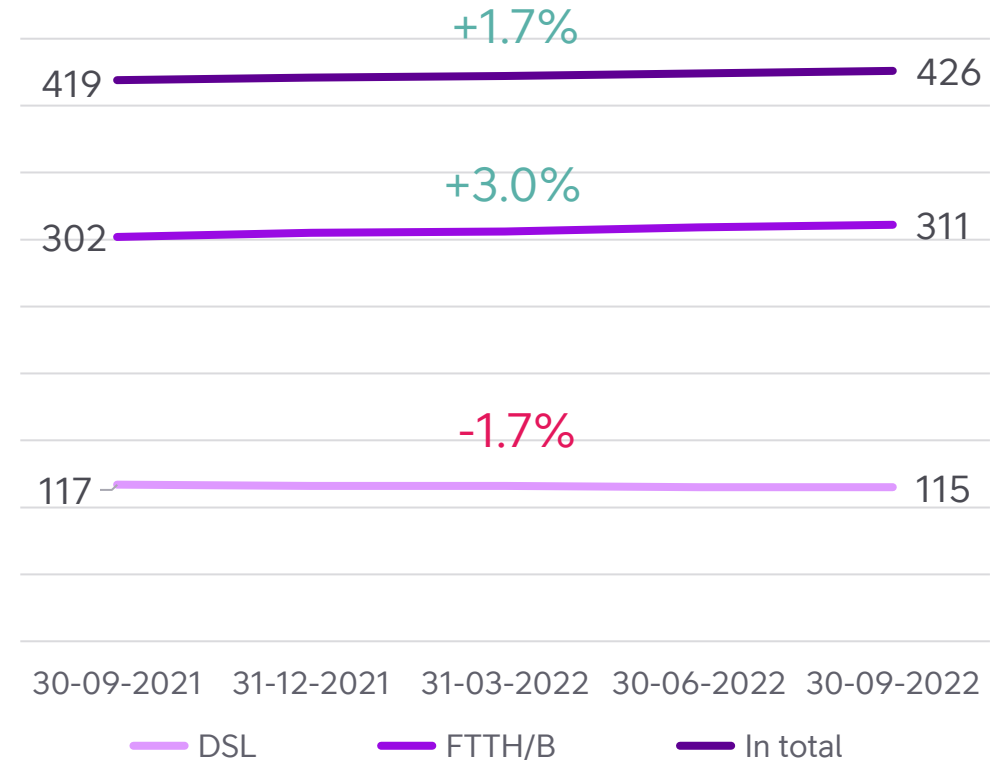


Number of IPTV and broadband Internet users

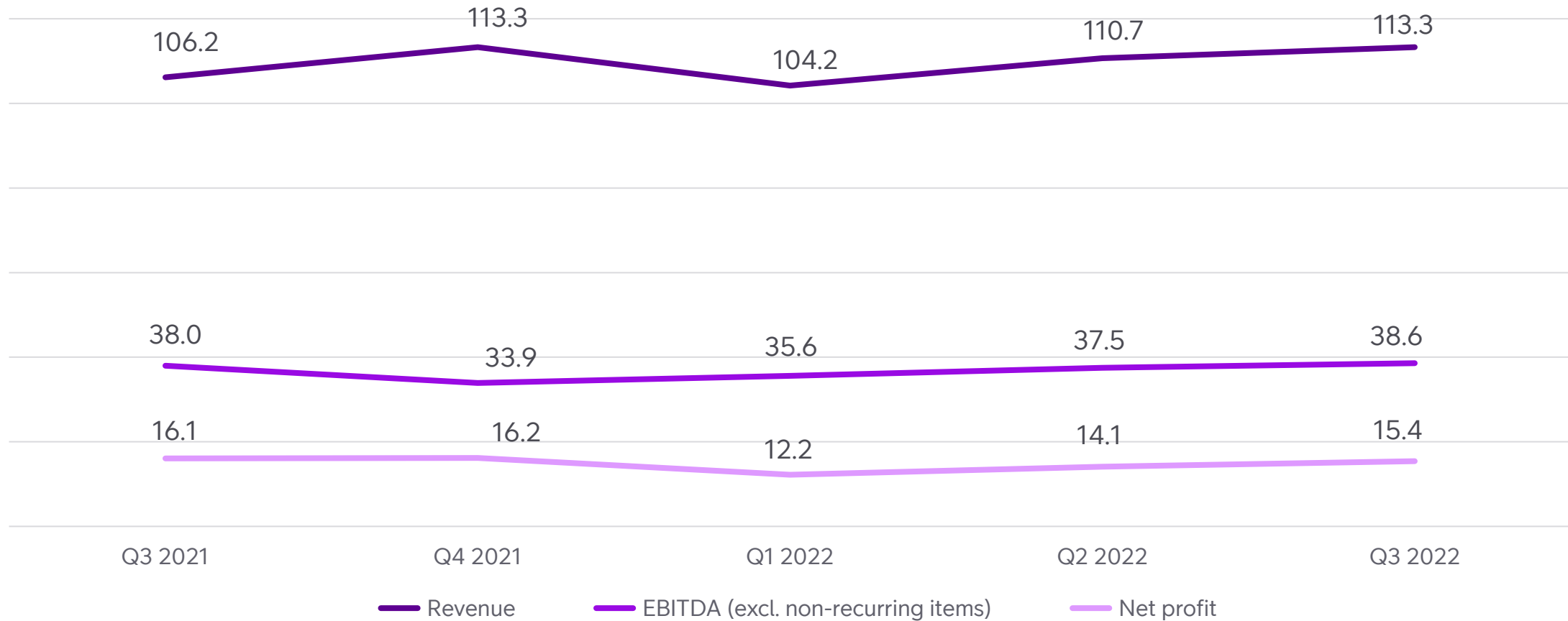
Number of TV service users (thousand)



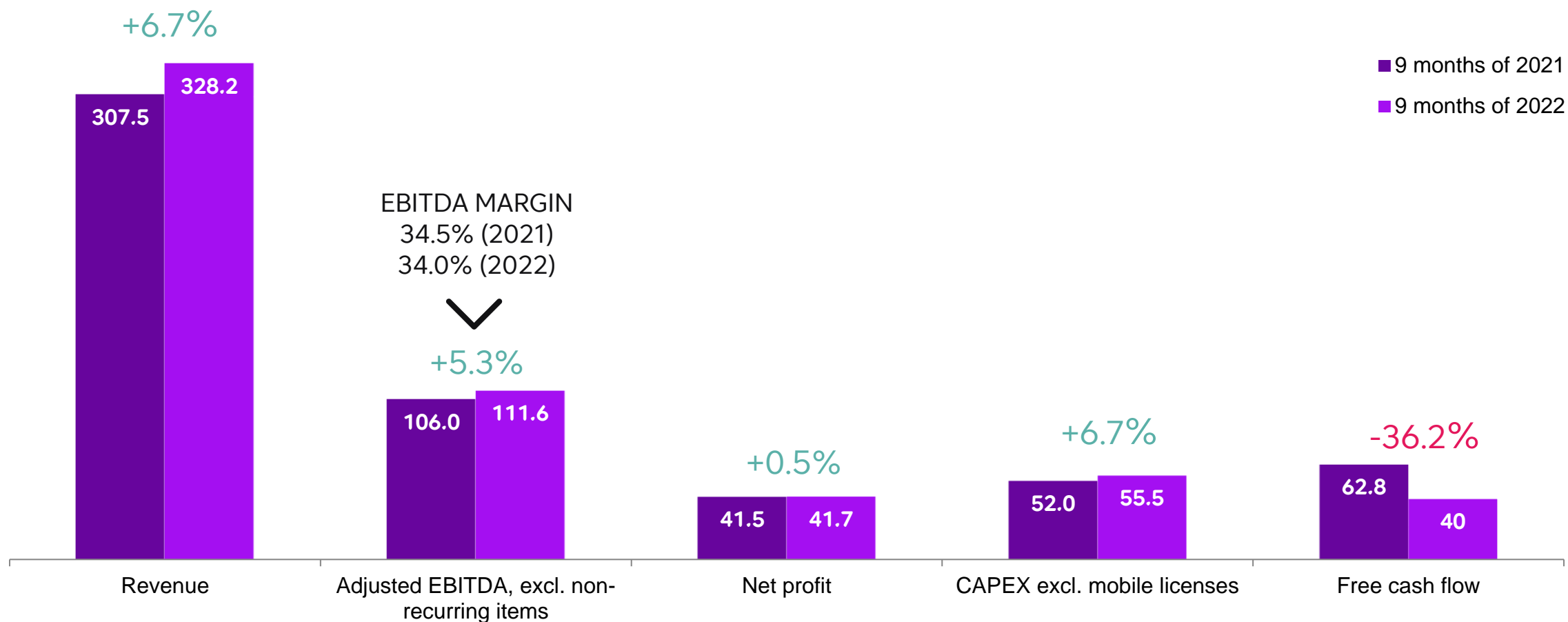
Number of broadband Internet users (thousand)



Revenue, EBITDA & Net profit (mEur)



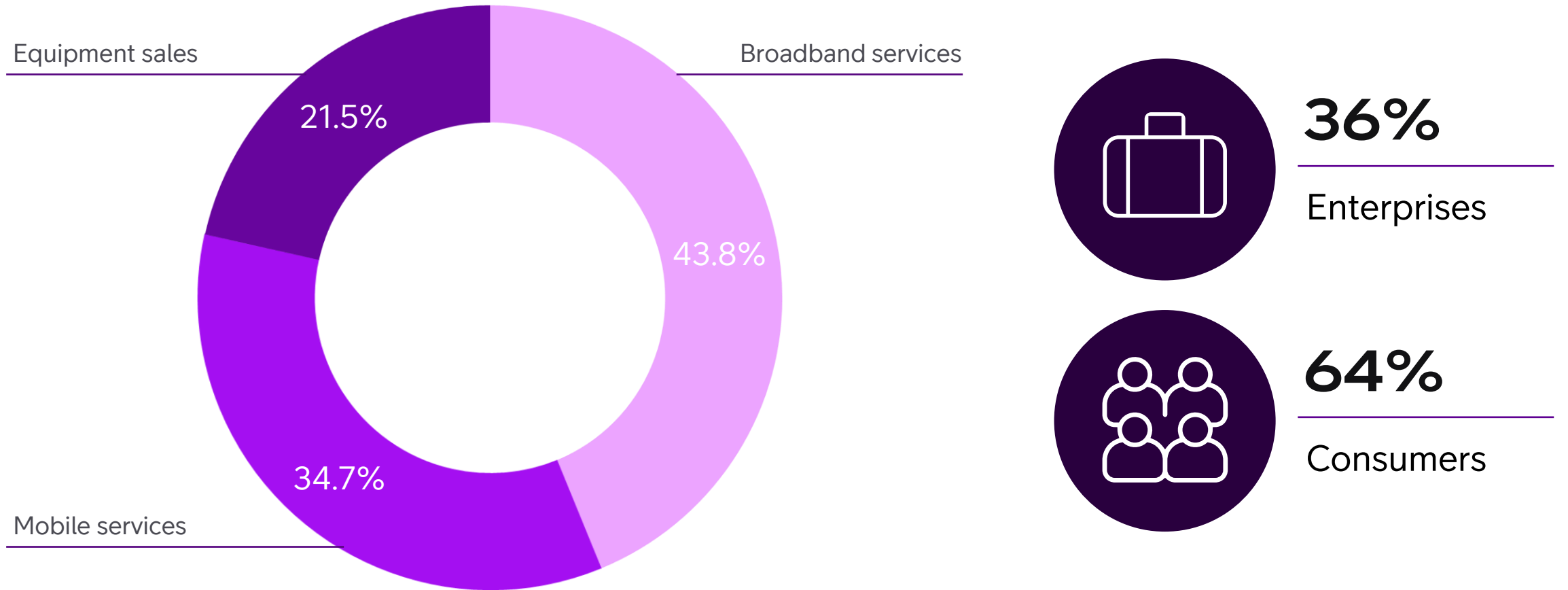
Dynamics of main financial indicators (mEur)



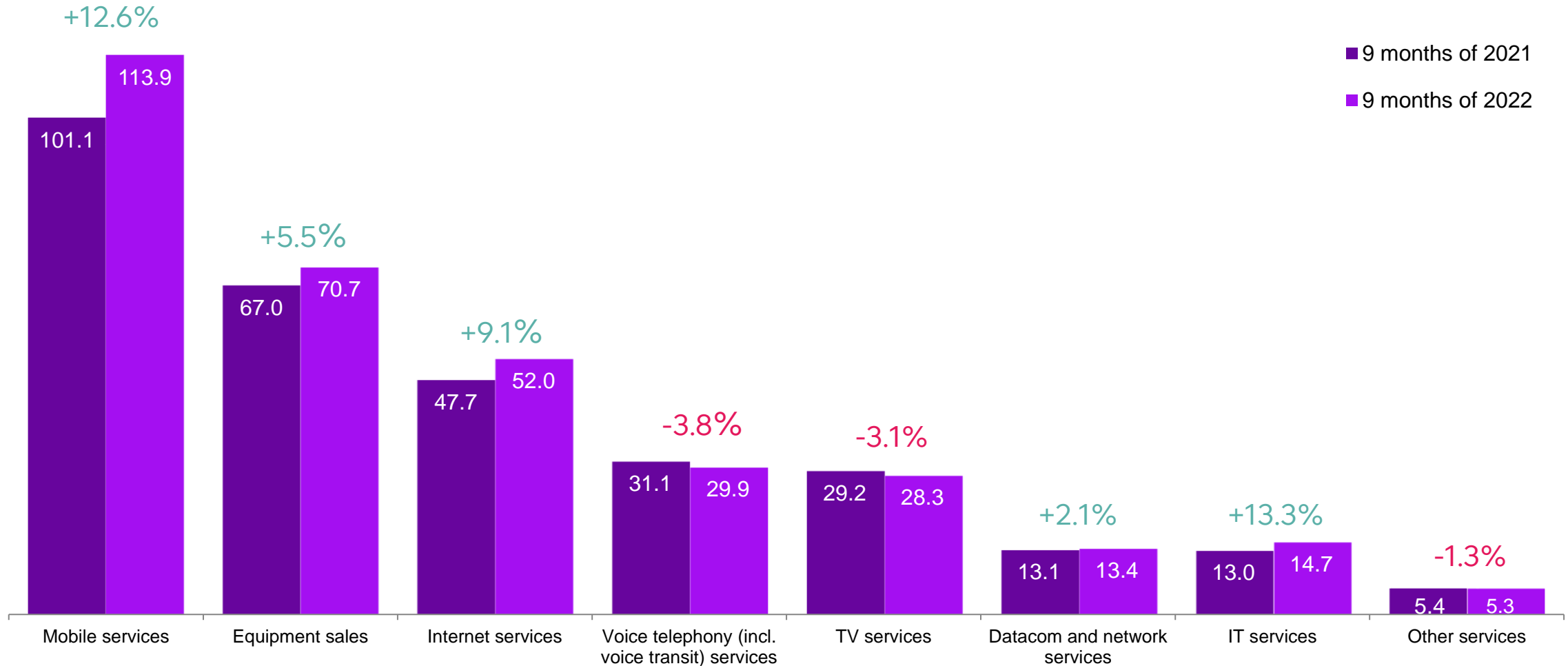
NOTE. Non-recurring items for 9 months of 2022 were comprised from one-off redundancy pay-outs of EUR 428 thousand (EUR 763 thousand a year ago), non-recurring other expenses of EUR 219 thousand (EUR 154 thousand) and gain of EUR 305 thousand (EUR 1.3 million) from sale of property.



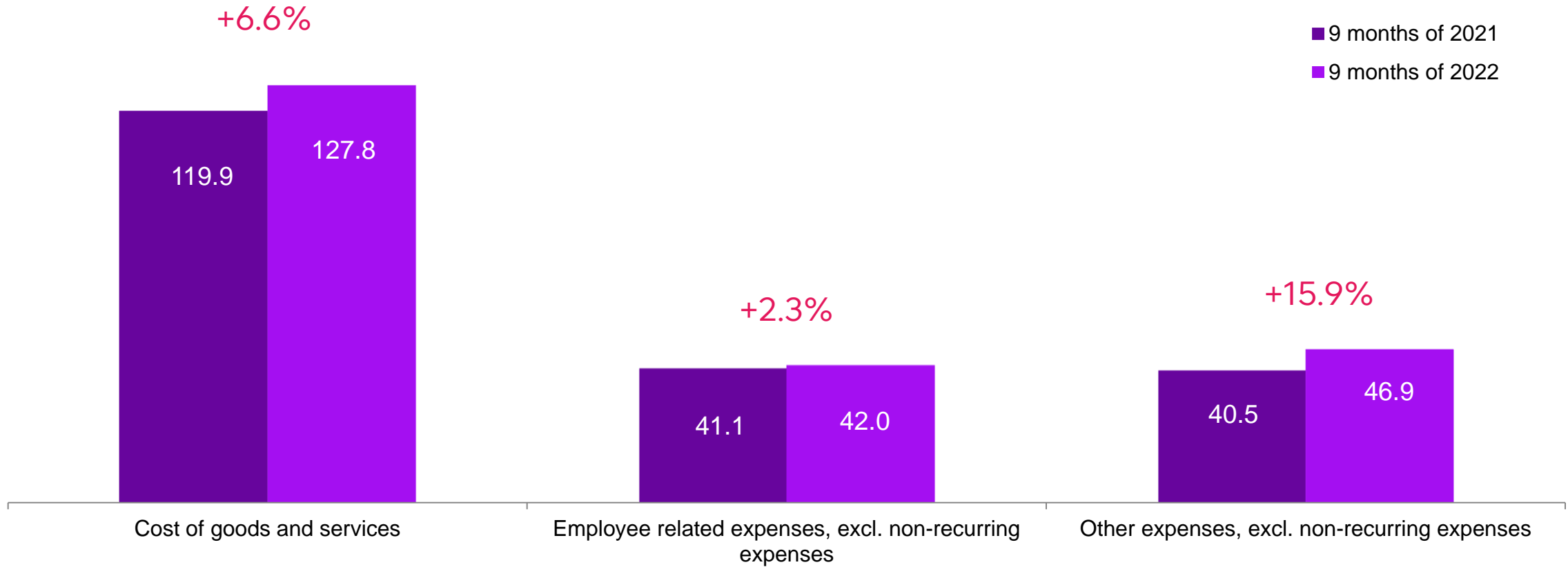
Revenue breakdown for 9 months of 2022



Revenue by services (mEur)



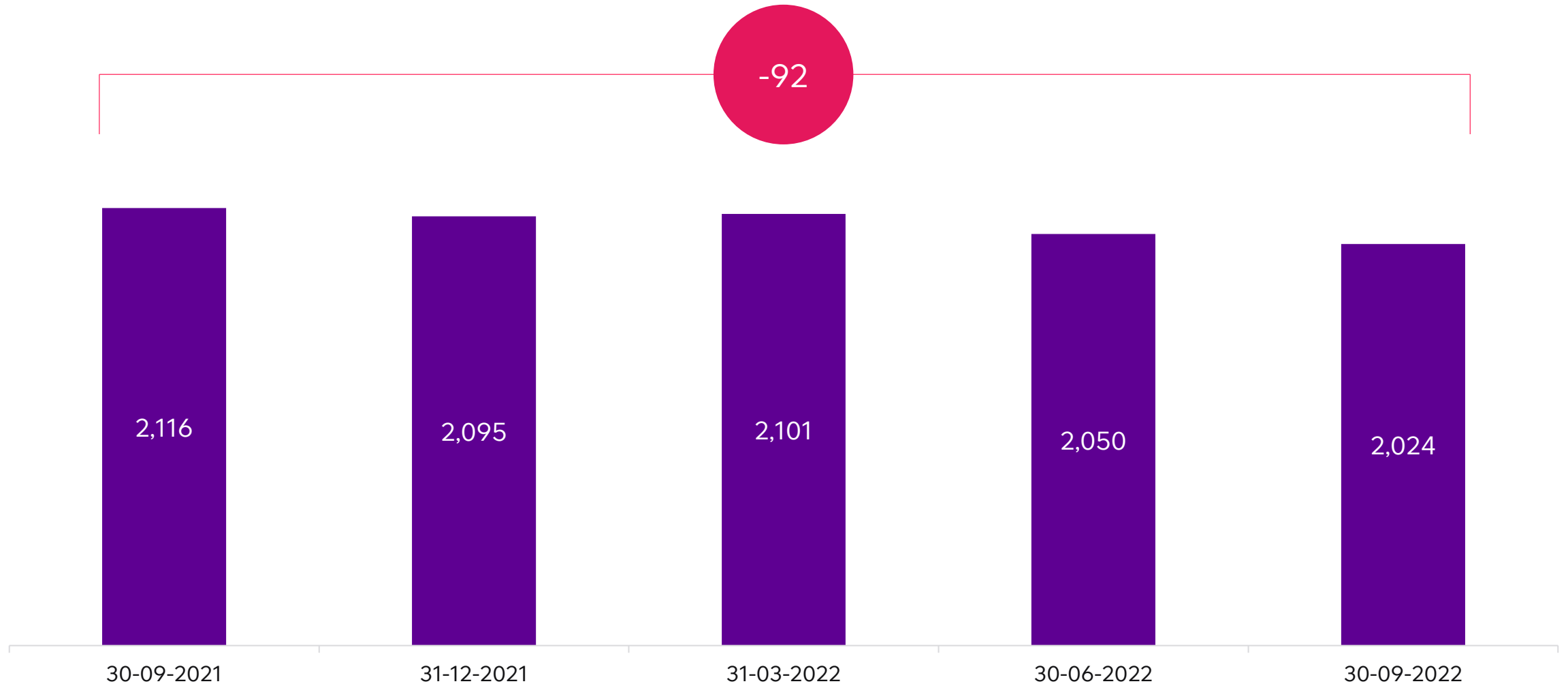
Operating expenses (mEur)



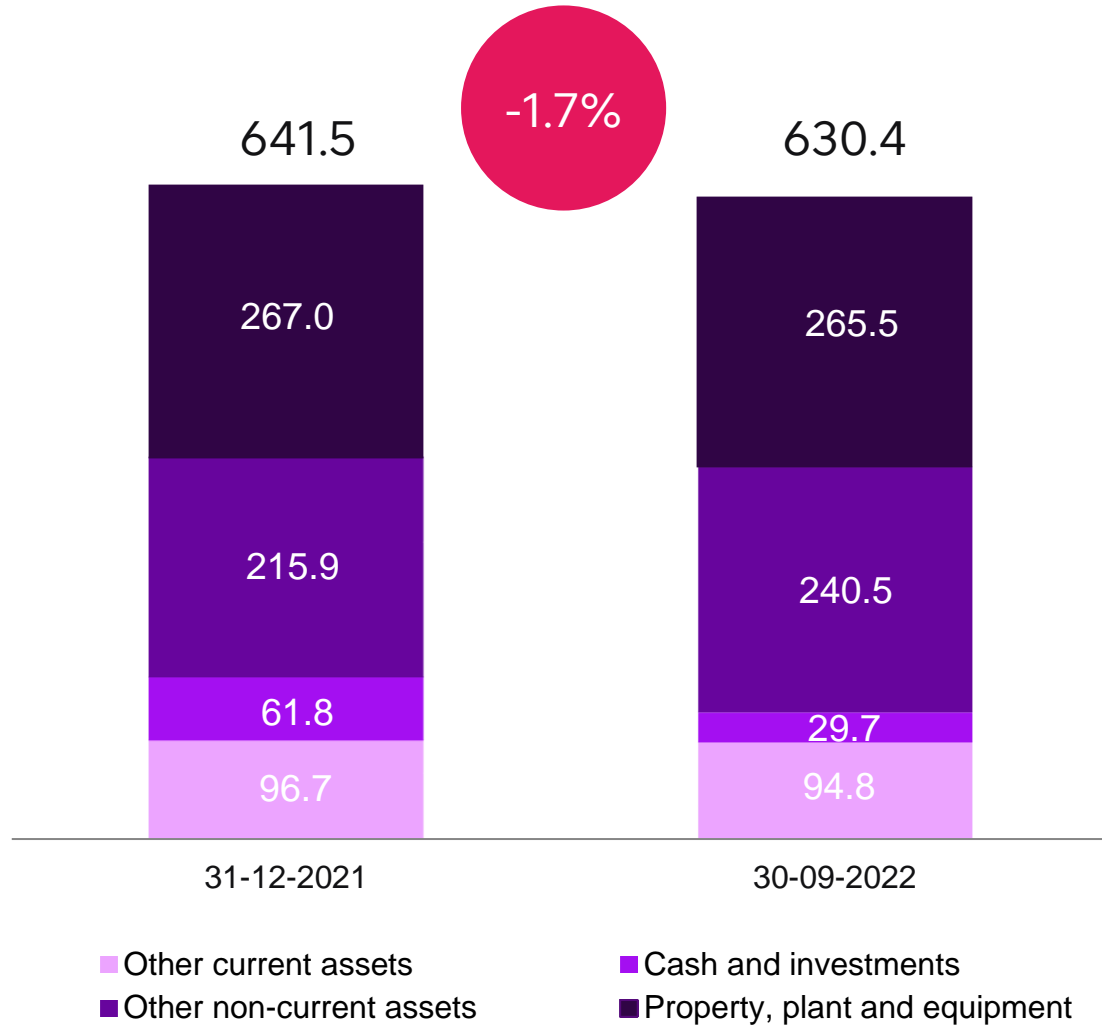
NOTE. Non-recurring expenses for 9 months of 2022 were comprised from one-off redundancy pay-outs of EUR 428 thousand (EUR 763 thousand for the 9 months of 2021) and non-recurring other expenses of EUR 219 thousand (EUR 154 thousand).



Number of employees



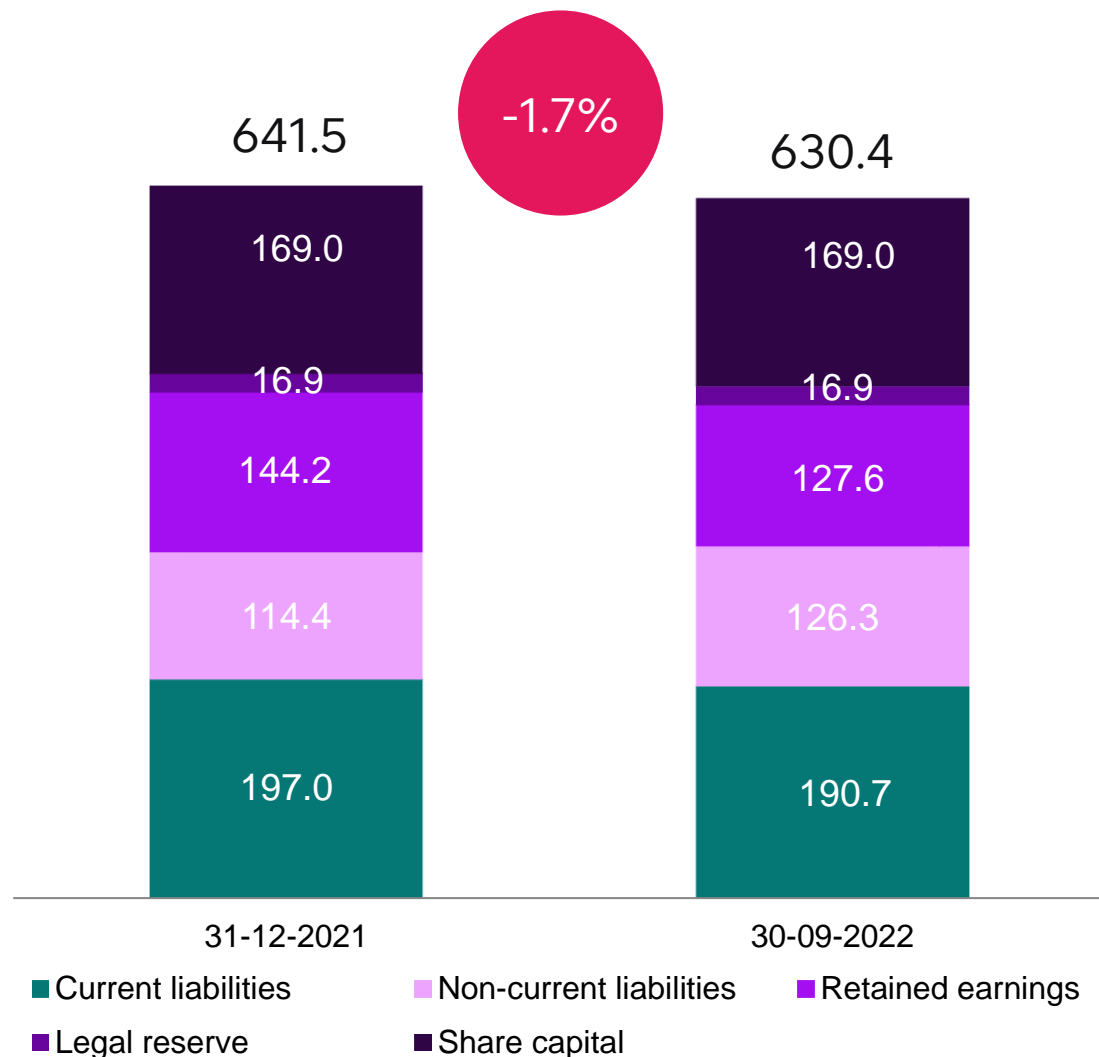
Assets (mEur)



- **Non-current assets** amounted to 80.3% of total assets as of 30 September 2022 (73.9% a year ago)
- **Cash** alone amounted to 4.7% (10.9%)
- **Return on capital employed:** 13.1% (14.6%)
- **Return on average assets:** 9.6% (10.7%)
- **Current ratio:** 64.5% (108.8%)



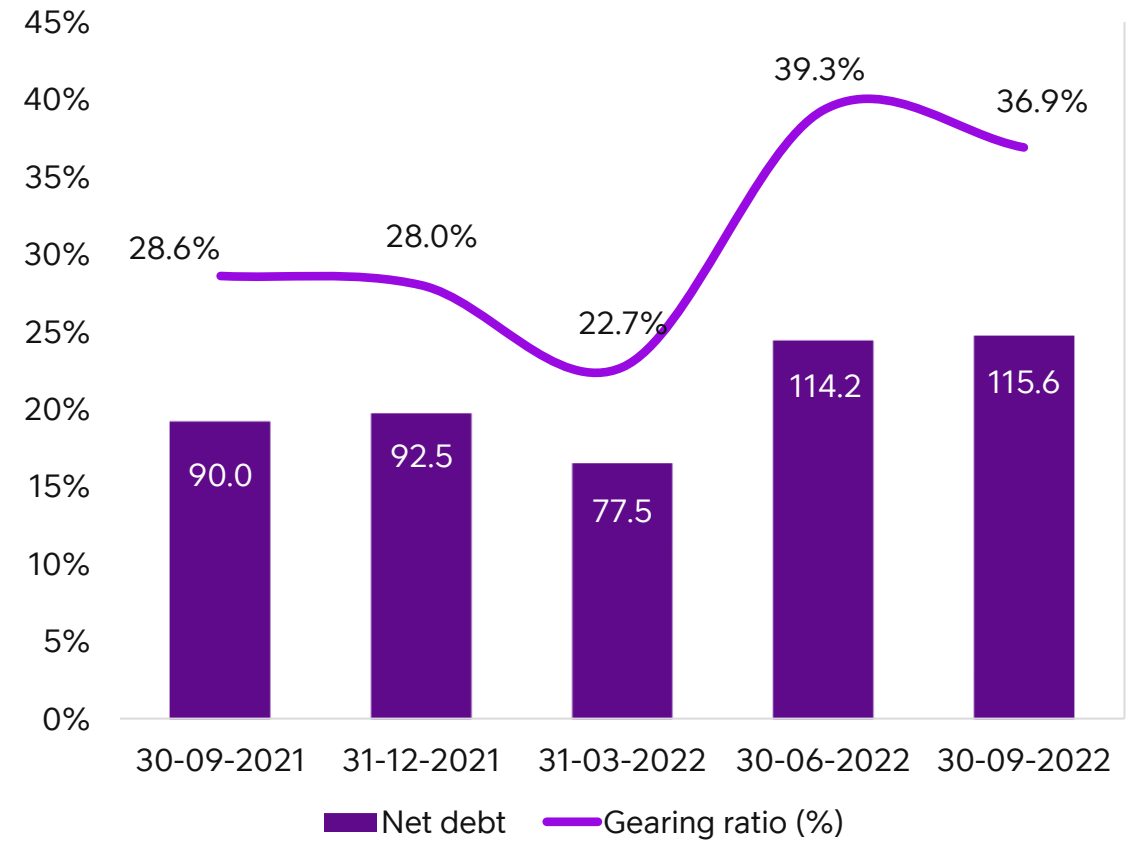
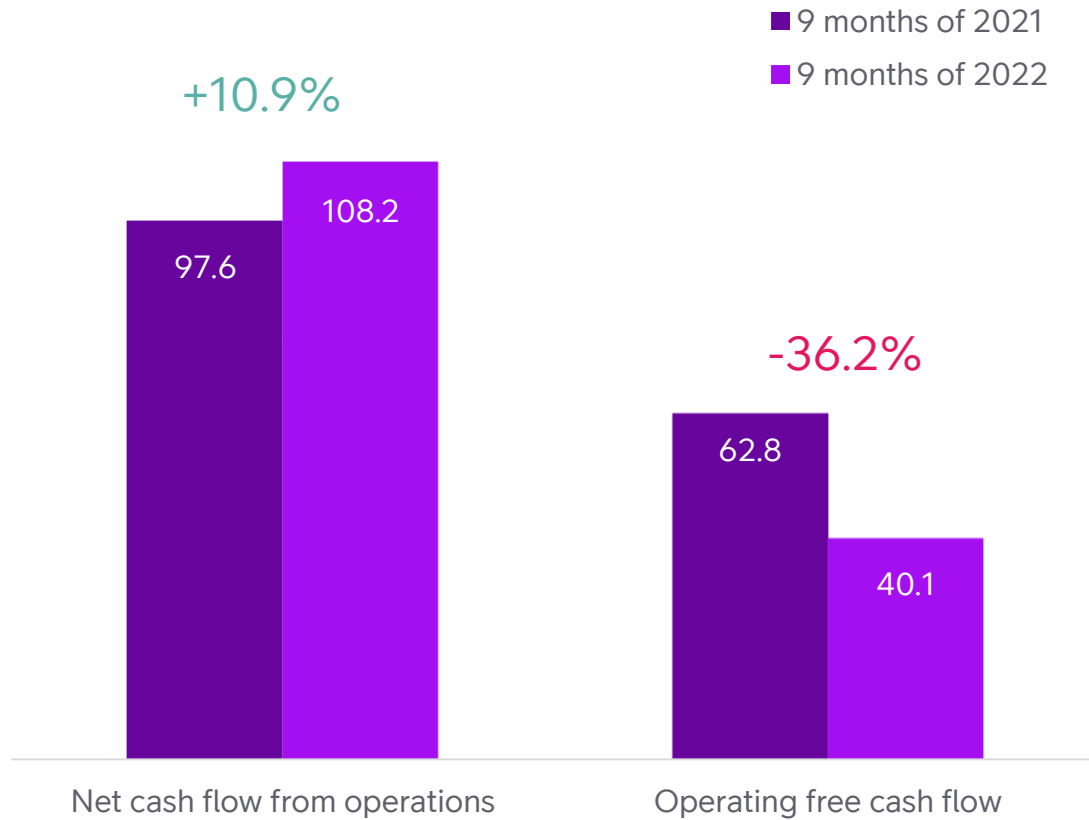
Equity and liabilities (mEur)



- As of 30 September 2022, shareholders' **equity** amounted to 49.7% of the total assets (50.8% a year ago)
- Total **borrowings** (30-09-2022) amounted to EUR 145.3 million: EUR 30 million – bank loan and EUR 115.3 million – vendor financing.
- On 26 May 2022, the Company paid-out **EUR 58.3 million of dividends** (EUR 0.10 per share) for the year 2021
- **Debt to equity:** 46.4% (50.1%)
- **Return on equity:** 17.8% (18.1%)
- **Net debt to EBITDA:** 0.81 (0.64)



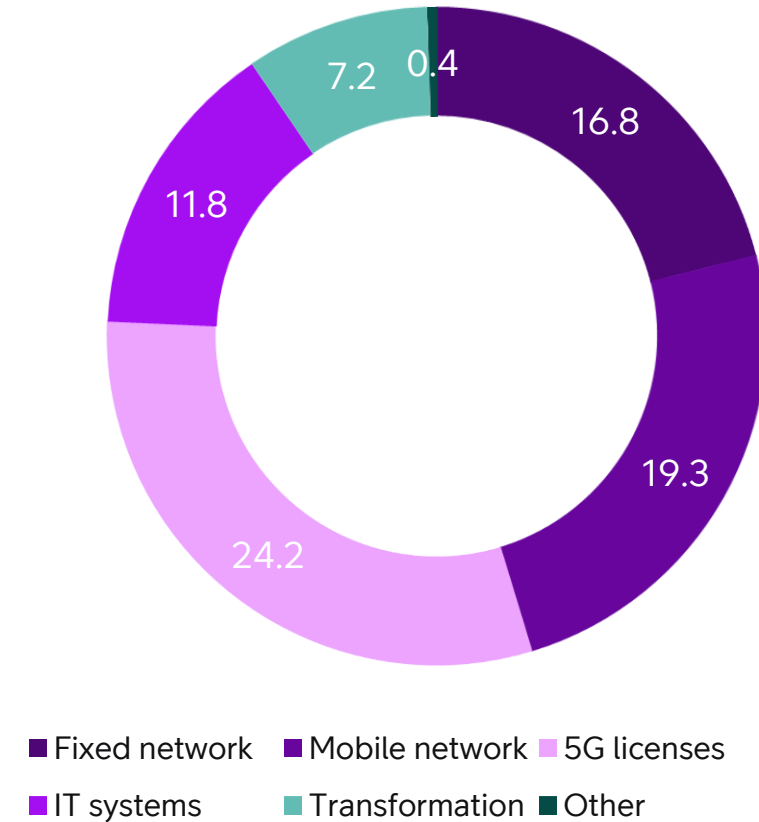
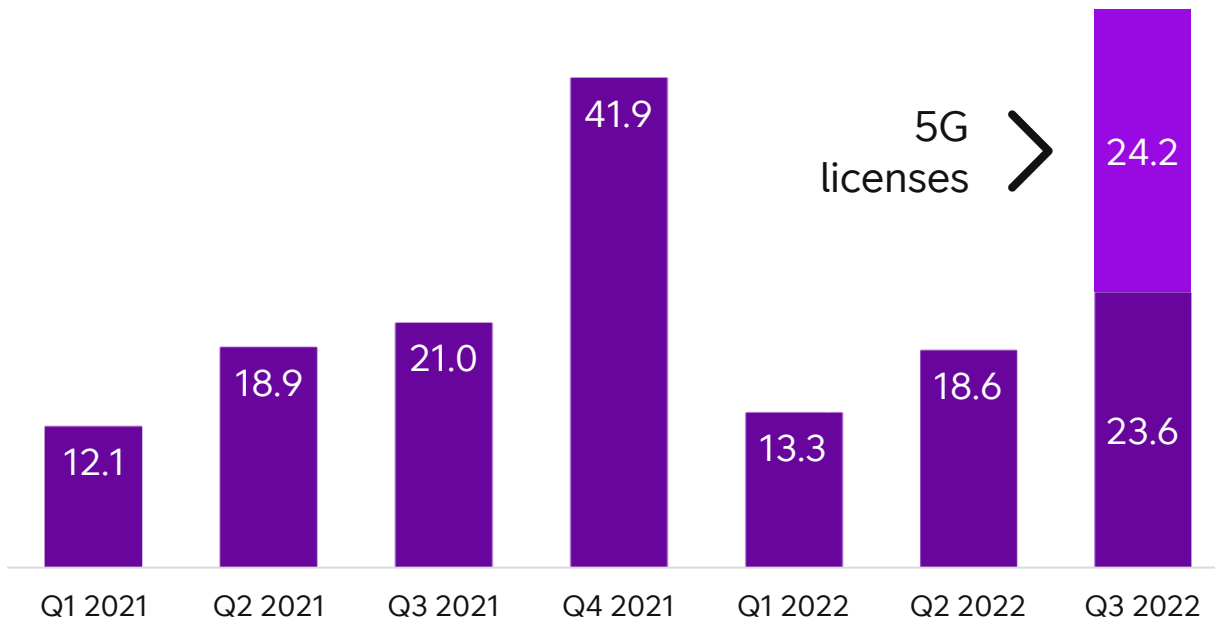
Cash flow & Net debt (mEur)



CAPEX & CAPEX breakdown for 9 month of 2022 (mEur)

Capex to Sales (12 months' rolling)

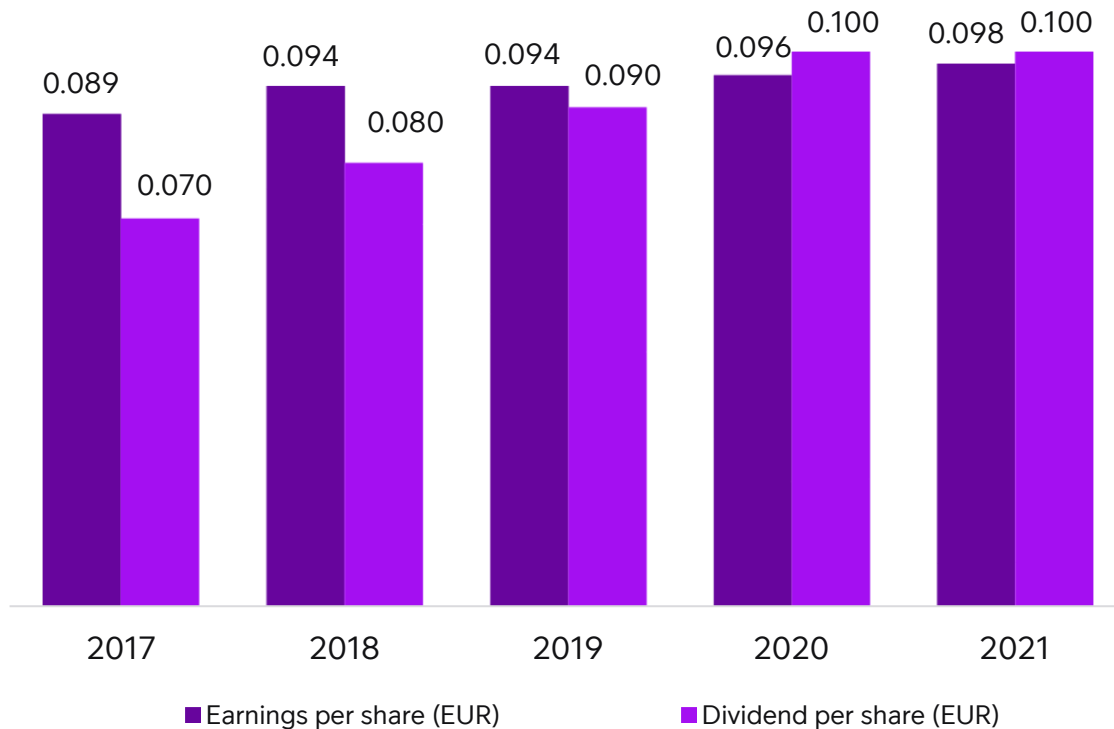
30-09-2022	30-09-2021
22.1%	16.5%



Dividends

Dividend payout ratio

2021	2020
102%	104%



- 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 28 April 2022 , the Annual General Meeting of shareholders approved pay-out of **EUR 58.3 million** (EUR 0.10 per share) **of dividends** for the year 2021
- **Dividends** for the year 2021 were **paid-out on 26 May 2022**

NOTE. Financial data for the years 2017-2020 is consolidated, for the year 2021 – standalone



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 14.3 thousand**

Shareholders

as of 30-09-2022

Telia Company AB

88.15%

Other

11.85%

Part of shares and votes

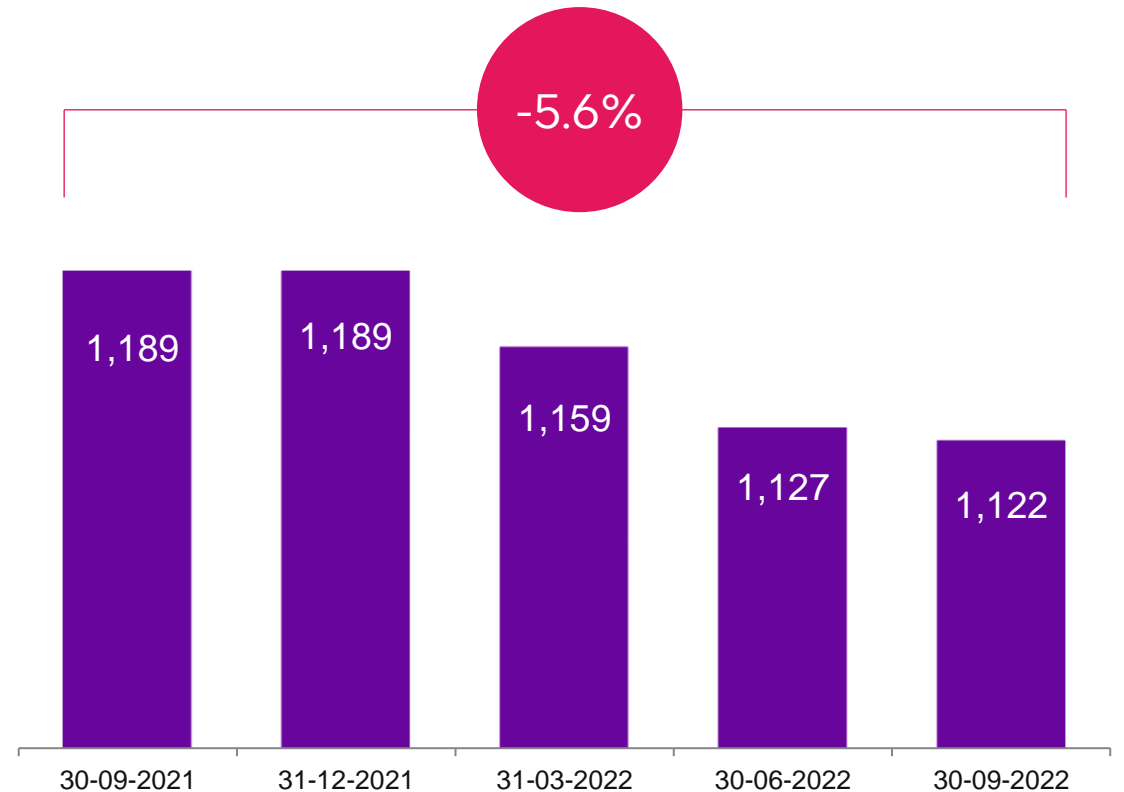


Shares

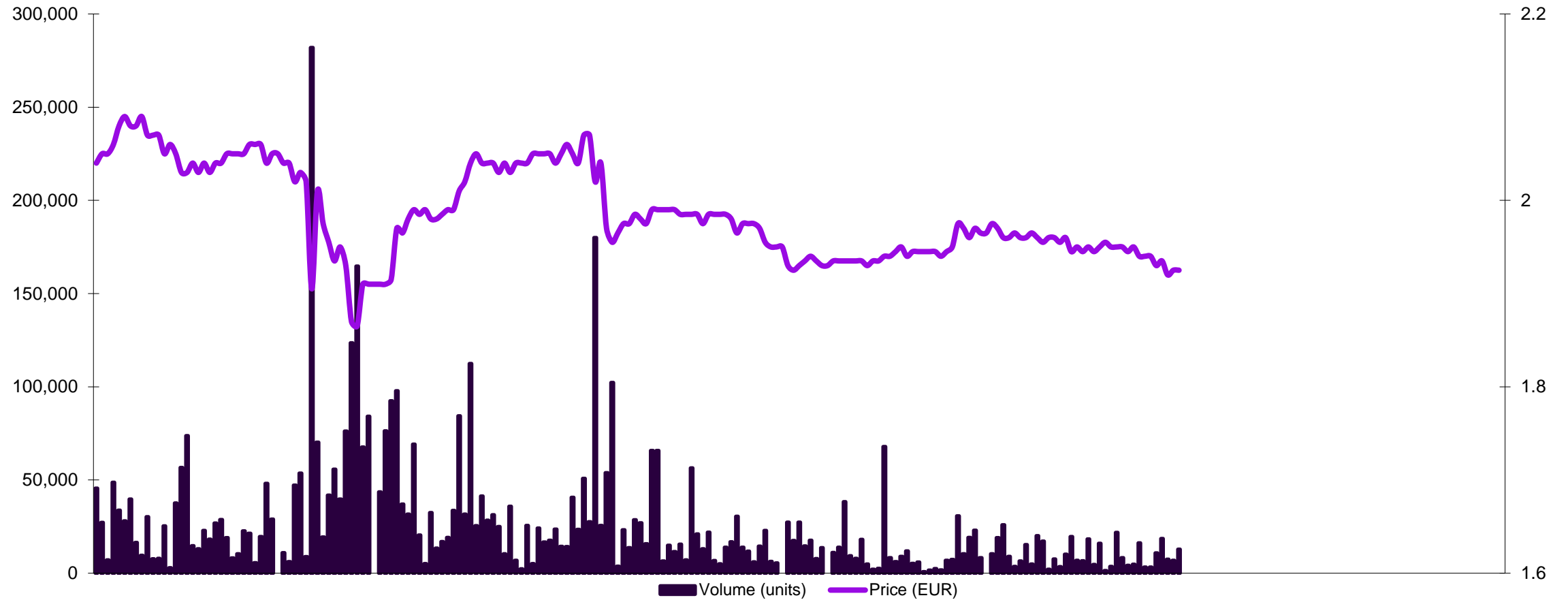
- Since June 2000, the Company's shares are listed on **Nasdaq Vilnius stock exchange** (ticker: TEL1L)
- Since January 2011, the Company's shares were included into the trading lists of a few German stock exchanges (ticker: ZWS)
- **Turnover** on Nasdaq Vilnius stock exchange during January-September 2022: 5 million of shares or EUR 9.9 million
- Share **price** on Nasdaq Vilnius:

01-01-2022	High	Low	30-09-2022
2.05 €	2.10 €	1.79 €	1.925 €

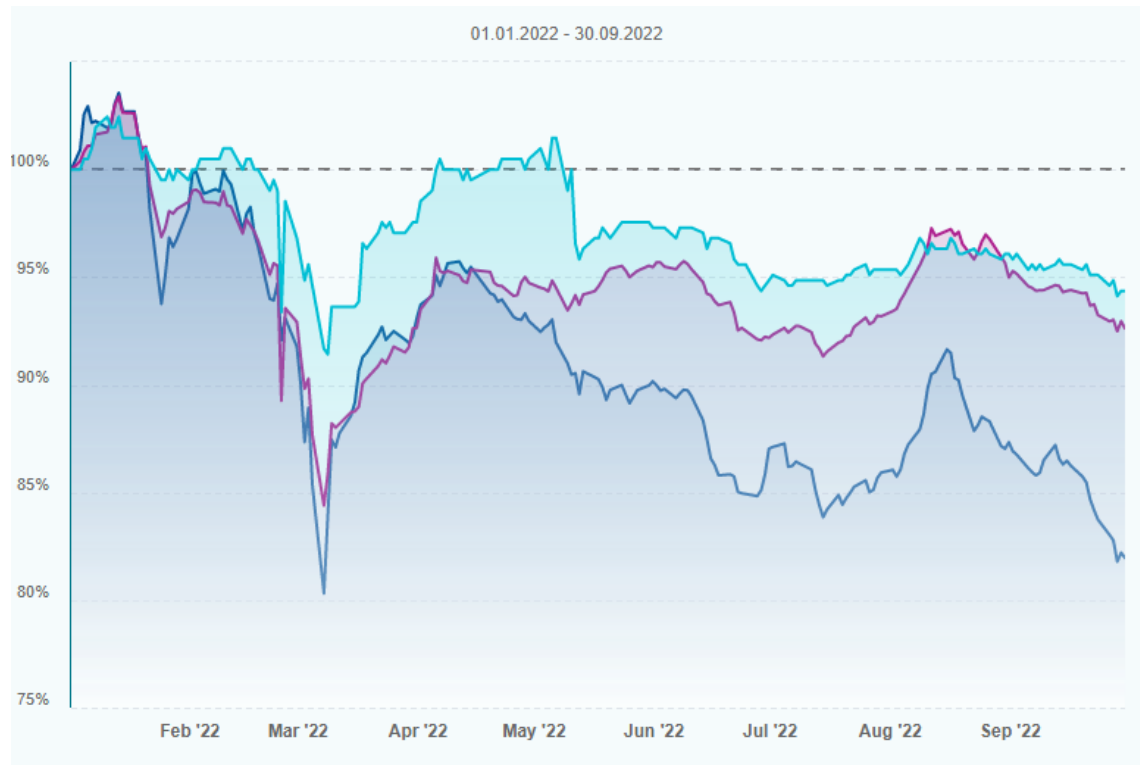
Market capitalization (mEur)



Trading in the Company's shares on Nasdaq Vilnius stock exchange in 2022



The company's share price and Nasdaq Vilnius indexes comparison



	Opening value	Closing value	Change %
OMX Baltic Benchmark GI	1,568.82	1,285.79	-18.04
OMX Vilnius GI	966.13	894.83	-7.38
TEL1L – Telia Lietuva	2.04	1.925	-5.64

P/E ratio: **19.7** (20.4 a year ago)

■ OMX Baltic Benchmark GI
 ■ OMX Vilnius GI
 ■ TEL1L - Telia Lietuva

Source: Nasdaq Vilnius

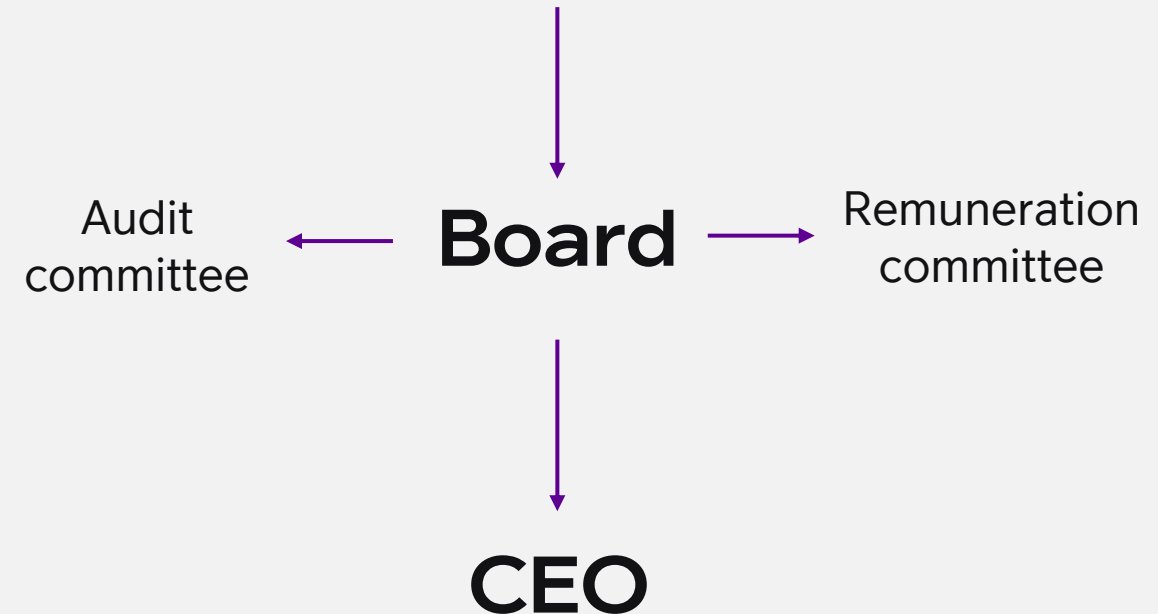


Corporate governance

Governing bodies

- The **Annual General Meeting** of Shareholders was held on 28 April 2022
- The **Board** consist of 6 members elected for the 2-year term
- The current term of the Board will end on 27 April 2023
- 3 members of the Board comprise **Audit and Remuneration Committees**
- Douglas Lubbe, **Chair of the Board**, has resigned from the Board as of 14 October 2022
- The Board elected Claes Nycander as **new Chair of the Board** and elected Hannu-Matti Mäkinen as Chair of the Remuneration Committee
- **UAB Deloitte Lietuva** is the Company's audit enterprise for 2021 & 2022
- The Board elects and recalls **CEO**

General meeting of shareholders



Board



**Douglas
Lubbe**

Chair of the Board,
Member of the
Remuneration
Committee, represented
Telia Company AB till 14
October 2022



**Claes
Nycander**

Chair of the Board
from 18 October
2022, member 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,
Chair of the
Remuneration
Committee, represents
Telia Company AB



**Dovilė
Grigienė**

Independent member
of the Board,
Member of the Audit
Committee



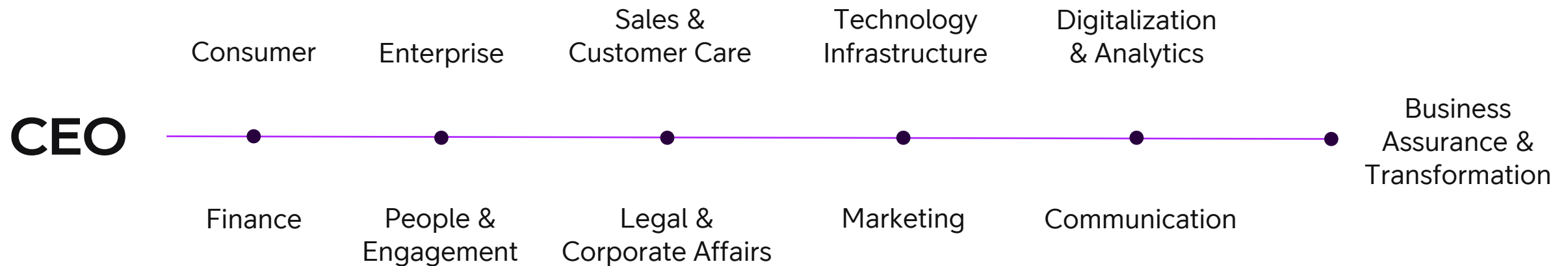
**Mindaugas
Glodas**

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



Dan Strömberg,
CEO



Elina Dapkevičienė,
Head of Consumer



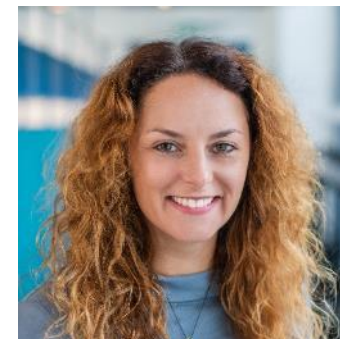
Daniel Karpovič,
Head of Enterprise



**Giedrė Kaminskaitė-
Salters,** 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



Vytautas Bučinskas,
Head of Business
Assurance & Transformation



Business sustainability

How we understand sustainability?



Environmental Action

Climate & Circularity



Digital Inclusion

Quality of Life & Innovations



Empowerment

Equality & Inclusion



Responsible Business

Privacy and security, Freedom of Expression, Health and Safety, etc.





Ambitious environmental goals 2030



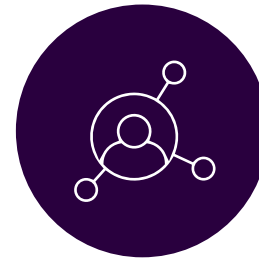
Zero CO₂

throughout the value chain



Zero waste

circular economy in Telia's operations



100% action

Team effort

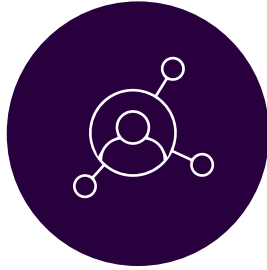


Our achievements in numbers



47%

reduction of **greenhouse gas** emissions in our own operations since 2018



38%

of Telia Lietuva **supply chain emissions** are covered by science-based climate targets



70%

of all **waste** generated by Telia Lietuva is reused or recycled



100%

of **dismantled infrastructure network** is reused or sold



18%

of all **routers and TV set-top boxes** delivered to our customers in 2021 were reused



Highlight of Q3 2022 - discussion festival „Būtent“

Engaging discussions and renowned speakers in Telia tent, talking about artificial intelligence and ethics, Lithuania and internationalism, what will Lithuanian future cities look like, anti-corruption and transparency, eco-anxiety etc.

Additional activities organized by Telia Lietuva:

- Climate museum
- Cinema nights

Two-day event in September 2022 attracted **more than 5,000** engaged participants.



Thank you