

# Interim results

12 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



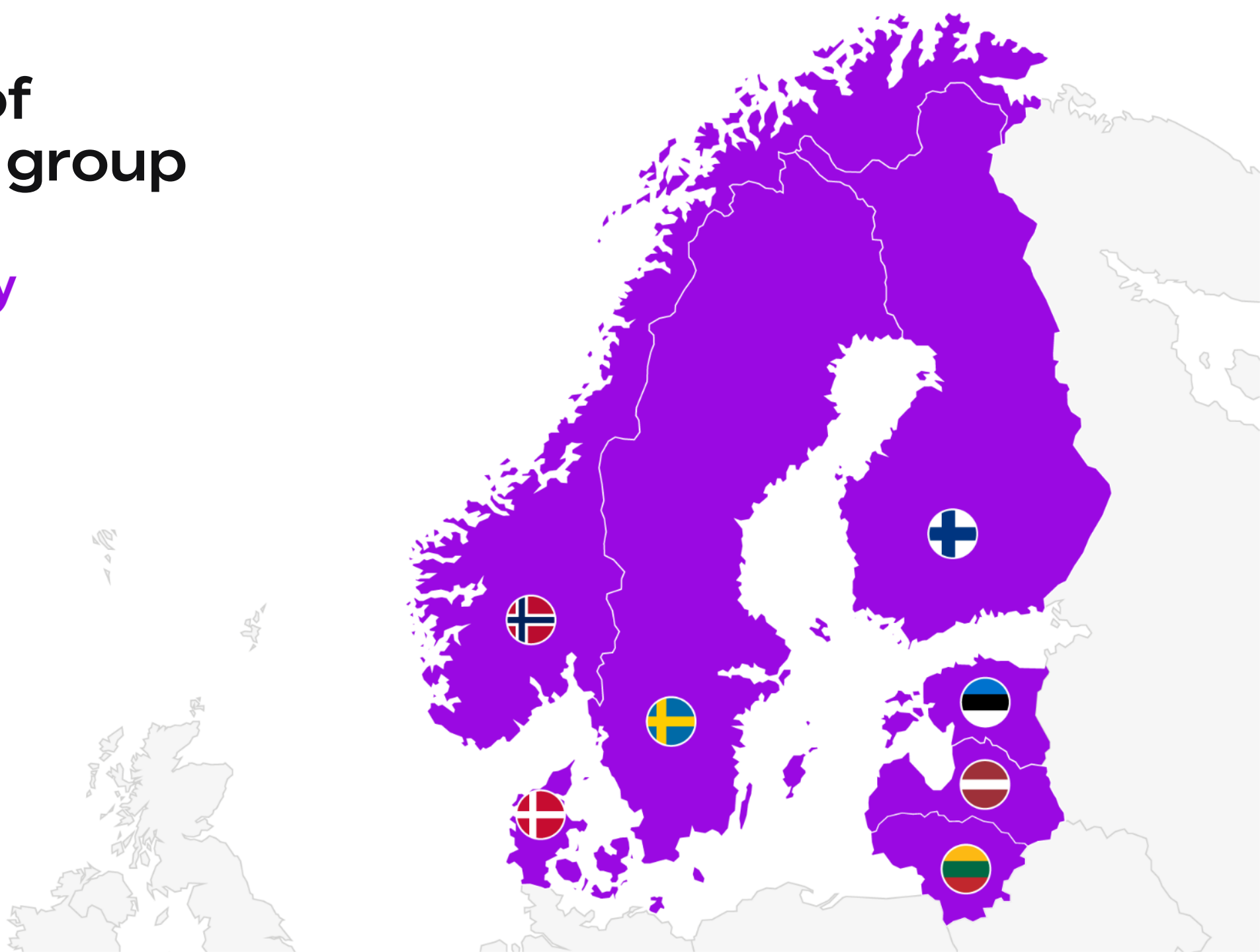
Team of 2,000  
professionals



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

**We Care**  
for everyone

**We Simplify**  
the way we do things

**Speed up**  
Make the right decisions fast

**Look out for each other**  
Treat everyone with respect

**Less is more**  
Do what matters most

**Make it happen**  
Enable everyone to make better happen

**Walk in our customers' shoes**  
Make customer experience your obsession

**One team**  
Align goals and prioritize

**Radical honesty**  
Call things out even when it's difficult

**Celebrate the good stuff**  
Be generous with your praise

**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 Q4 2023

#1

Continuous revenue & EBITDA growth

#2

Double-digit growth in revenue from billed mobile & IT services

#3

Launched Telia Play app for smart TV sets with Android operating system

#4

Leading the market in terms of used mobile data

#5

Telia Lietuva renounced and returned to the Bank of Lithuania an electronic money institution license

#6

For the 4<sup>th</sup> year in a row customer care provided at Telia Lietuva retail shops is recognized as best in class

#7

During the Christmas campaign we highlighted the role of technologies in increasing the quality of life and accessibility for the visually impaired

#8

Telia Lietuva will continue to provide calls to/from Ukraine at reduced tariffs



# Number of customers



**1,643,000**

of **mobile** service users



**426,000**

of **broadband Internet** connections



**261,000**

of **TV service** users



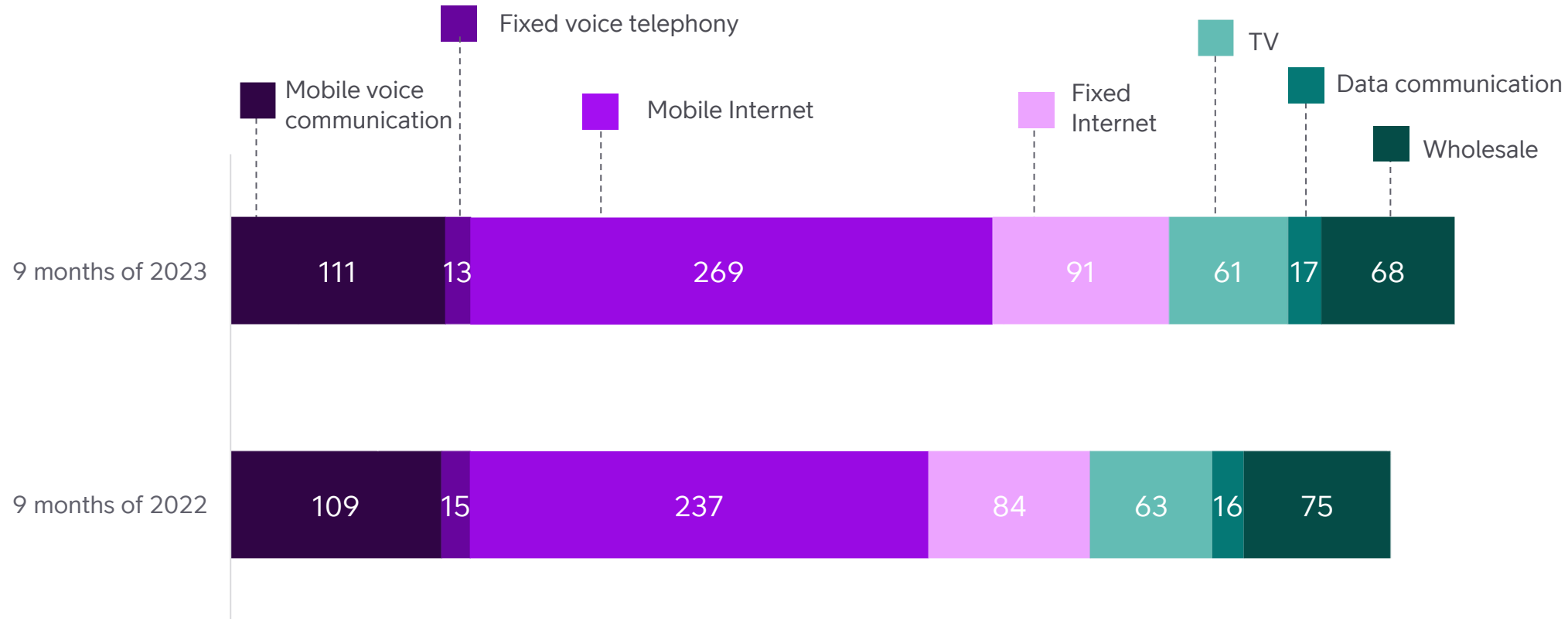
**177,000**

of **fixed telephone** lines in service



# Telecommunications market of Lithuania

# Internet drives telco market growth (mEur)

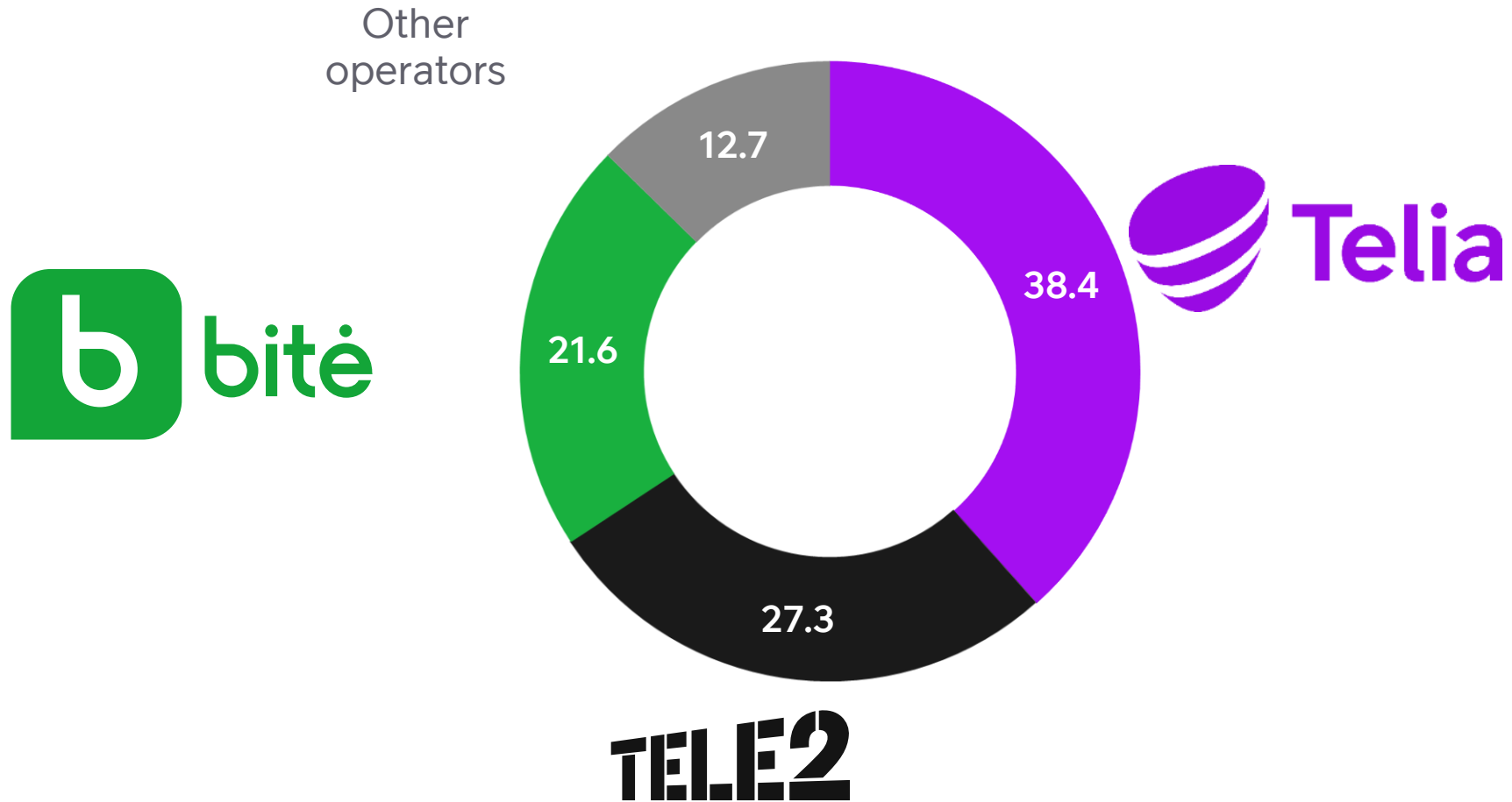


**+5.5%**  
(y-o-y)

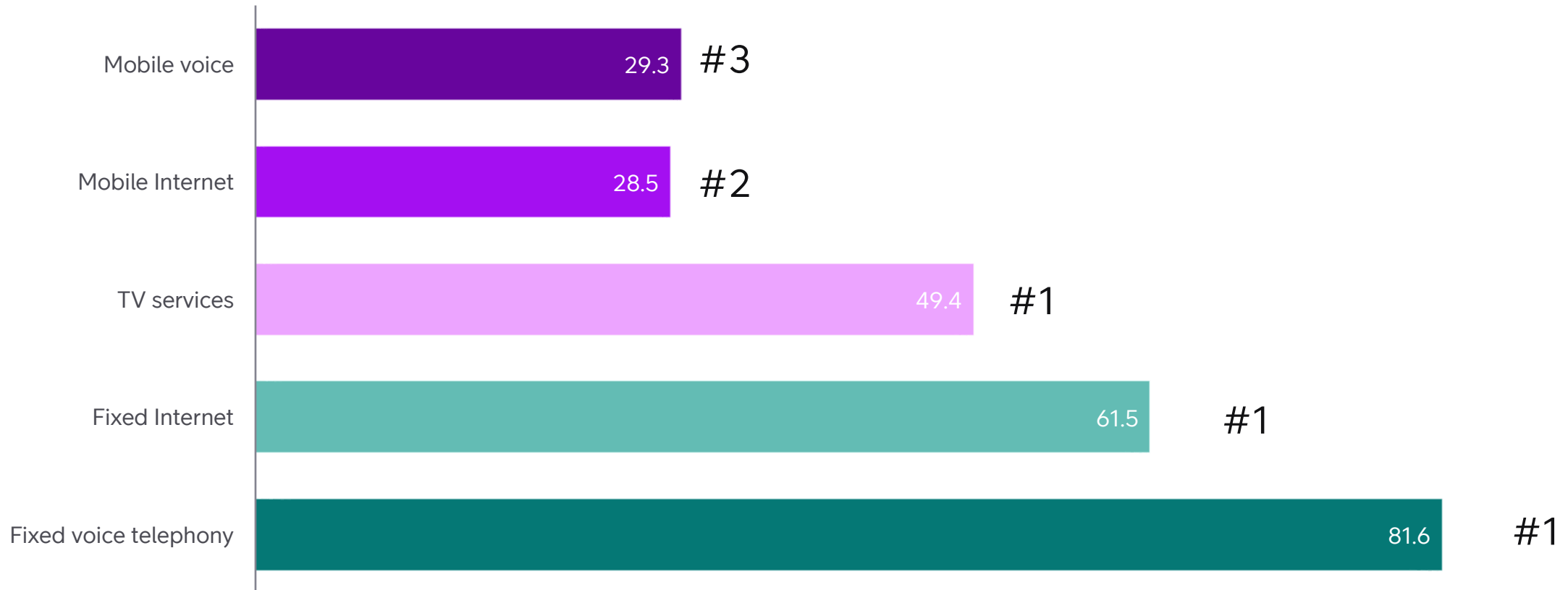
Total market



# Breakdown of the telecommunications market revenue by operators for Q3 2023 (%)



# Telia Lietuva market shares in terms of revenue for Q3 2023 (%)



# Market: growing usage of mobile data



**+24.6%** (y-o-y)

Growing usage of  
**mobile data**

(uploaded / downloaded  
**356,346 TB** of data per quarter)



**+0.7%** (y-o-y)

Increased number of  
**FTTH/B connections**

(accounts for **79.7%** of all  
fixed Internet connections)



**+0.7%** (y-o-y)

Increased number of  
**IPTV users**

(accounts for **53.4%** of all  
pay-TV service users)



# Market penetration



**137.2**

**Mobile**  
communications  
subscribers

(per 100 inhabitants)



**14.1**

Fixed  
**telephony**  
lines

(per 100 households)



**53.8**

Broadband  
**Internet**  
access

(per 100 households)



**40.8**

**Pay-TV**  
subscribers

(per 100 households)

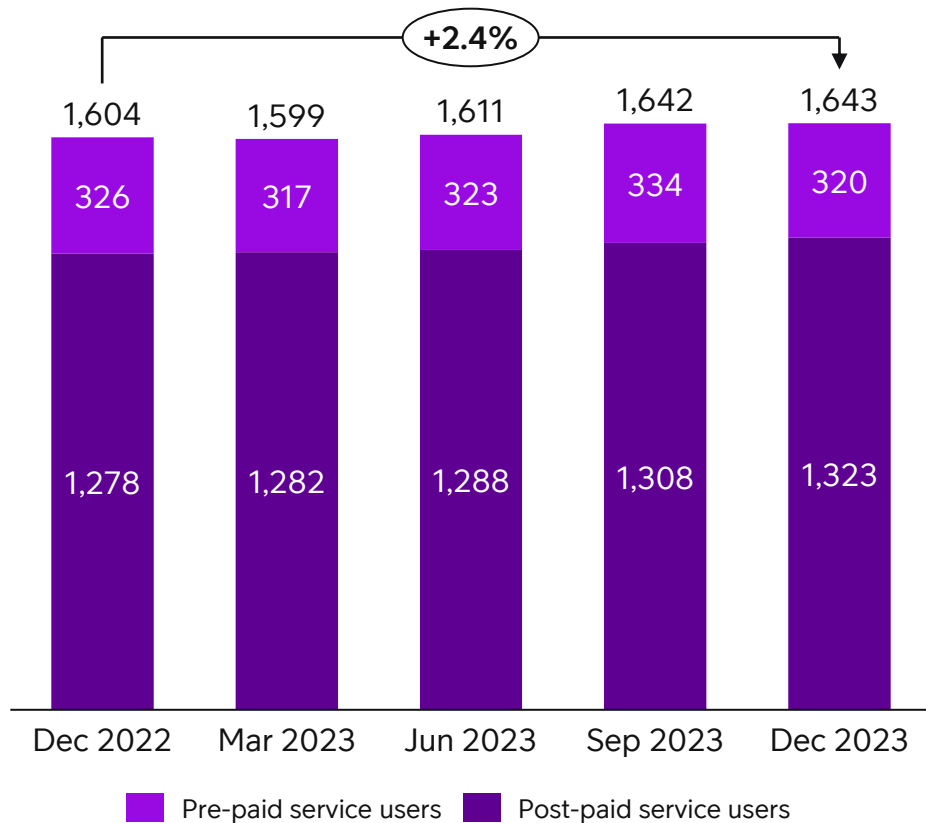




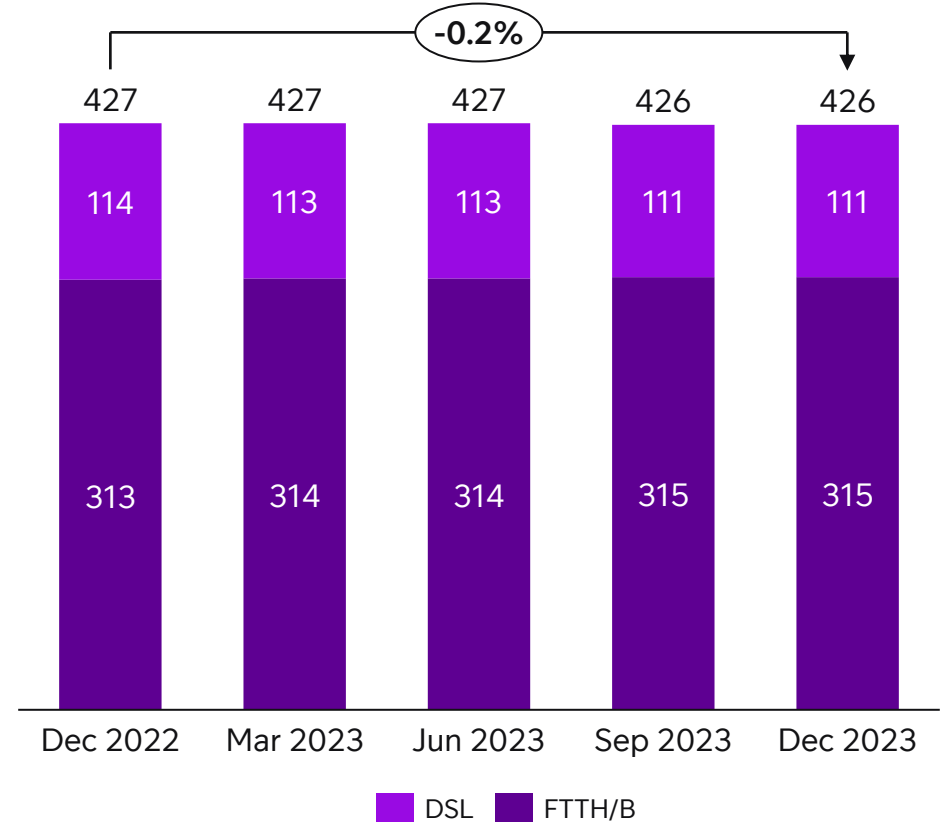
# Operating and financial results

# Number of mobile and broadband service users

## Mobile communication users (thousands)

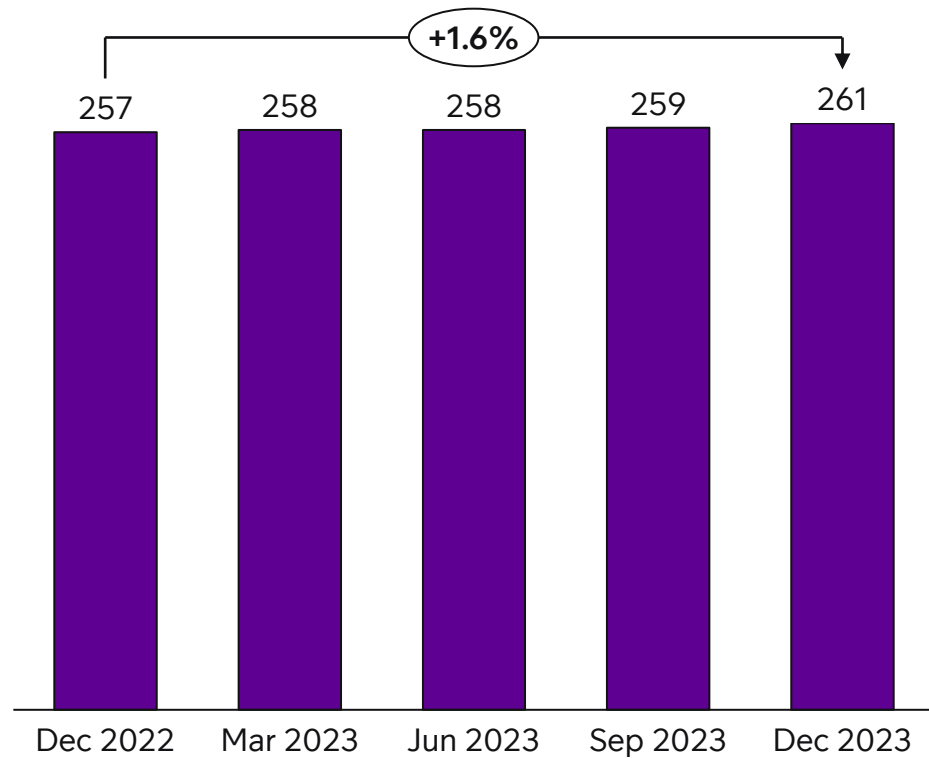


## Broadband Internet connections (thousands)

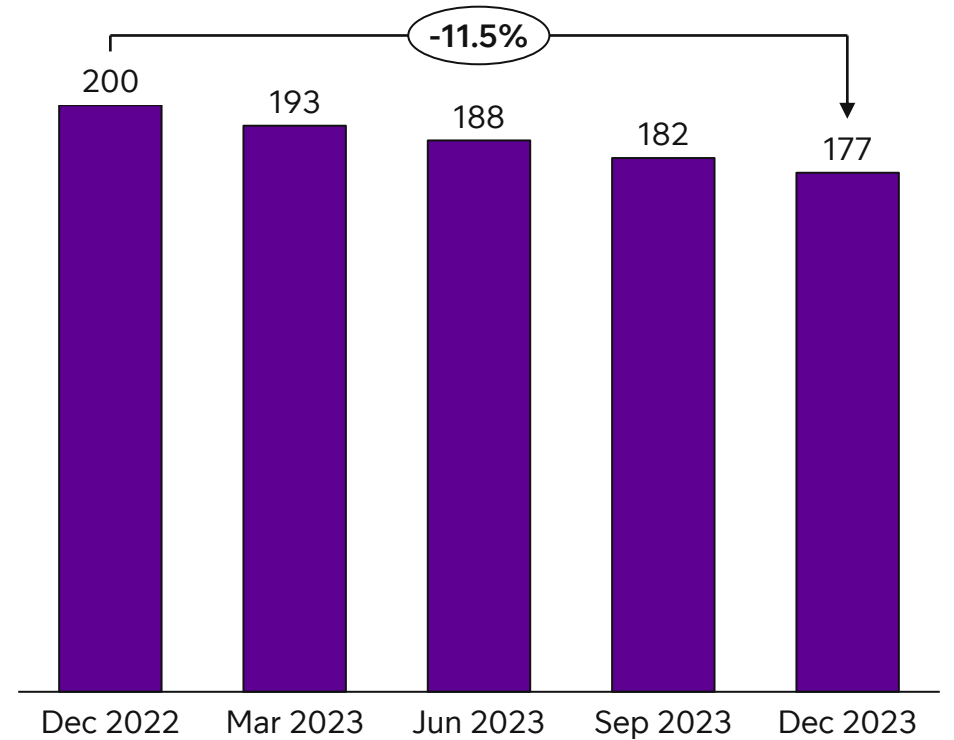


# Number of TV and fixed voice service users

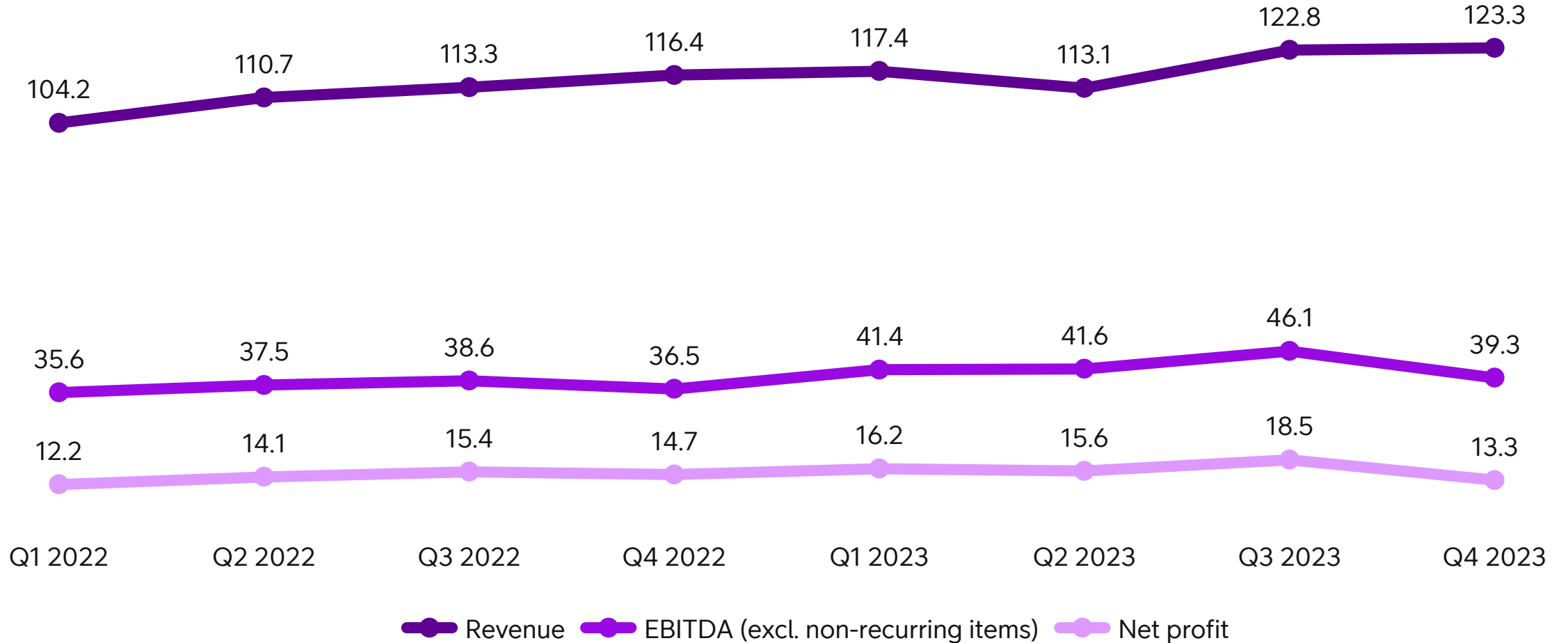
TV service users (thousands)



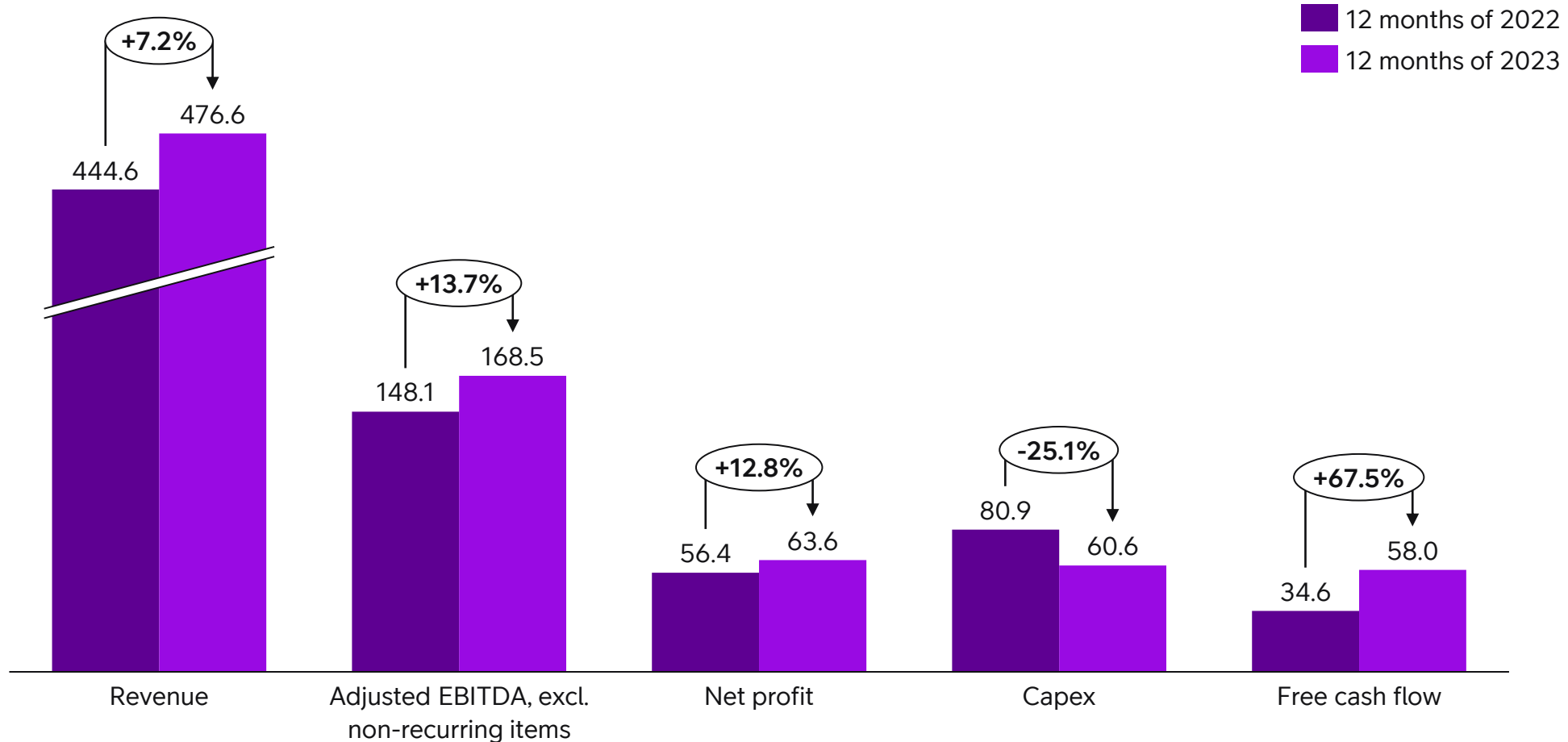
Fixed telephone lines (thousands)



# Revenue, EBITDA & Net profit (mEur)



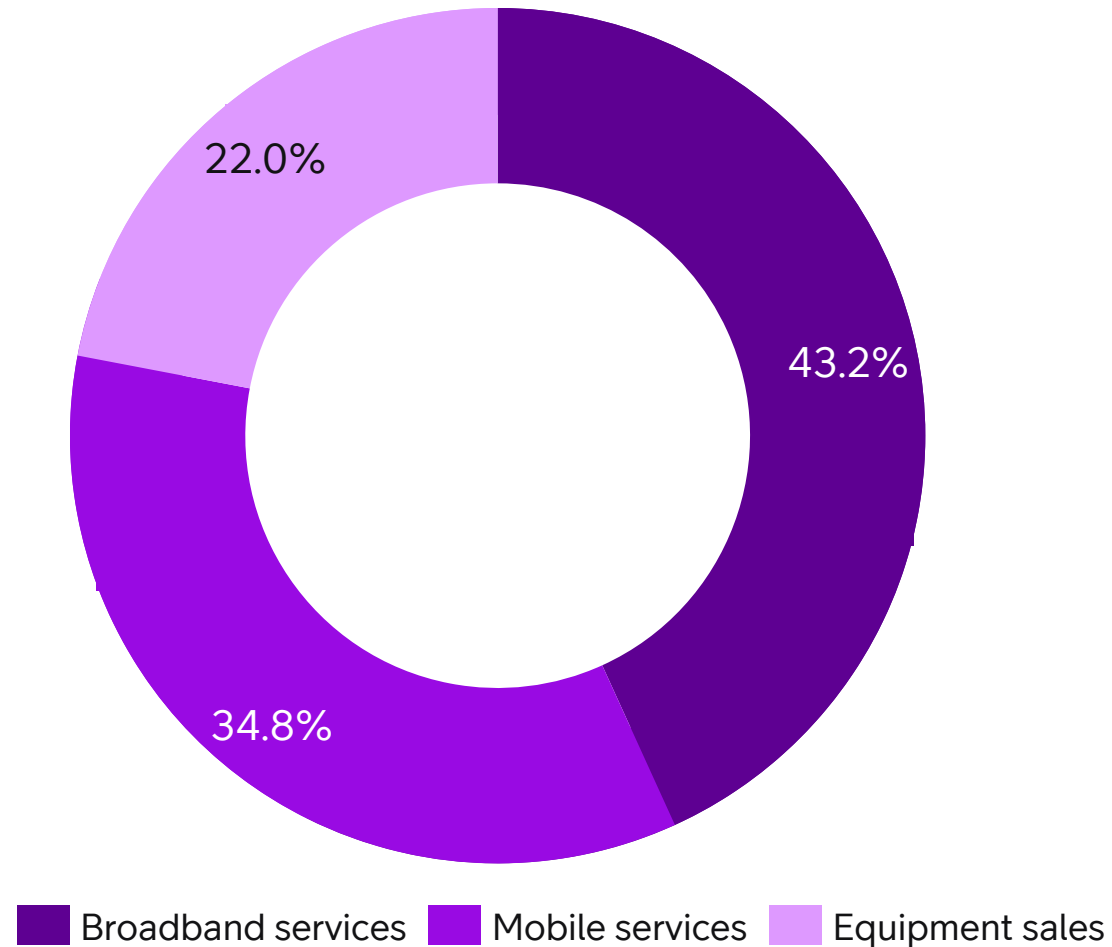
# Dynamics of main financial indicators (mEur)



NOTE. Non-recurring items for 12 months of 2023 were comprised of one-off redundancy pay-outs of EUR 1,118 thousand (2022: EUR 513 thousand), non-recurring other expenses of EUR 2,004 thousand (EUR 904 thousand) and loss of EUR 188 thousand (gain of EUR 817 thousand) from sale of property.



# Revenue breakdown for 12 months of 2023



**36.9%**

Enterprises

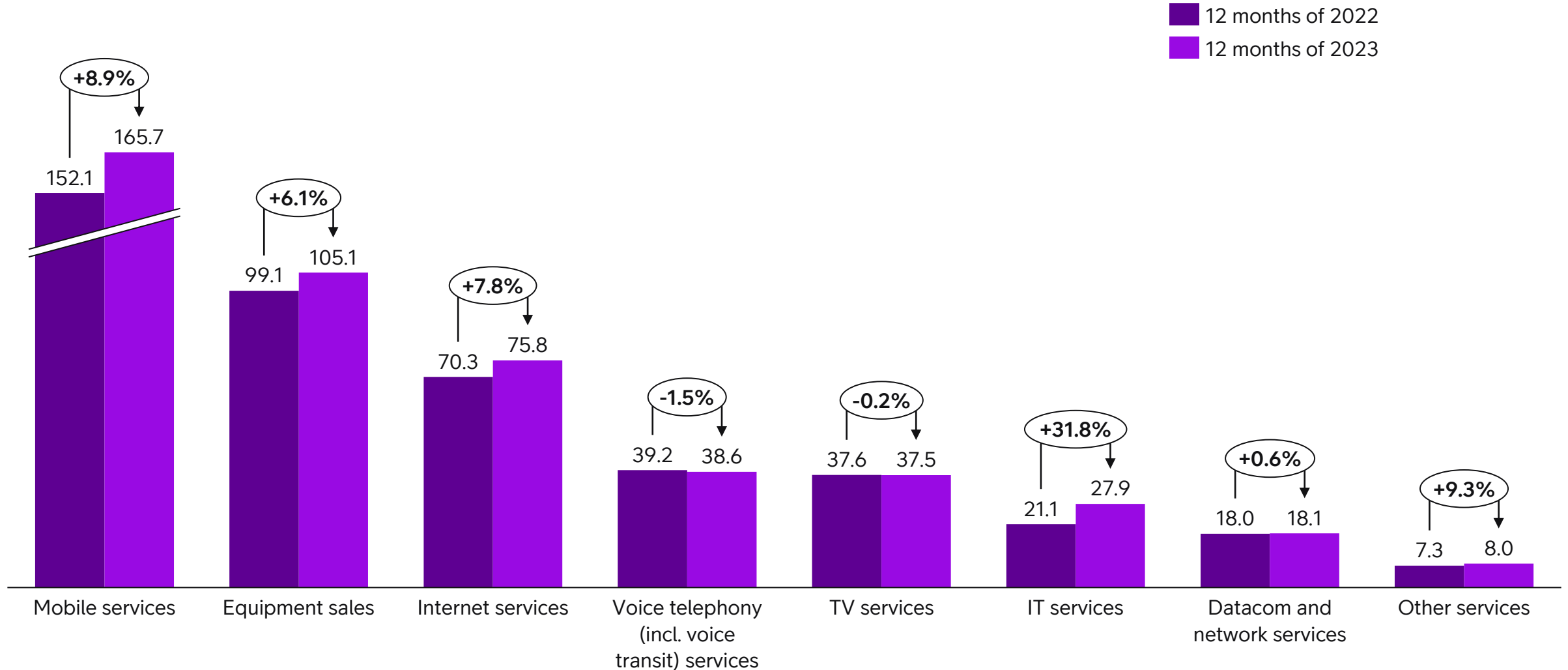


**63.1%**

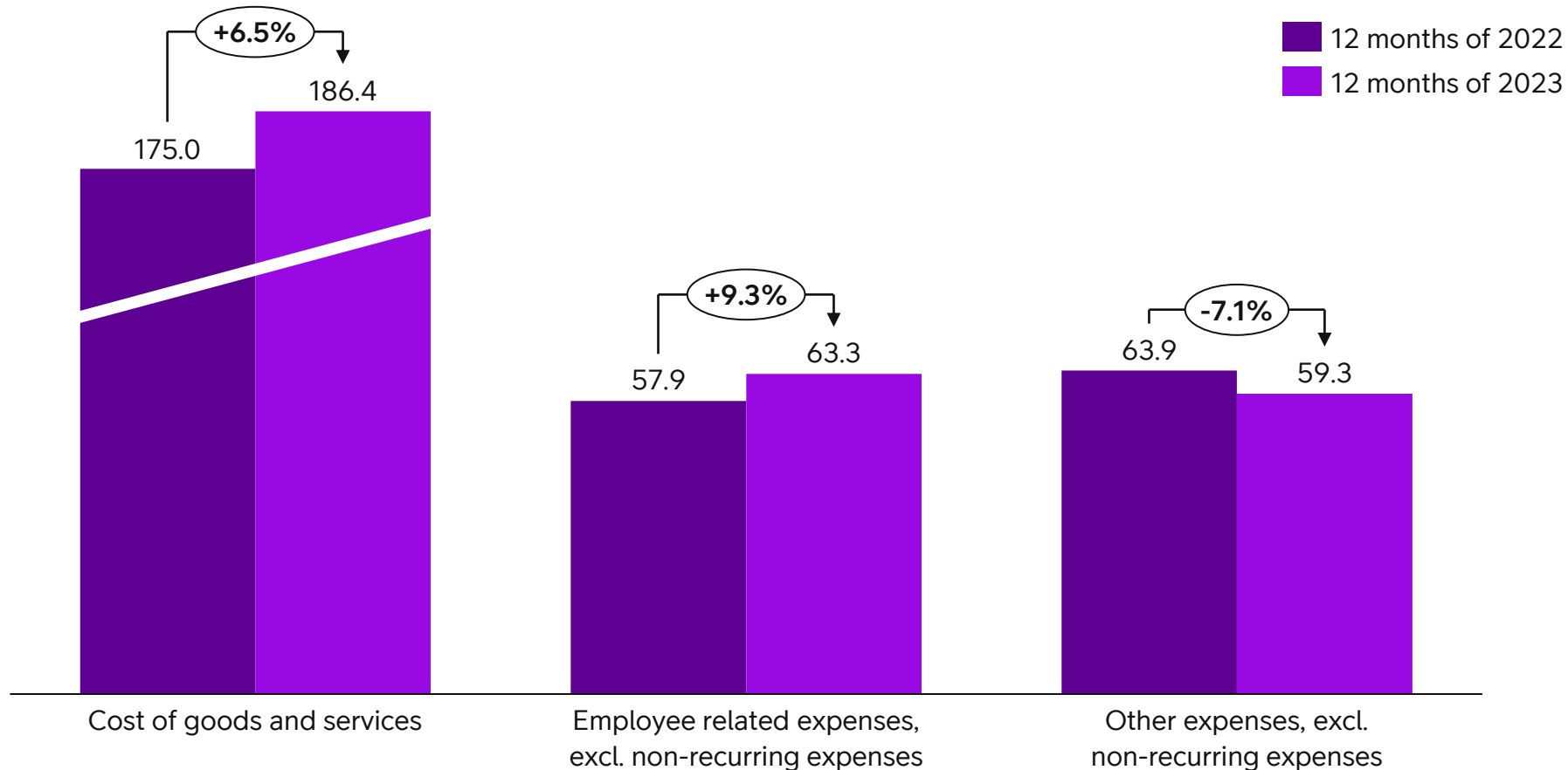
Consumers



# Revenue by services (mEur)



# Operating expenses (mEur)

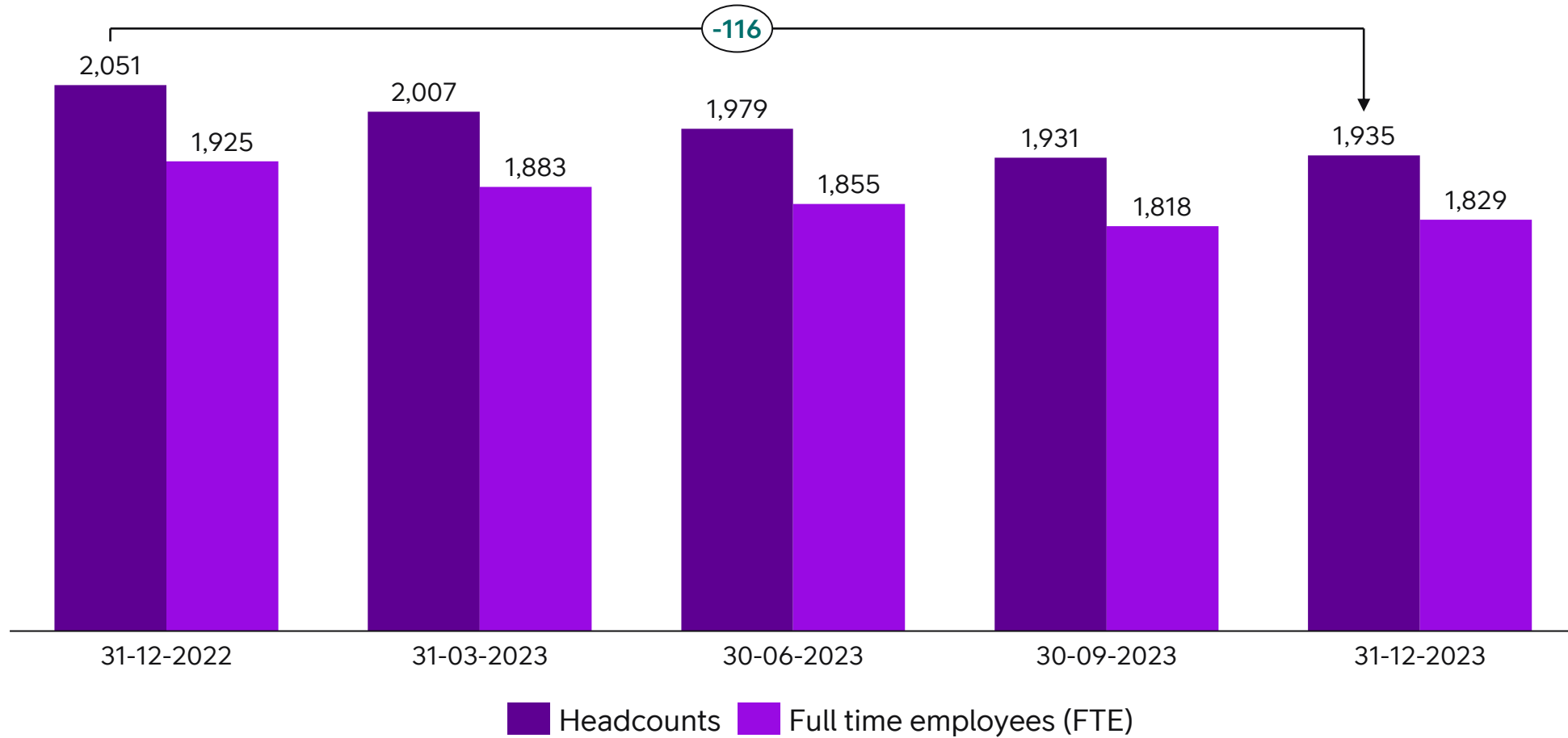


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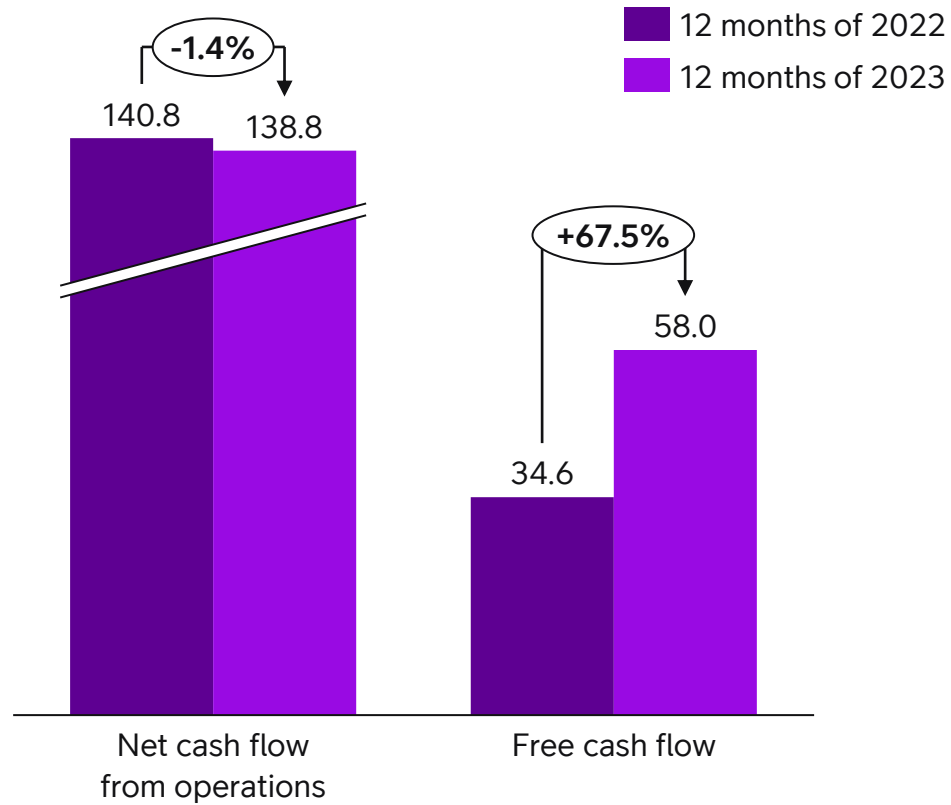


# Number of employees

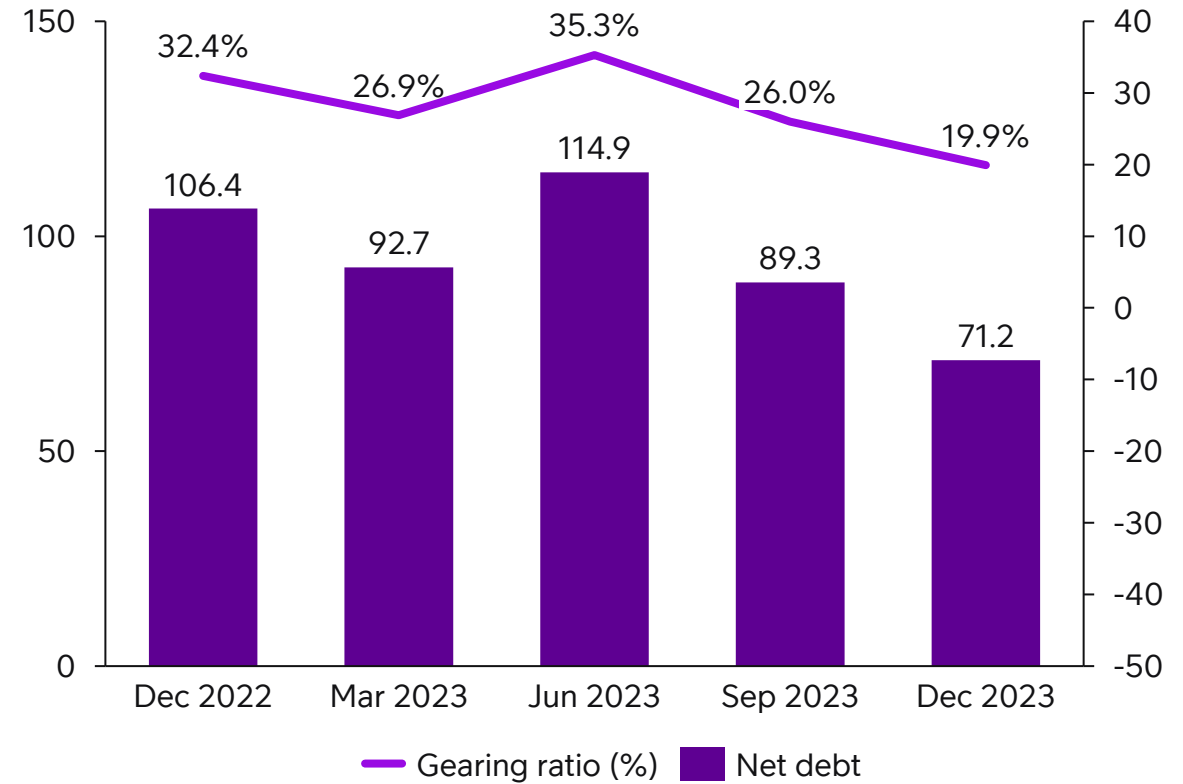


# Cash flow & Net debt (mEur)

Cash flow

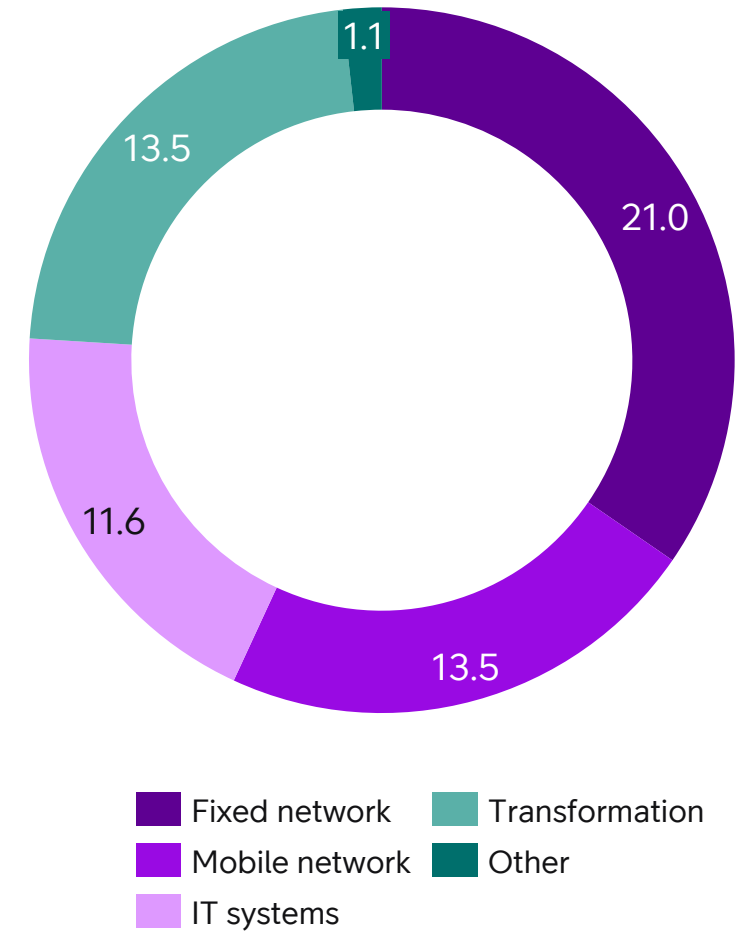
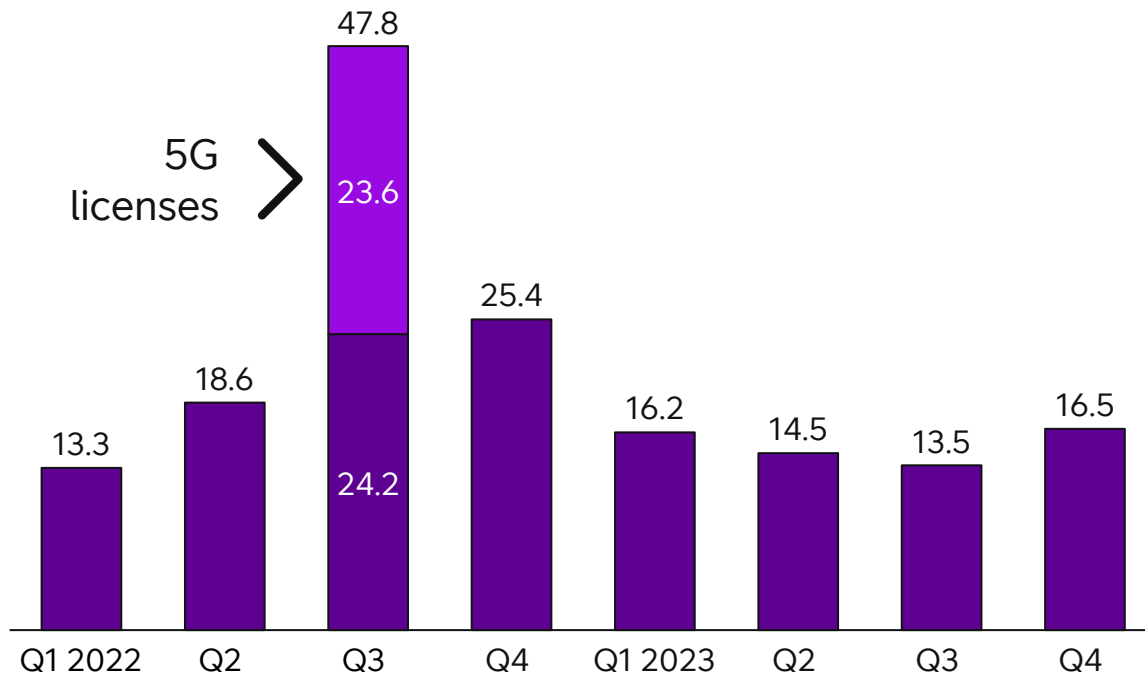


Net debt & Gearing ratio



# CAPEX & its breakdown for 12 months of 2023 (mEur)

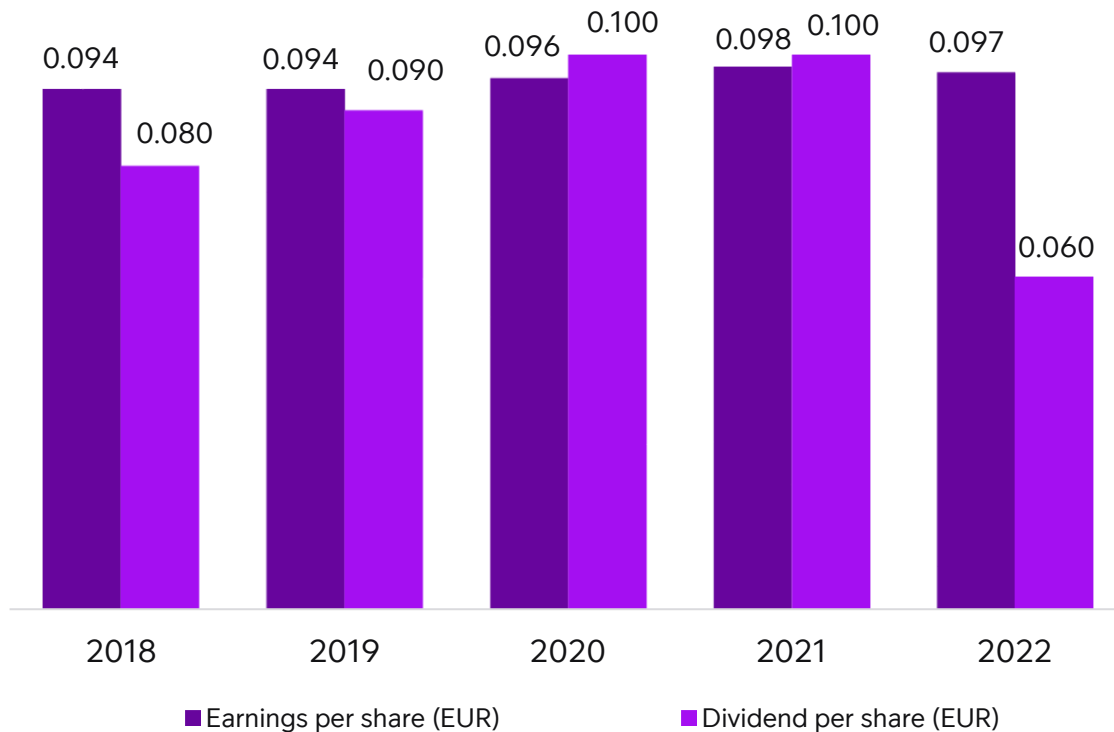
Capex (excl. mobile licenses) to Sales (12 months' rolling)	
31-12-2022	31-12-2023
18.2%	12.7%



# 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 14.9 thousand**

## Shareholders

as of 31-12-2023

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Telia Company AB

Other

**88.15%**

**11.85%**

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Part of shares and votes

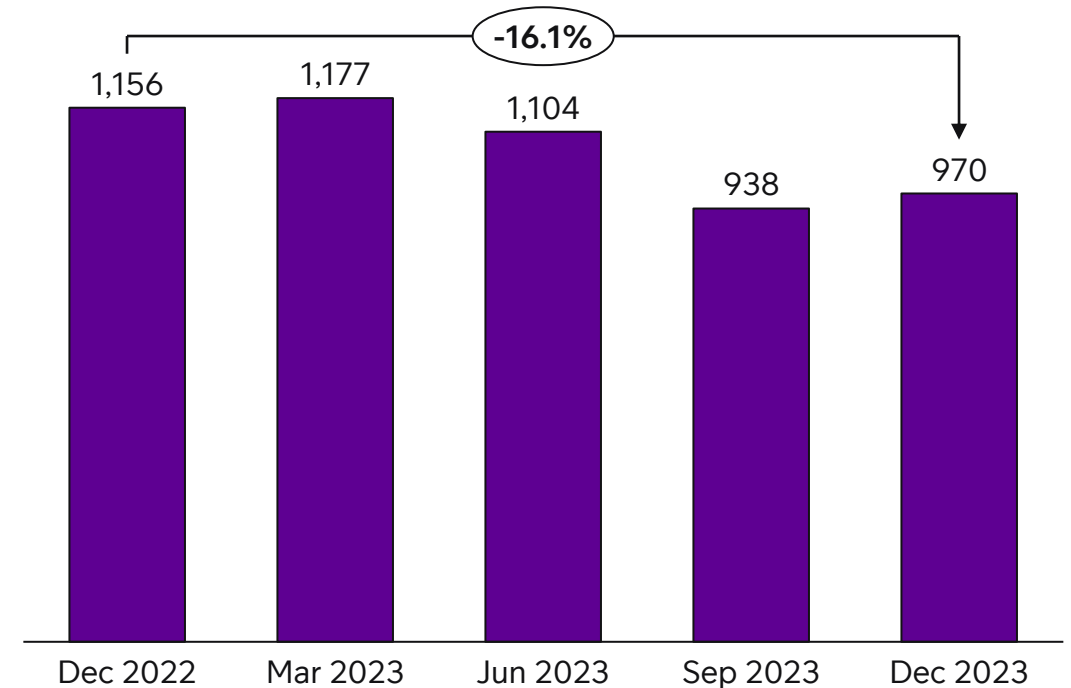


# Shares

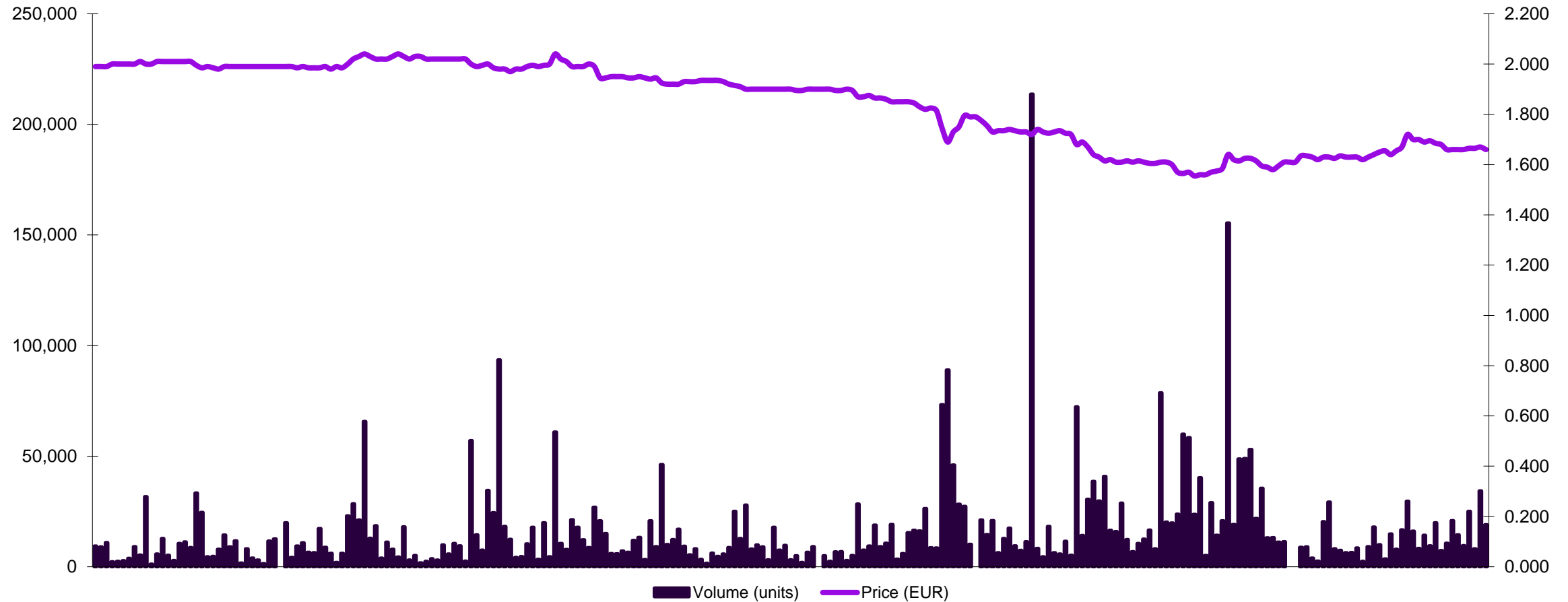
- Since June 2000, the Company's shares are listed on **Nasdaq Vilnius stock exchange** (ticker: TEL1L)
- Since January 2011, the Company's shares were included into the trading lists of a few German stock exchanges (ticker: ZWS)
- **Turnover** on Nasdaq Vilnius stock exchange during January-December 2023: 4.2 million of shares or EUR 7.5 million
- Share **price** on Nasdaq Vilnius:

01-01-2023	High	Low	31-12-2023
1.985 €	2.05 €	1.555 €	1.665€

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	1,442.41	+4.19
OMX Vilnius GI	947.14	946.76	-0.04
TEL1L – Telia Lietuva	1.98	1.67	-16.12

P/E ratio: **15.3** (20.4 a year ago)

Source: Nasdaq Vilnius

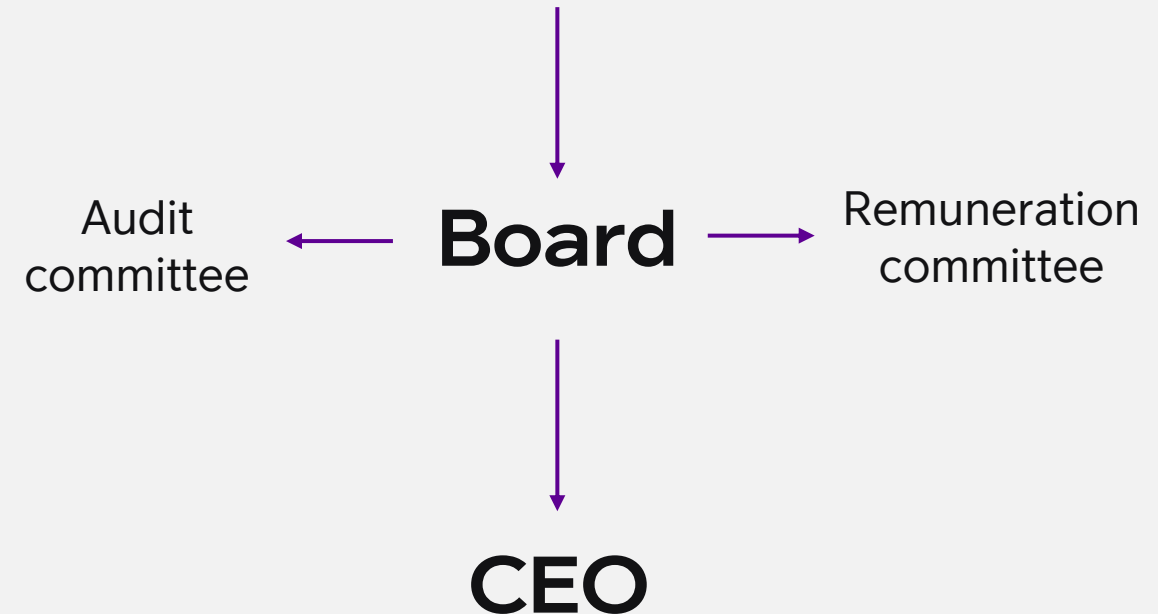


# Corporate governance

# 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
- 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**

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Chair of the Board,  
represents Telia  
Company AB



**Claes  
Nycander**

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



**Agneta  
Wallmark**

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



**Hannu-Matti  
Mäkinen**

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



**Leda  
Iržikevičienė**

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Independent member  
of the Board,  
member of the Audit  
Committee



**Mindaugas  
Glodas**

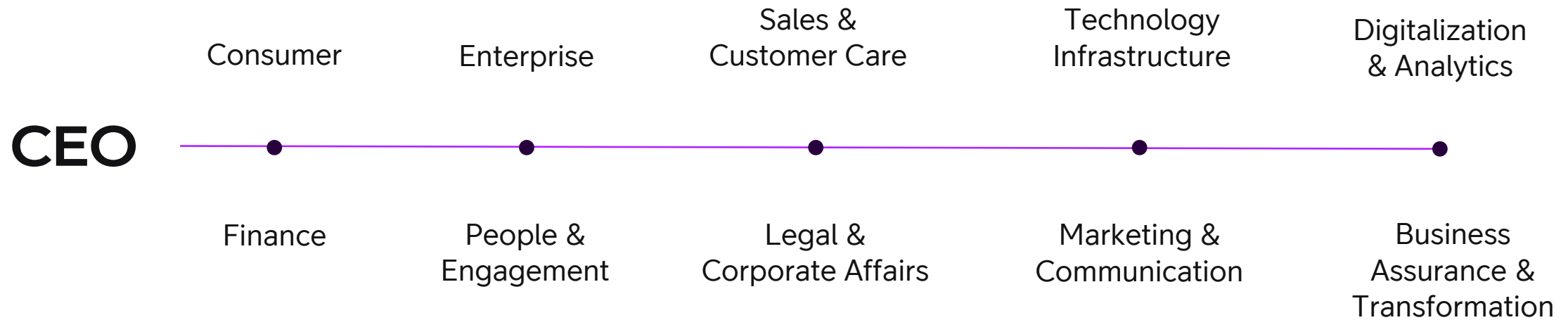
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Independent member  
of the Board,  
member of the Audit  
and Remuneration  
Committees

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



# Governing structure of Telia Lietuva valid from 1 January 2024



# Management team



**Giedrė Kaminskaitė-Salters, CEO**



**Elina Dapkevičienė,**  
Head of Consumer



**Daniel Karpovič,**  
Head of Enterprise



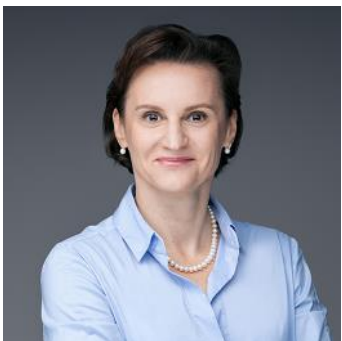
**Lina Bandzinė,**  
Head of Sales &  
Customer Care



**Andrius Šemeškevičius,**  
Head of Technology



**Diana Gold,**  
Head of Digital & Analytics



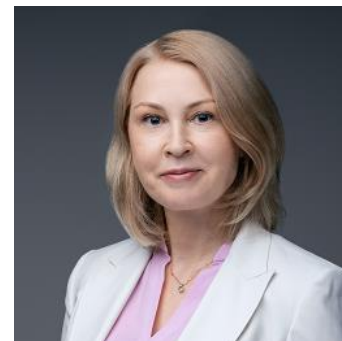
**Daina Večkytė,**  
Head of Finance



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



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



**Vaida Jurkonienė,**  
Head of Marketing &  
Communication



**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 Q4



**Telia's Center of Digital Progress.** Autumn B2B campaign – actualization of security issues „Test your business immunity against cyber attacks“



**Digital skills development initiatives.** Continuous work with “Augu internete” (“Growing on Internet”) initiative – during 2023 safe Internet lessons took place in **22** Lithuanian schools with more than **1,100 children** attending



Launch of new mandatory **environmental training on waste** to all employees of Telia Lietuva



**Diversity & inclusion** – focus on disability:

- Supporting audio sensory library ELVIS
- Inviting new volunteers for BeMyEyes app (after the campaign increase in number of volunteers by 3 times)
- Recorded 10 children's books for audio sensory library
- Recorded all Harry Potter movies with audio description which are now available in Telia Play movie library



# Ambitious environmental goals

2023



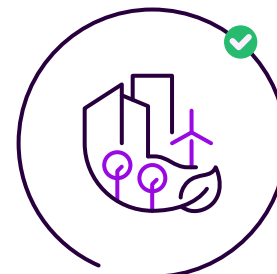
- Increased of sales of **refurbished devices** (mobile phones and tablets)
- Additional **20 solar panels** installed next to base stations (now in total there are 50 solar panels)
- Re-used CPE equipment part from all rental and sale equipment was **more than 20%**
- **34%** off all Telia Play new sales use OTT solution (without Set Top Box equipment)
- **115** electric cars already in use and more than **100** charging stations constructed. Plan for the year 2024 to continue electrification of our car fleet (new contract is signed)

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