

Interim results

6 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



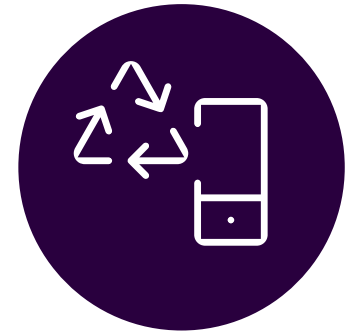
Customer care
24/7/365



Quality of
operations'
management
confirmed by
ISO certificates



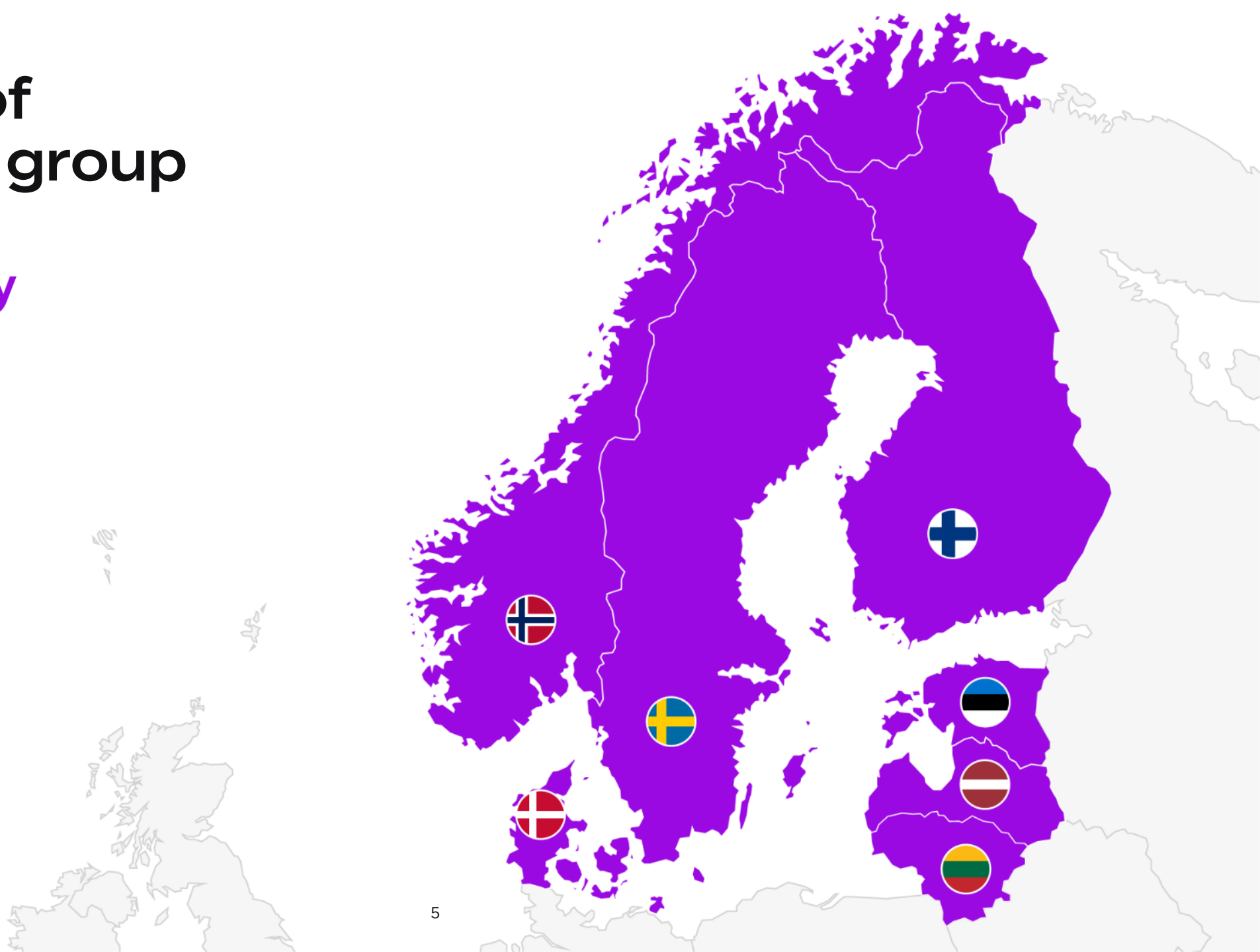
Team of 2,100
professionals



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 Q2 2022

#1

Double digit growth in revenue from billed mobile and IT services continued

#2

Revenue growth offset higher operating expenses and led to EBITDA increase

#3

Switch-off of **Russian TV channels** resulted in decline of revenue from TV services and flat customer base

#4

From April 2022, **communication with Ukraine** is provided with discount or at costs

#5

More than a half of **base stations (925)** is upgraded with 5G ready **Ericsson** equipment

#6

Telia Lietuva was the first to offer fiber-optic Internet of up to **2 Gbps** speed

#7

Data download speed of **143.1 Mbps** is recorded in Telia Lietuva 4G network

#8

EUR 58.3 million or EUR 0.10 per share **dividends** for the year 2021 were paid in May 2022



Number of customers



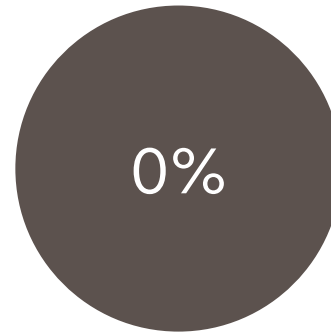
1 582 000

of **mobile** service
users



424 000

of **broadband**
Internet connections



254 000

of **IPTV** service
users



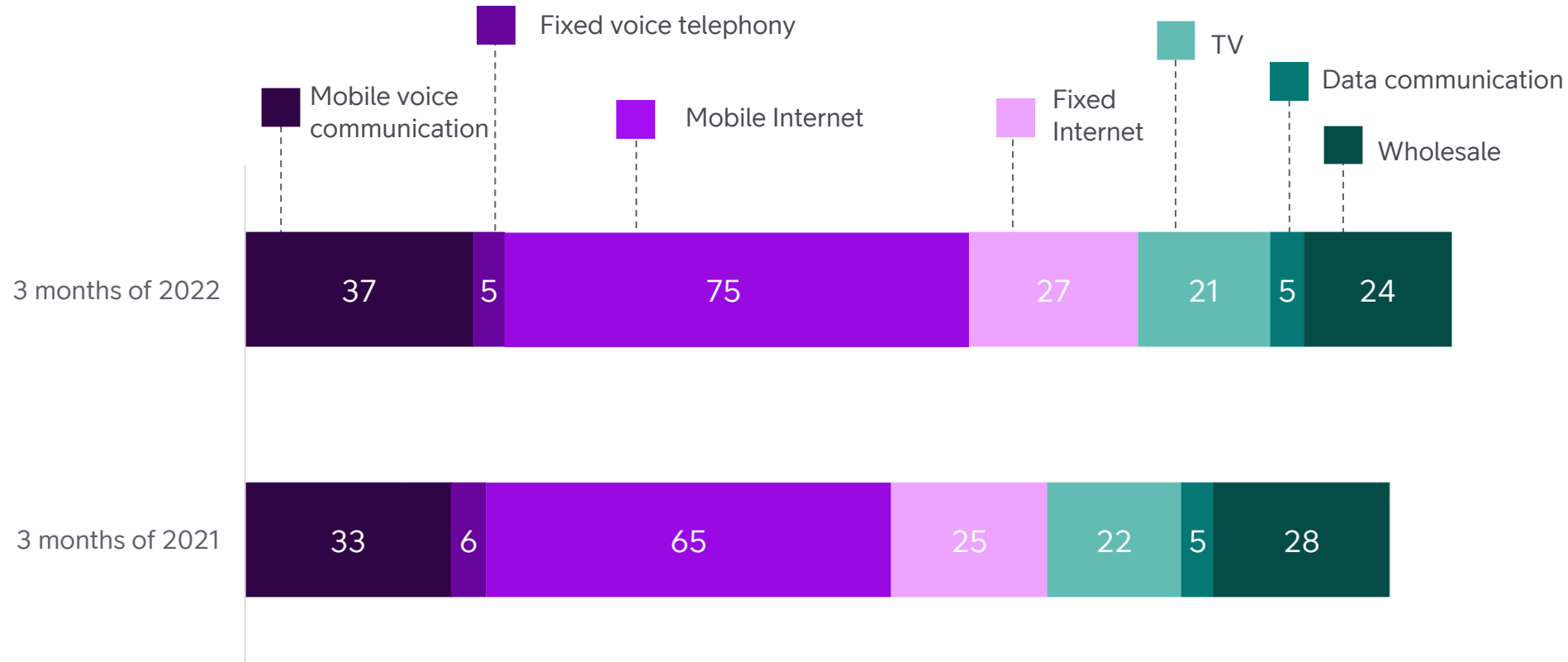
215 000

of **fixed telephone**
lines in service



Telecommunications market of Lithuania

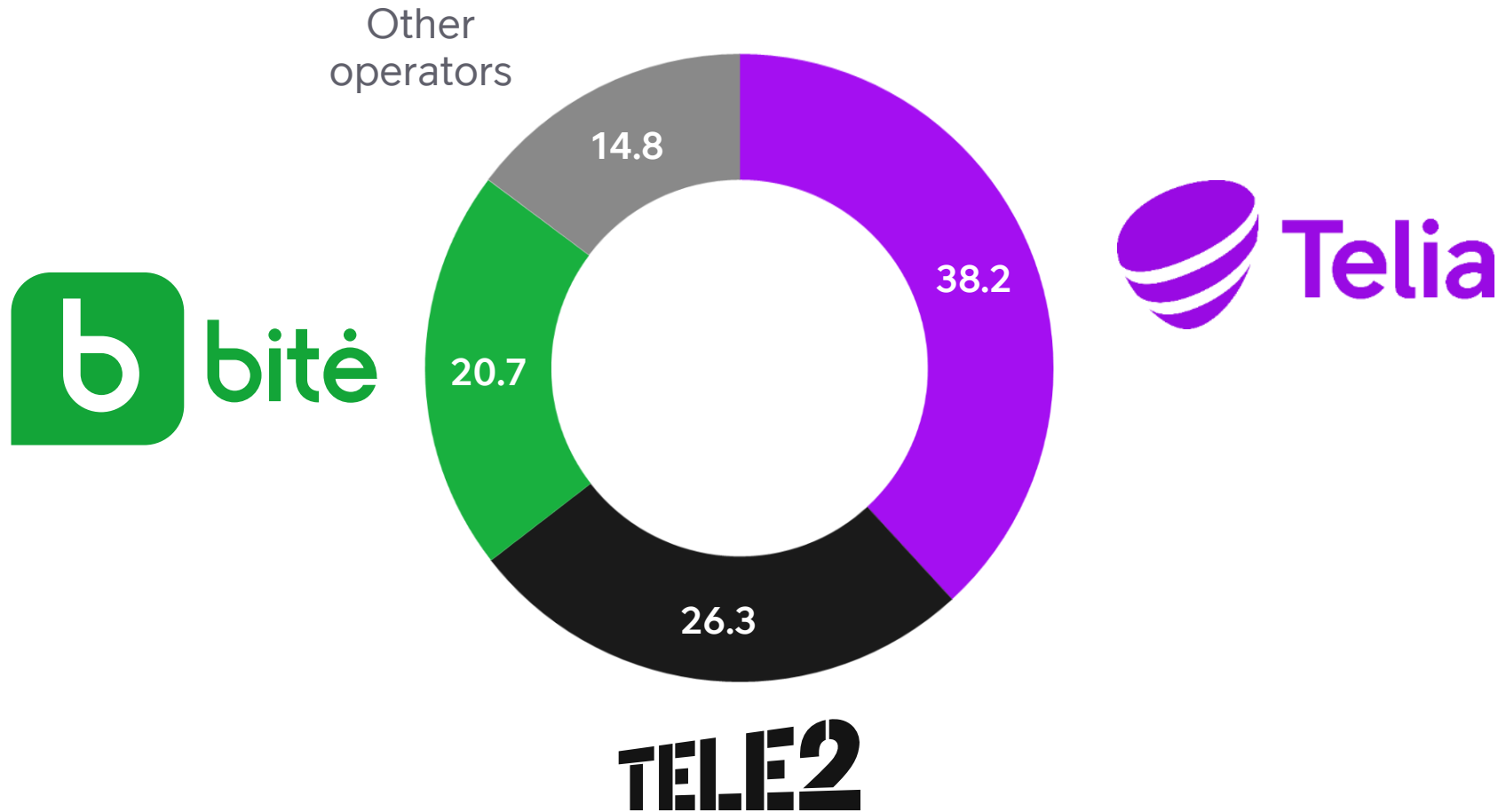
Internet drives telco market growth (mEur)



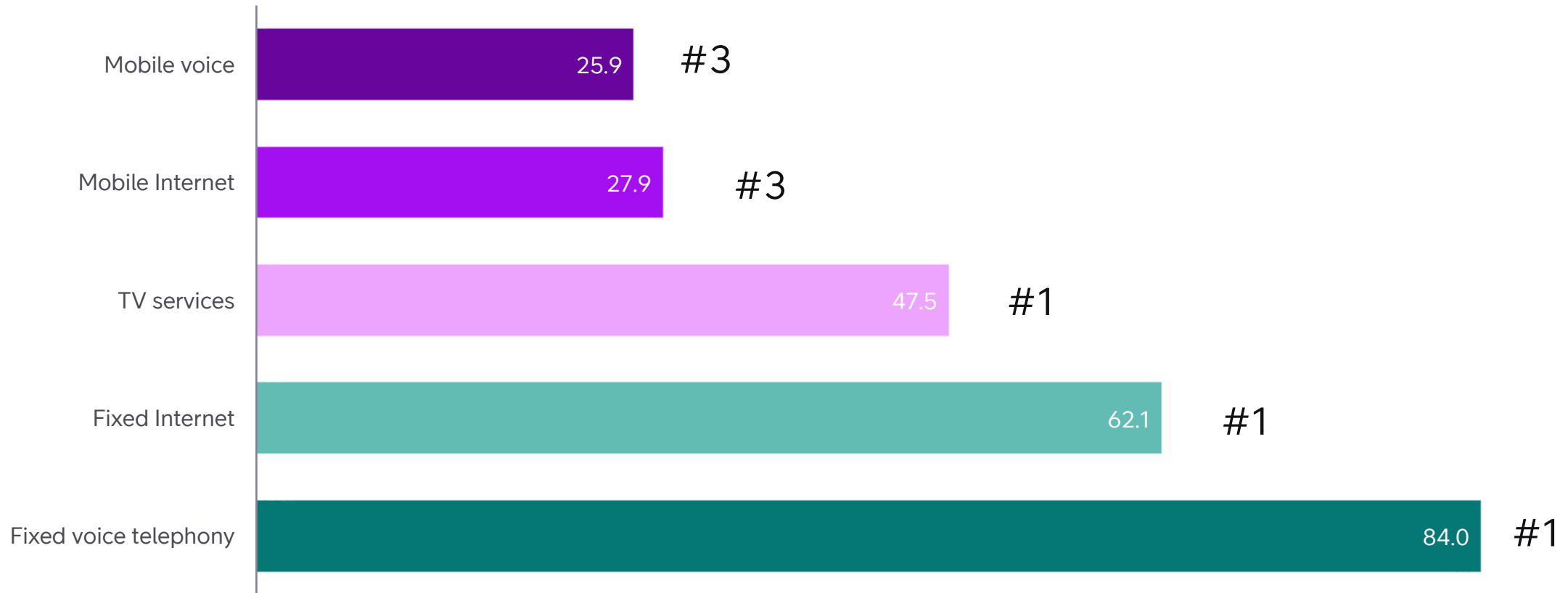
Total market



Breakdown of the telecommunications market revenue by operators for Q1 2022 (%)



Telia Lietuva market shares in terms of revenue for Q1 2022 (%)



Market: growing usage of mobile data



+13.7% (y-o-y)

Increasing usage of
mobile data

(uploaded / downloaded
269,101 TB of data per quarter)



+2.3% (y-o-y)

Growing number of
FTTH/B connections

(accounts for **78.3%** of all
fixed Internet connections)



+3.6% (y-o-y)

Growing number of
IPTV users

(accounts for **49.9%** of all
pay-TV service users)



Market penetration



134.5

Mobile
communications
subscribers

(per 100 inhabitants)



18.4

Fixed
telephony
lines

(per 100 households)



56.9

Broadband
Internet
access

(per 100 inhabitants)



46.5

Pay-TV
subscribers

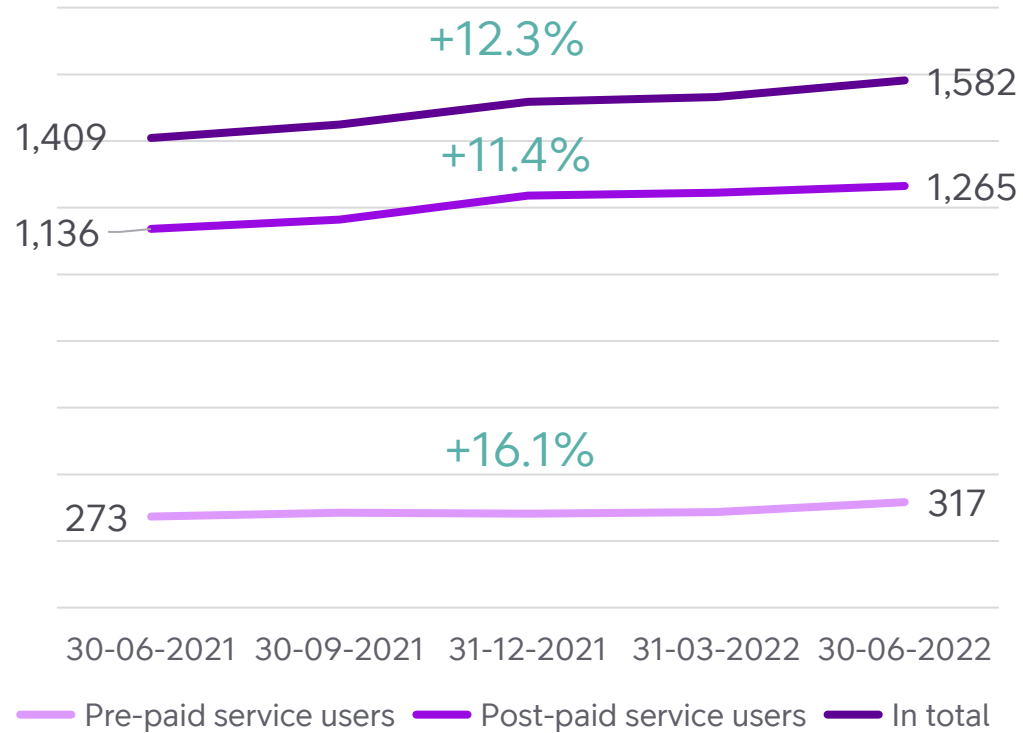
(per 100 households)



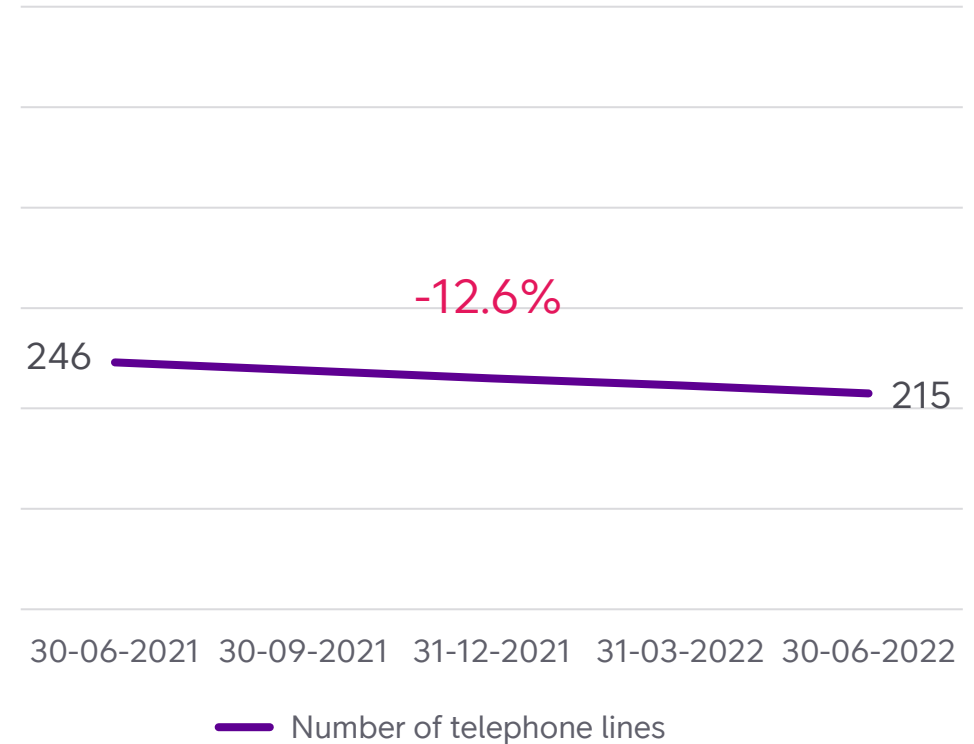
Operating and financial results

Number of mobile and fixed voice service users

Mobile communication users (thousand)

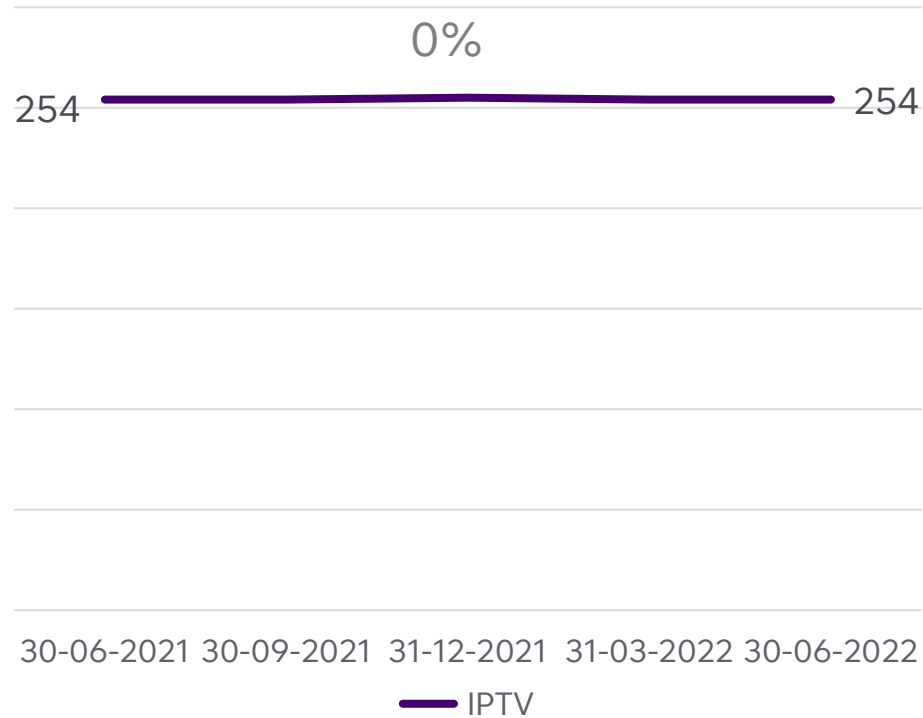


Number of fixed telephone lines (thousand)

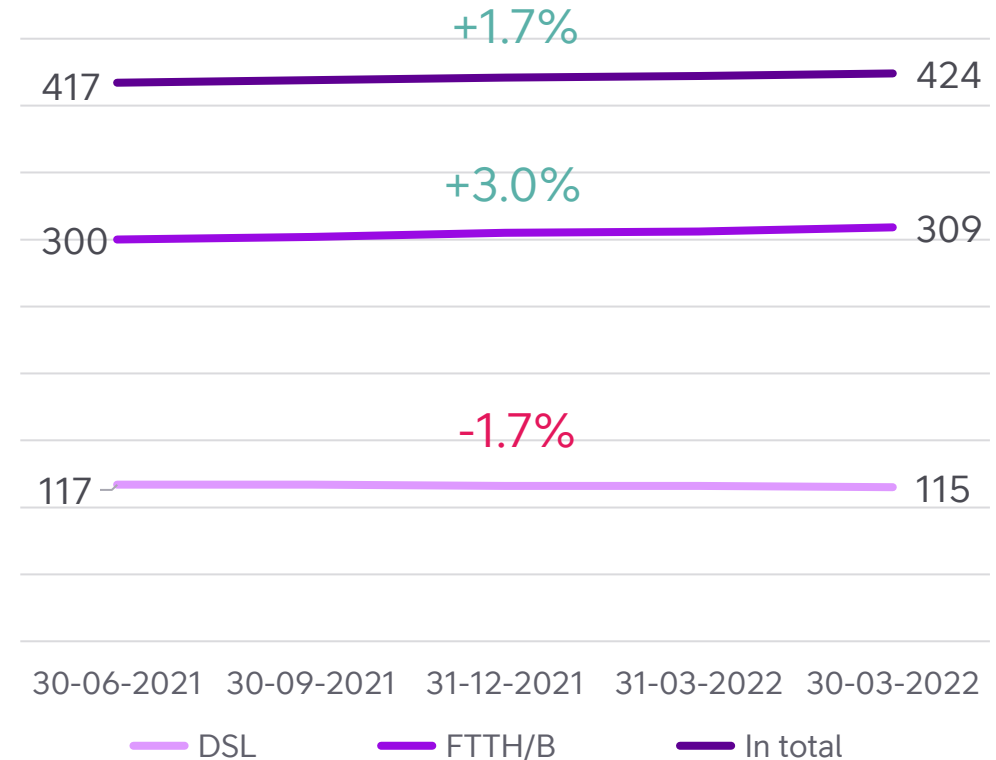


Number of IPTV and broadband Internet users

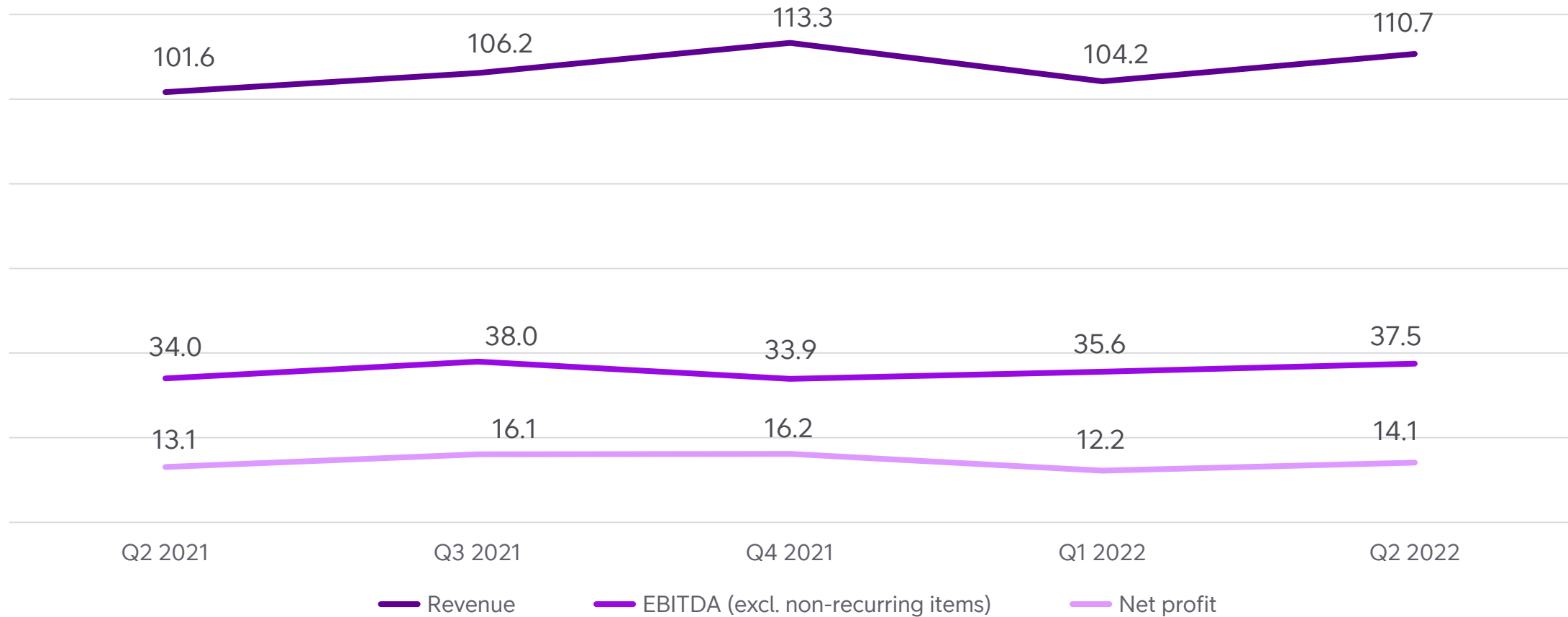
Number of TV service users (thousand)



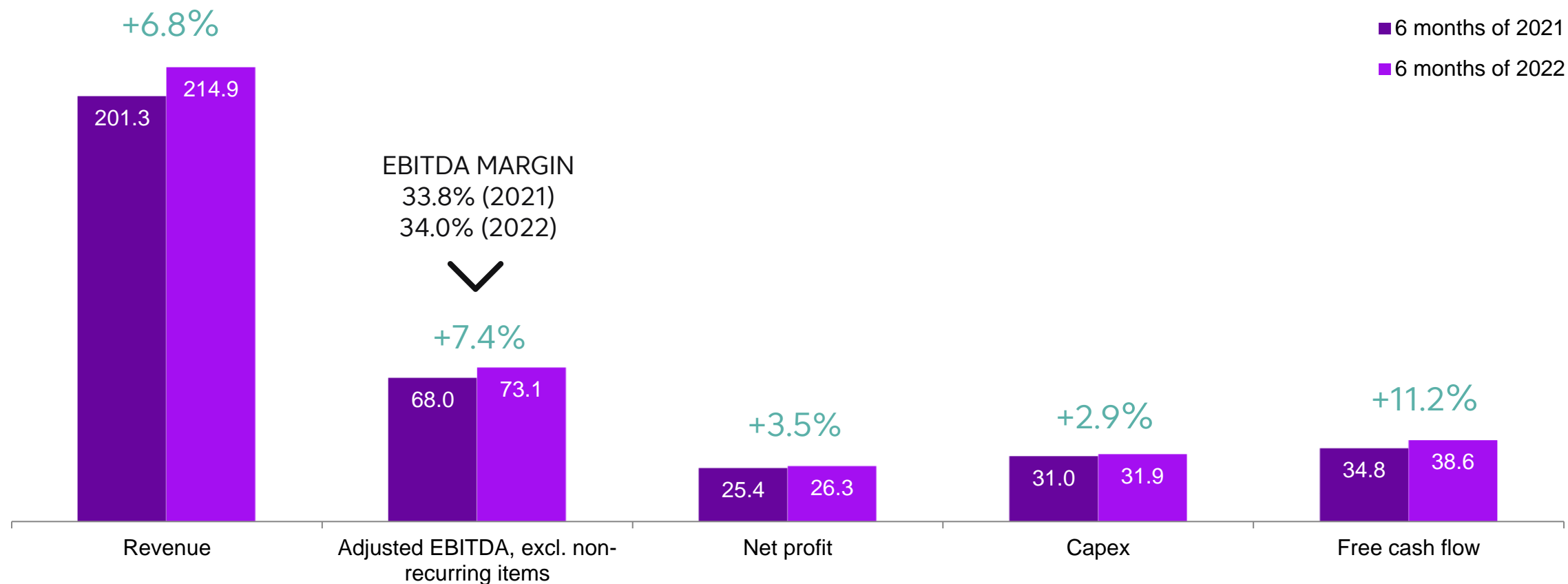
Number of broadband Internet users (thousand)



Revenue, EBITDA & Net Profit (mEur)



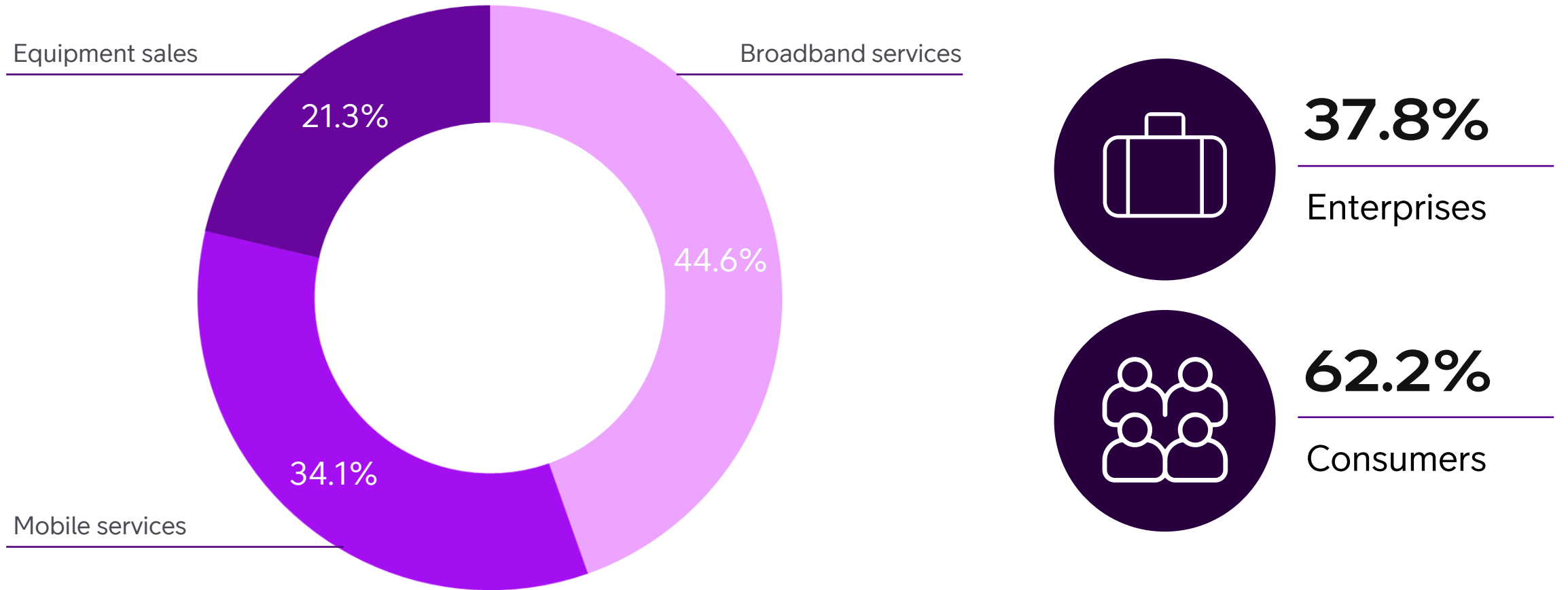
Dynamics of main financial indicators (mEur)



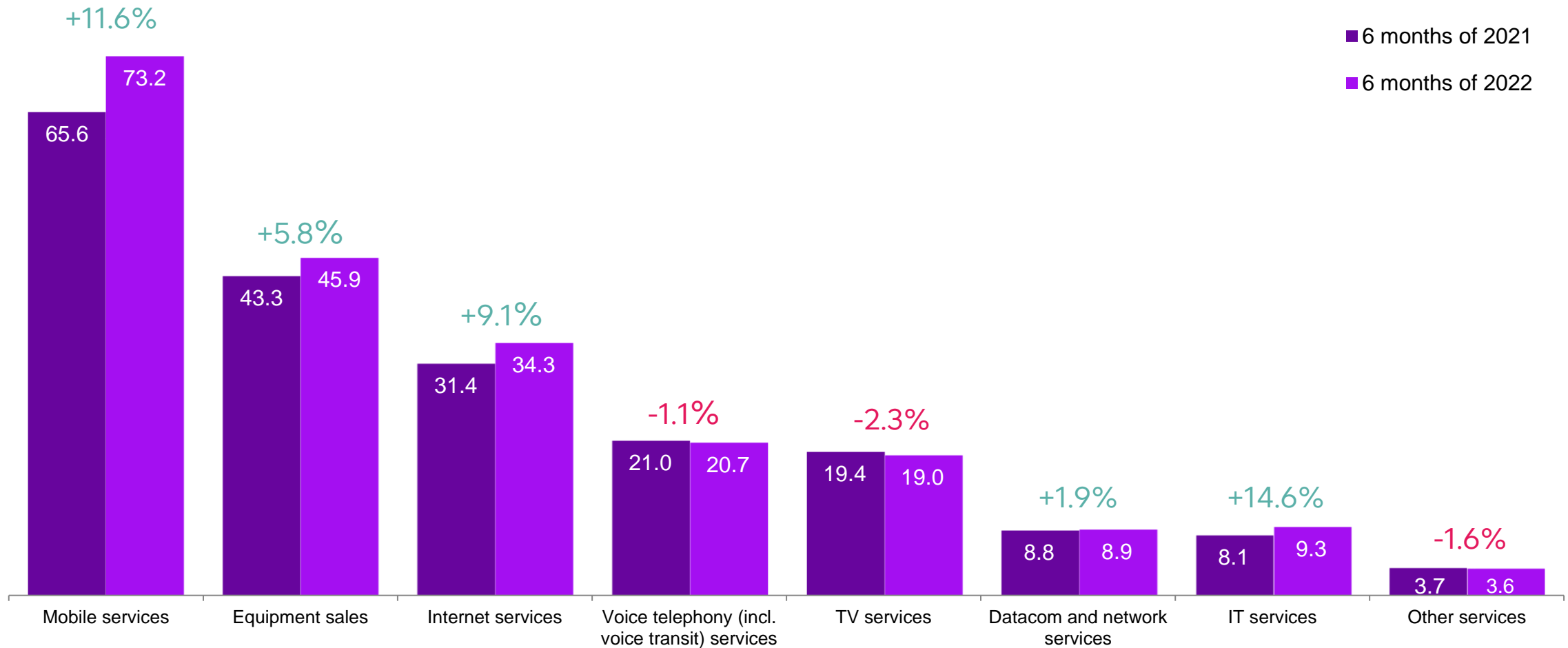
NOTE. For 6 months of 2022 non-recurring items were comprised from one-off redundancy expenses of EUR 270 thousand (EUR 463 thousand a year ago), non-recurring other expenses of EUR 133 thousand (EUR 121 thousand) and gain of EUR 542 thousand (EUR 1,337 thousand) from sale of property.



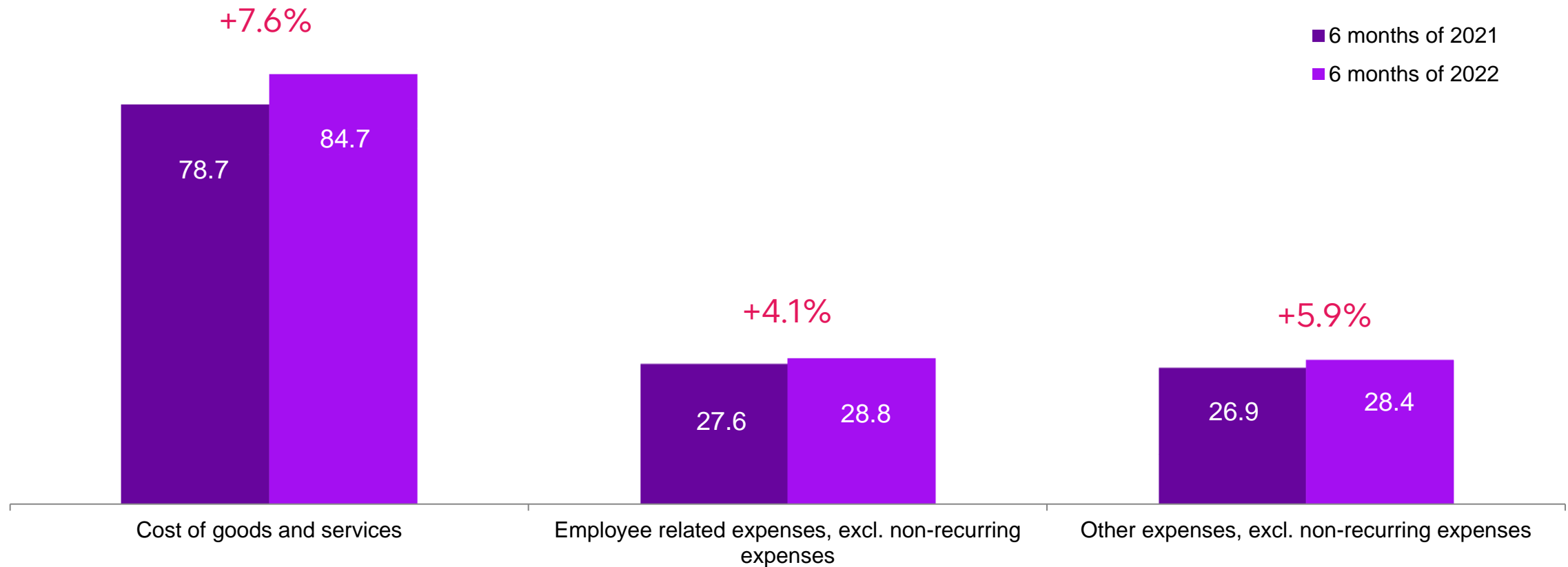
Revenue breakdown for 6 months of 2022



Revenue by services (mEur)



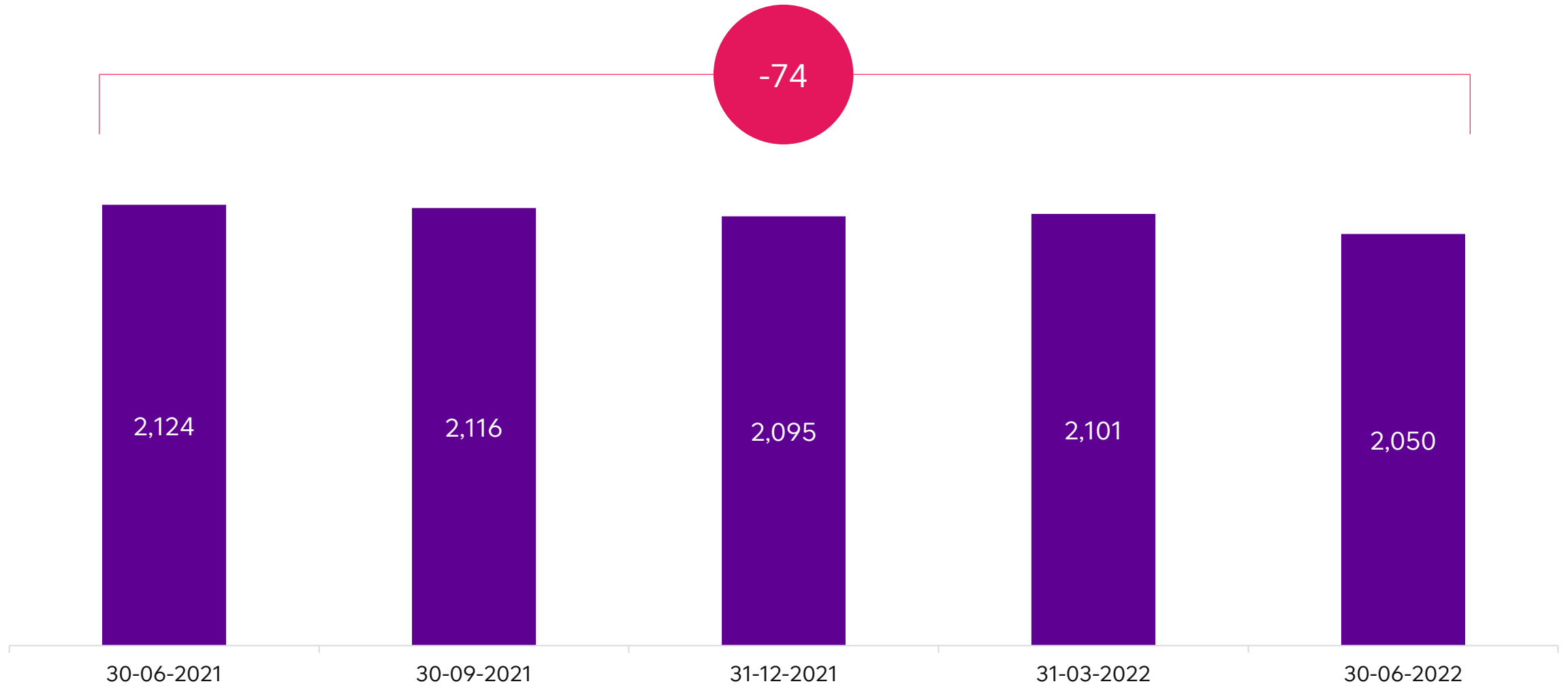
Operating expenses (mEur)



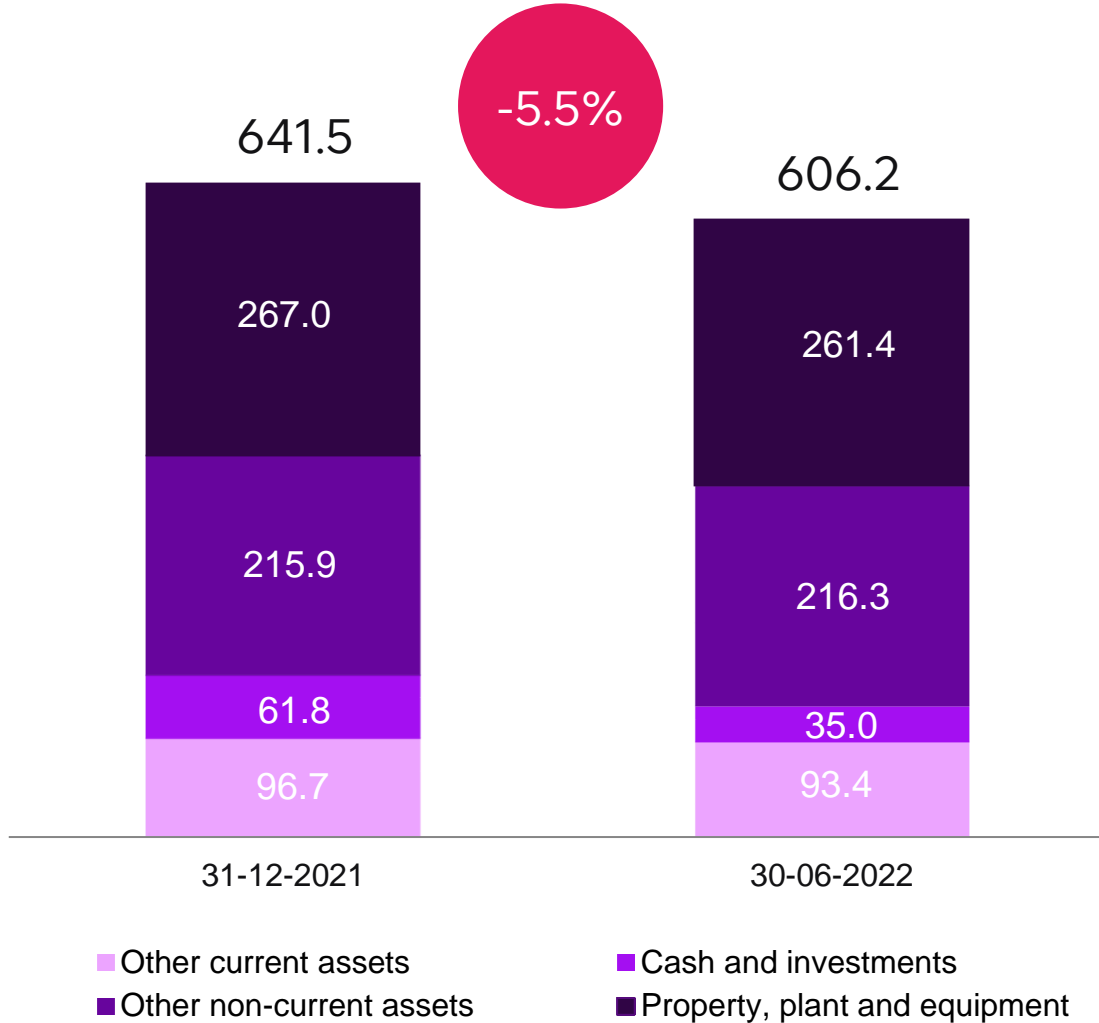
NOTE. For 6 months of 2022 non-recurring items were comprised from one-off redundancy expenses of EUR 270 thousand (EUR 463 thousand a year ago) and non-recurring other expenses of EUR 133 thousand (EUR 121 thousand).



Number of employees



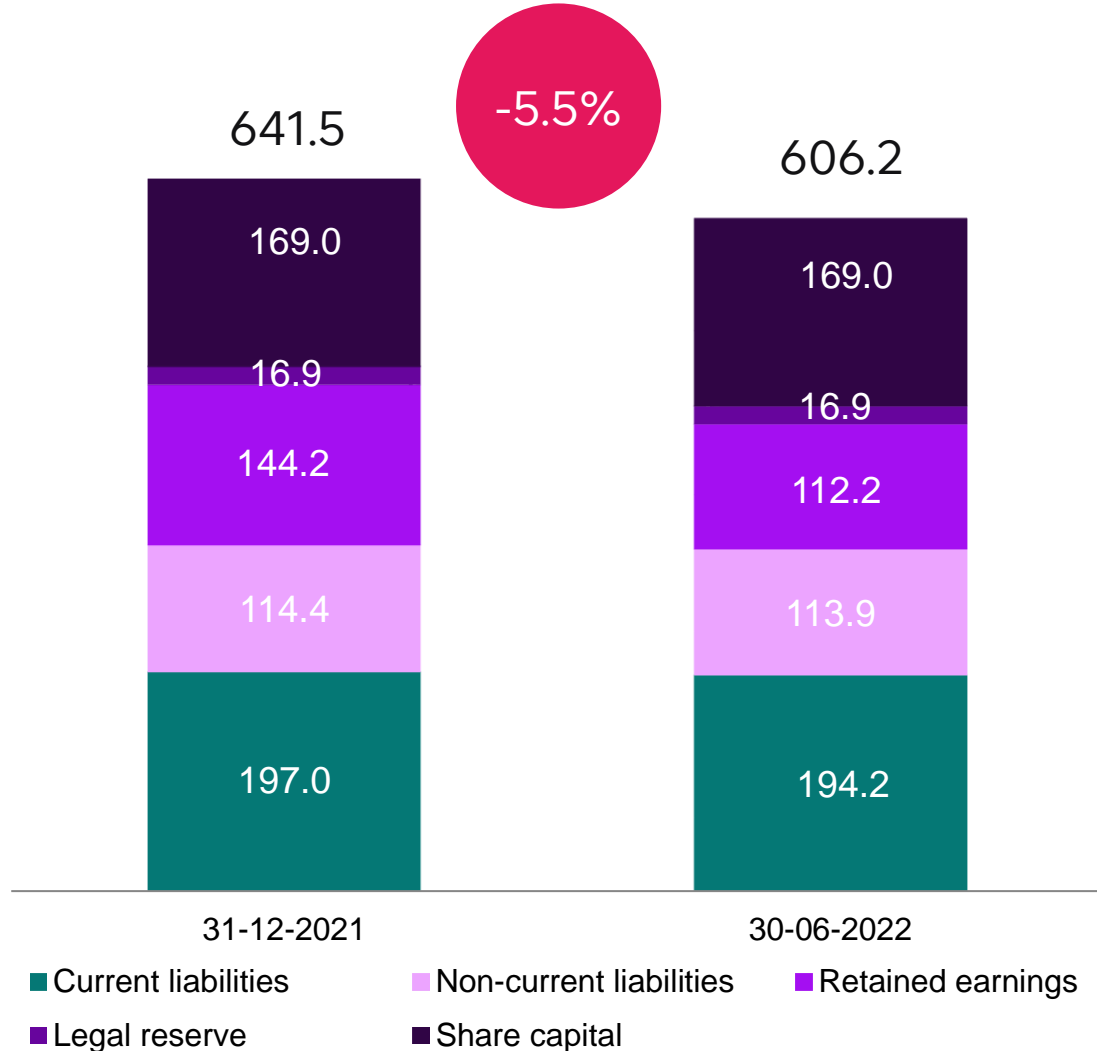
Assets (mEur)



- **Non-current assets** amounted to 78.8% of total assets as of 30 June 2022 (77.3% a year ago)
- **Cash** alone amounted to 5.8% (7.7%)
- **Return on capital employed:** 13.3% (14.8%)
- **Return on average assets:** 9.9% (10.8%)
- **Current ratio:** 65.3% (91.6%)



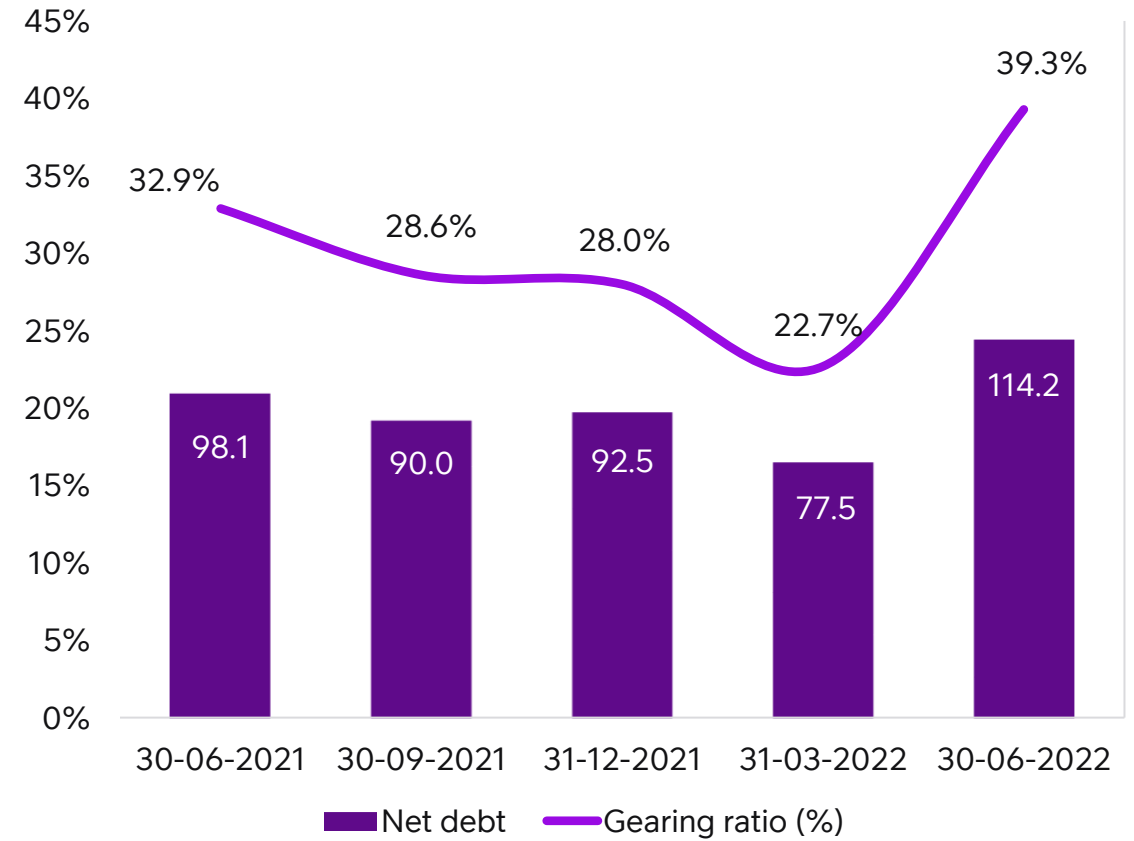
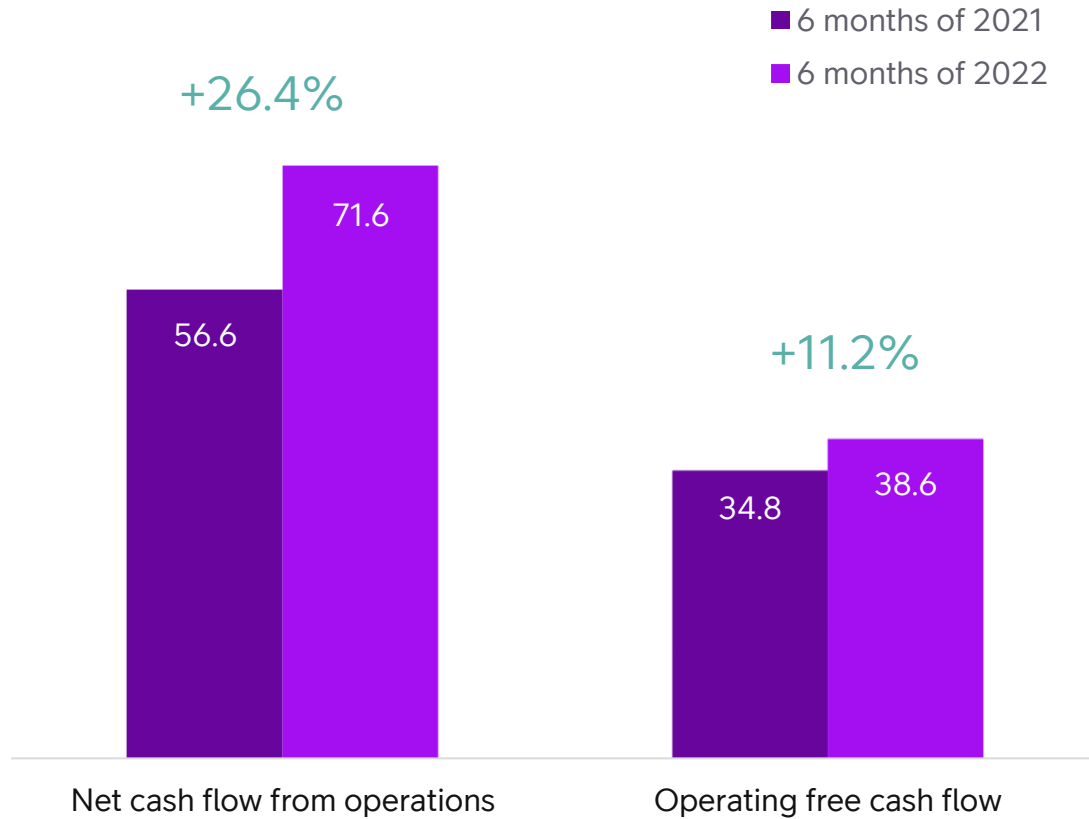
Equity and liabilities (mEur)



- As of 30 June 2022, shareholders' **equity** amounted to 49.2% of the total assets (50.4% a year ago)
- Total **borrowings** (30-06-2022) amounted to EUR 152.2 million: EUR 30 million – bank loan, EUR 122 million – vendor financing and EUR 0.2 – financial lease.
- 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**: 51.1% (48.1%)
- **Return on equity**: 18% (17.8%)
- **Net debt to EBITDA**: 0.82 (0.71)



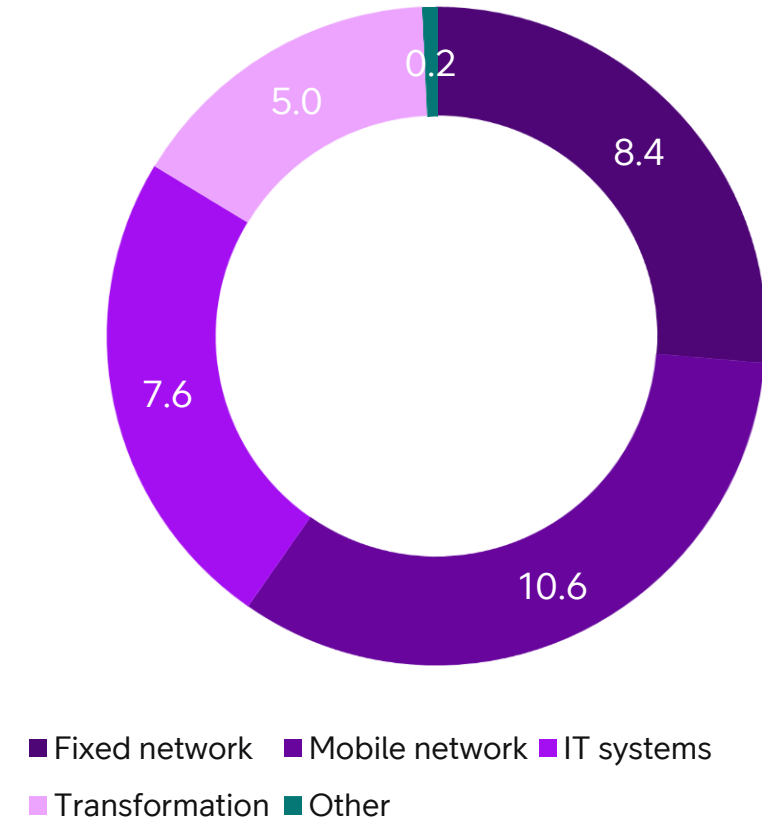
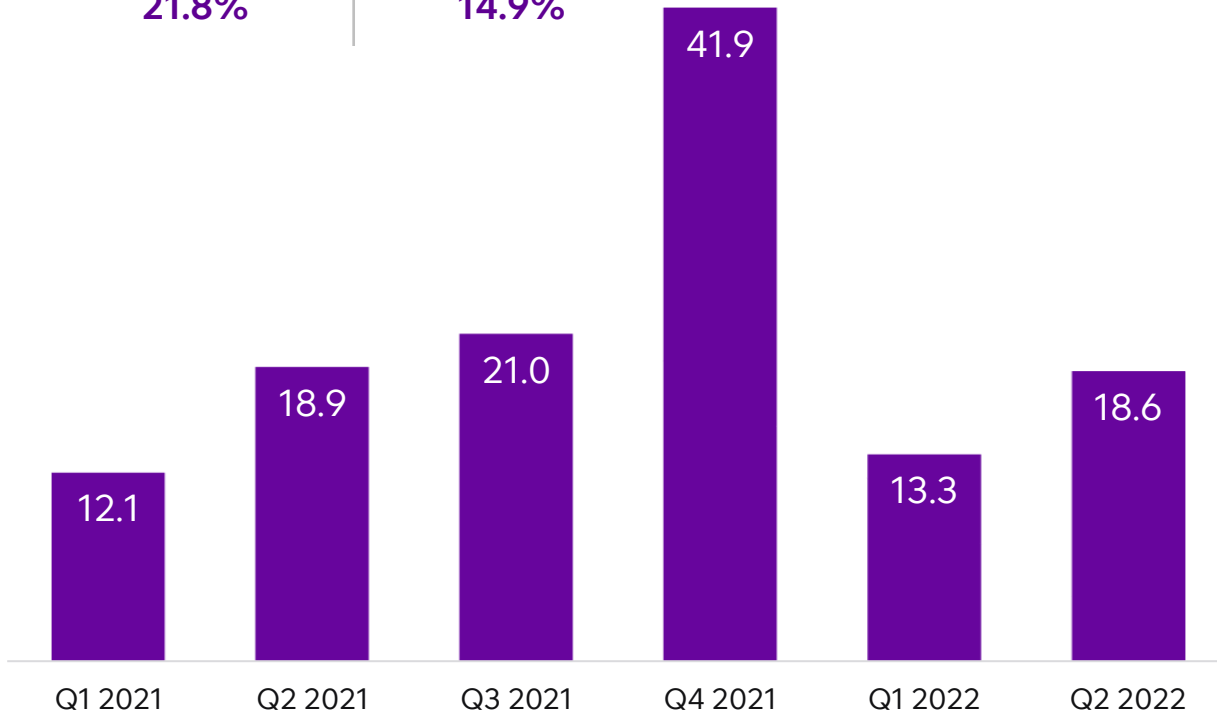
Cash flow & Net debt (mEur)



CAPEX & CAPEX breakdown for 6 month of 2022 (mEur)

Capex to Sales (12 months' rolling)

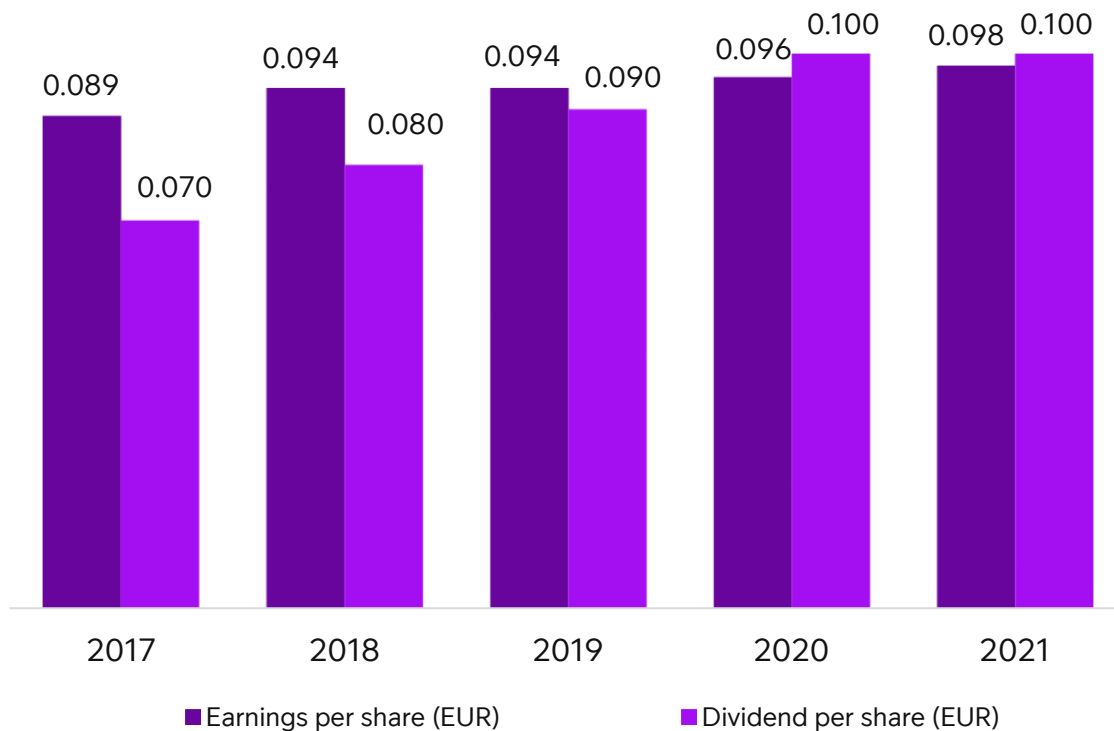
30-06-2022	30-06-2021
21.8%	14.9%



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 30-06-2022

Telia Company AB

88.15%

Other

11.85%

Part of shares and votes

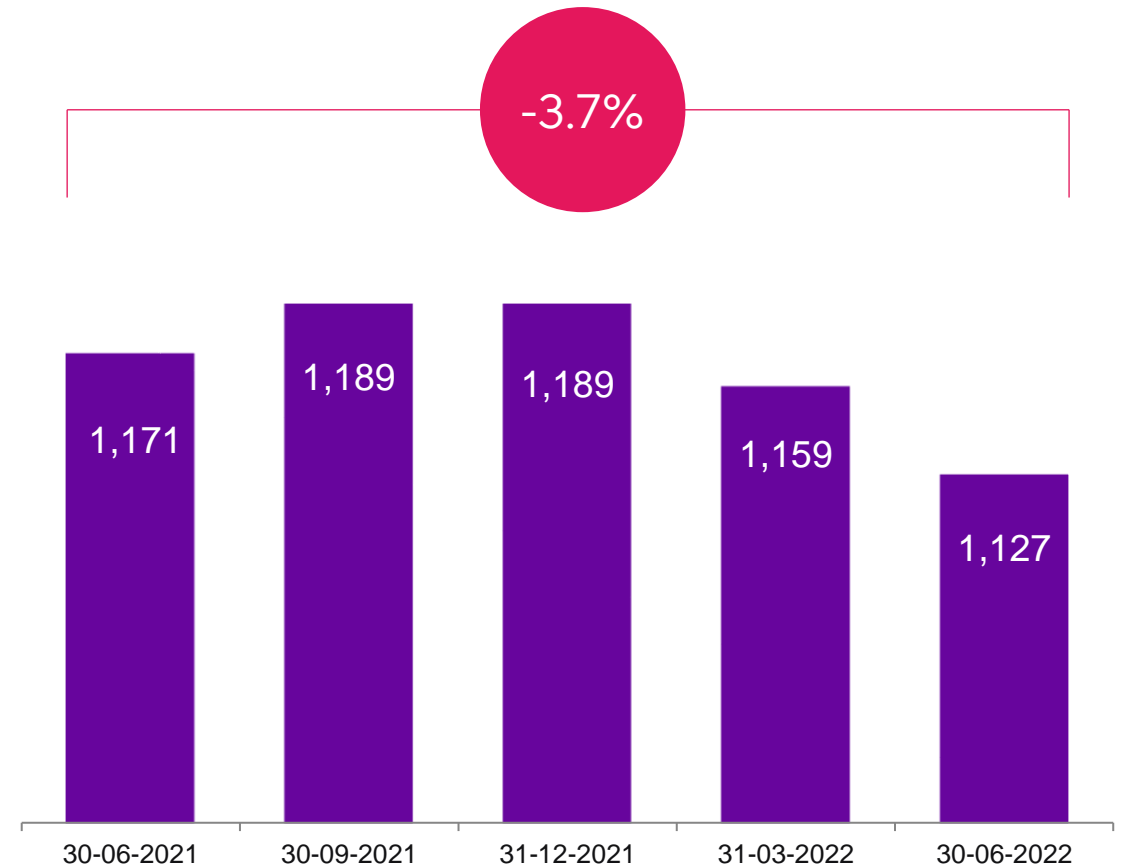


Shares

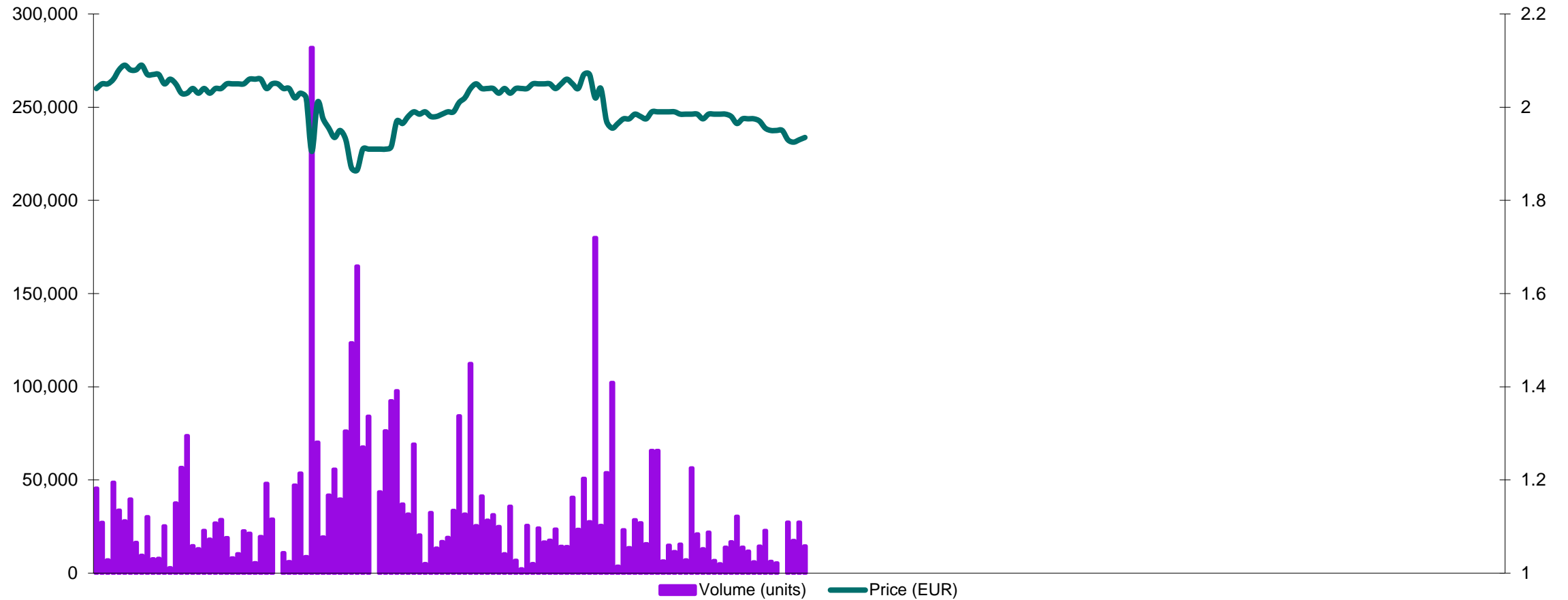
- Since June 2000, the Company's shares are listed on **Nasdaq Vilnius stock exchange** (ticker: TEL1L)
- Since January 2011, the Company's shares were included into the trading lists of a few German stock exchanges (ticker: ZWS)
- **Turnover** on Nasdaq Vilnius stock exchange during January-June 2022: 4.3 million of shares or EUR 8.5 million
- Share **price** on Nasdaq Vilnius:

01-01-2022	High	Low	30-06-2022
2.05 €	2.10 €	1.79 €	1.935 €

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	1,365.37	-12.97
OMX Vilnius GI	966.13	890.6	-7.82
TEL1L – Telia Lietuva	2.04	1.935	-5.15

P/E ratio: **19.5** (20.4 a year ago)

OMX Baltic Benchmark GI

OMX Vilnius GI

TEL1L - Telia Lietuva

Source: Nasdaq Vilnius

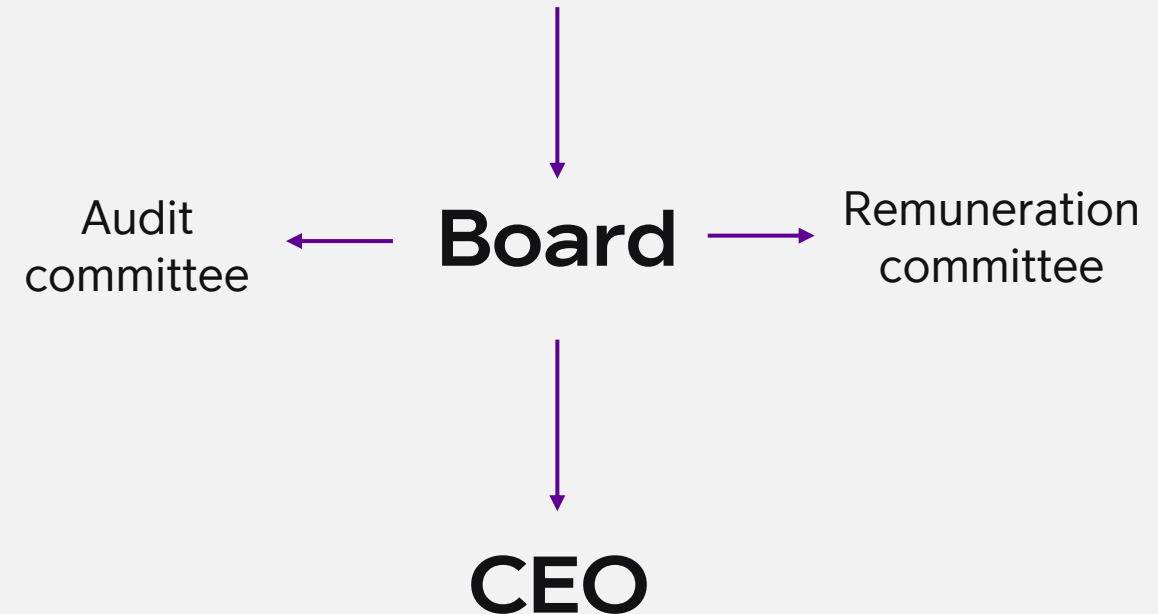


Corporate governance

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**
- **UAB Deloitte Lietuva** is the Company's audit enterprise for 2021 & 2022
- The Board elects and recalls **CEO**
- Following the departure of two members of the Management Team, **new Heads of Consumer, Finance and Digital & Analytics** were appointed
- From 1 July 2022, **Marketing unit** is directly reporting to CEO

General meeting of shareholders



Board



**Douglas
Lubbe**

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



**Agneta
Wallmark**

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



**Claes
Nycander**

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



**Hannu-Matti
Mäkinen**

Member of the Board,
represents Telia
Company AB



**Dovilė
Grigienė**

Independent member
of the Board,
Member of the Audit
Committee



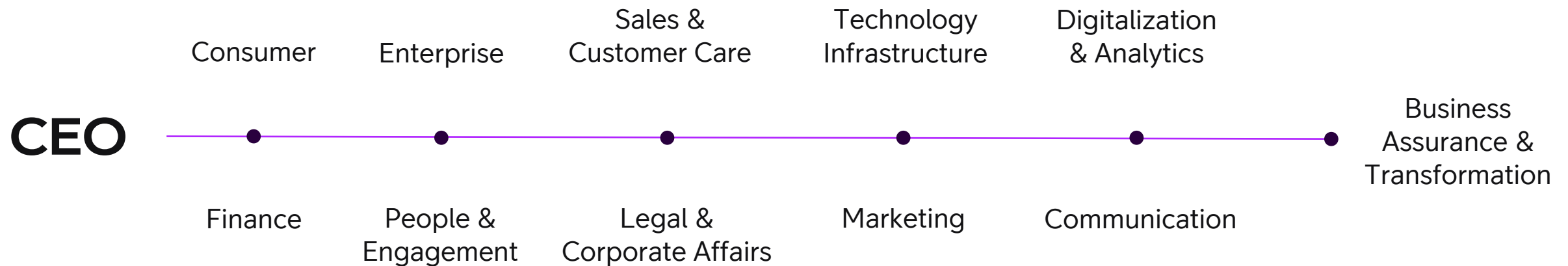
**Mindaugas
Glodas**

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



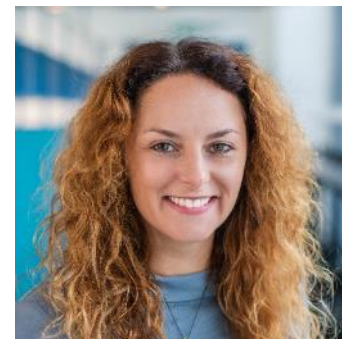
Daniel Karpovič,
Head of Enterprise



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



Andrius Šemeškevičius,
Head of Technology



Diana Gold,
Head of Digital & Analytics
(from September 1)



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



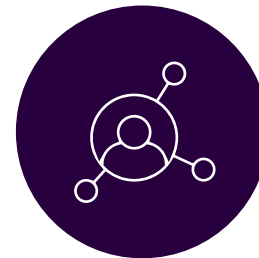
Zero CO₂

throughout the value chain



Zero waste

circular economy in Telia's operations



100% action

Team effort

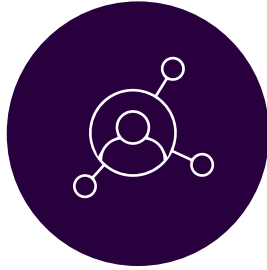


Our achievements in numbers



46%

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



27%

of our **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



Our activities in 2022



Launch of **cyber-security game** for children **Spoofy** in Lithuania



Raising awareness about climate change together with **Climate Museum** by visiting 16 cities in Lithuania in 2022



We work towards diversity & inclusion – **DuoDays**



Living the values – **Baltic Pride 2022**



Thank you