



# Interim Report January-March 2026

Telia Lietuva, AB

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# Management Report



## CEO comment

In 2026, we continue our journey to simpler, faster and more efficient company. At the end of 2025, two important units of Telía Lietuva – Technology Infrastructure and Digital Transformation – were merged into one Technology & Digital unit, and during the first quarter of 2026 the new unit streamlined its organizational structure and ways of working. Reorganization of Digital & Technology unit was a part of a broader digital shift across the Telía Company Group.

By deploying digital and artificial intelligence (AI) solutions, the Company reduced its workforce by roughly 60 positions. As a result, non-recurring employee redundancy expenses amounted to EUR 1.1 million for the first three months of 2026.

Our focus on our core connectivity business is showing results. During the first quarter of 2026, service revenue went up by 7.6 percent, adjusted EBITDA – by 8.2 percent and profit for the period – by 9 per cent. Compared with the same period a year ago, free cash flow increased by 28.6 percent.

Strong financial position of the Company allowed the Board to propose a payout of a record high EUR 0.14 dividend per share for the year 2025.

In February, a symbolic cornerstone of our new data center was laid down near Vilnius. It will be the first data center in the Baltic States and Central Europe to have an international BREEAM sustainability certificate. The center will use only renewable electricity (up to 8 MW of power), and solar power plants installed on and near the building will generate an additional 1 GWh of electricity annually.

Also, it will be connected to two Telía data centers already operating in Vilnius via an optical communication ring, thus creating a network of highly reliable data centers. Two building modules will be constructed initially, providing capacity for more than 400 server racks.. Construction of the new data center is planned to be completed by the end of 2027 and will costs EUR 26 million.

Telía Play started collaboration with the global content platform HBO Max. The new partnership gives viewers access to the highest quality films, series, documentaries and sports in one environment. This helps viewers to be less distracted between different platforms and make the viewing experience much more convenient. HBO Max combines HBO original series, Warner Bros. films, Discovery documentaries, Cartoon Network programming and Eurosport sports broadcasts.

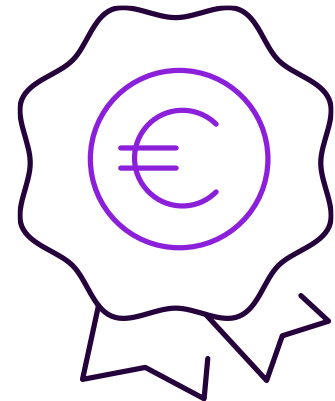
The Company continues to maintain its high customer care standards. According to Lithuania residents' survey conducted in 2026, Telía Lietuva provides the best customer care among the telecommunication companies. It also was recognized for the best customer care in telecommunications and Internet sectors by Shopper Quality's secret shopper research conducted in 2025.

In February, Telía Lietuva supported the national aid campaign "Radaron!" carried out for the fourth time. The Company has allocated EUR 100 thousand to Ukraine. This is not a one-time step, but part of a consistent strategy – stay resilient and continue vital support as long as it is needed.

The Company also provides practical assistance - last year, more than half a ton of computers and used network equipment for restoring mobile communication networks, were transferred to Ukraine for an amount of more than EUR 60 thousand. In addition, until this year, Telía Lietuva was the only one in Lithuania to support particularly favorable mobile communication tariffs between Ukraine and Lithuania since the beginning of the war, and from 1 January 2026, by EU decision, those traveling to Ukraine can use mobile communication services under the same conditions as at home.

Giedrė Kaminskaitė-Salters  
CEO of Telía Lietuva

# Financial highlights of Q1 2026



Telia Lietuva operating model is based on customers' segment. The Company's operations are managed and reported by the following segments: business and residential customers. Business customers segment (B2B) implies telecommunication and IT services, equipment sale and customer care for large, medium and small business, public institutions and enterprises, local and international telecommunication operators. Residential customers segment (B2C) implies telecommunication and TV services to private individuals. Other operations include operations of Technology and Support units of the Company. The financial statements of the Company have been prepared according to the International Financial Reporting Standards as adopted by the European Union.

## Revenue grew by 7.6%

and amounted to EUR 128.8 million  
(2025: EUR 119.8 million)

## EBITDA increased by 7.0%

and amounted to EUR 51.2 million  
(2025: EUR 47.8 million)

## Capital investments increased by 19.2%

and amounted to EUR 11.3 million  
(2025: EUR 9.5 million)

## Adjusted EBITDA up by 8.2%

to EUR 52.2 million  
(2025: EUR 48.3 million)

## Profit for the period went up by 9.0%

to EUR 24.6 million  
(2025: EUR 22.6 million)

## Free cash flow went up by 28.6%

and amounted to EUR 40.2 million  
(2025: EUR 31.3 million)

# Financial figures

(in thousands of EUR unless otherwise stated)	January - March 2026	January - March 2025	Change (%)	January - March 2024
Revenue	128,808	119,751	7.6	118,985
Adjusted EBITDA excluding non-recurring items	52,240	48,292	9.9	43,940
Adjusted EBITDA margin excluding non-recurring items (%)	40.6	40.3		36.9
EBITDA	51,164	47,819	7.0	43,378
EBITDA margin (%)	39.7	39.9		36.5
Operating profit (EBIT) excluding non-recurring items	30,957	27,778	11.4	22,974
EBIT margin excluding non-recurring items (%)	24.0	23.2		19.3
Operating profit (EBIT)	29,881	27,305	9.4	22,412
EBIT margin (%)	23.2	22.8		18.8
Profit before income tax	29,347	26,498	10.8	20,888
Profit before income tax margin (%)	22.8	22.1		17.6
Profit for the period	24,625	22,599	9.0	18,165
Profit for the period margin (%)	19.1	18.9		15.3
Earnings per share (EUR)	0.042	0.039	9.0	0.031
Number of shares (thousand)	582,613	582,613	-	582,613
Share price at the end of period (EUR)	2.07	1.64	26.2	1.675
Market capitalisation at the end of period	1,206,009	955,485	26.2	975,877
Total assets	681,380	620,074	9.9	620,493
Shareholders' equity	426,908	398,611	7.1	374,993
Cash flow from operations	61,585	52,388	17.6	41,842
Free cash flow	40,219	31,276	28.6	25,516
Capital investments (Capex)	11,334	9,505	19.2	17,810
Net debt	(65,334)	(13,319)	390.5	47,628

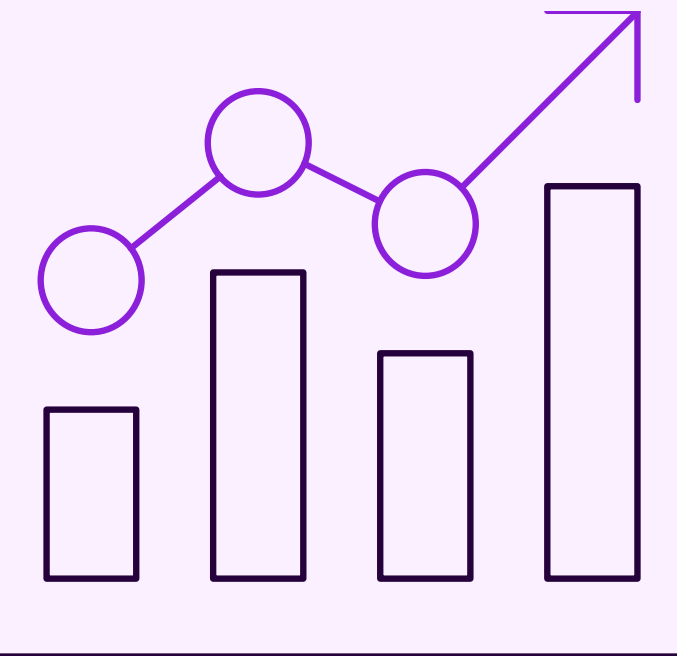
# Operating figures

	31-03-2026	31-03-2025	Change (%)	31-03-2024
Mobile service subscriptions, in total (thousand)	1,714	1,667	2.8	1,626
— Post-paid (thousand)	1,483	1,418	4.6	1,320
— Pre-paid (thousand)	231	249	(7.2)	306
Broadband Internet connections, in total (thousand)	407	417	(2.4)	425
— Fiber-optic (FTTH/B) (thousand)	309	313	(1.3)	315
— Copper (DSL, VDSL) (thousand)	98	104	(5.8)	110
TV service customers (thousand)	255	258	(1.2)	260
Fixed telephone lines in service (thousand)	135	152	(11.2)	172
Number of personnel (headcounts)	1,637	1,756	(6.8)	1,934
Number of full-time employees	1,565	1,671	(6.3)	1,830

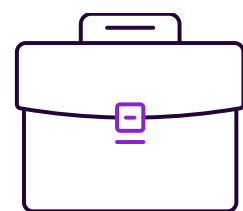
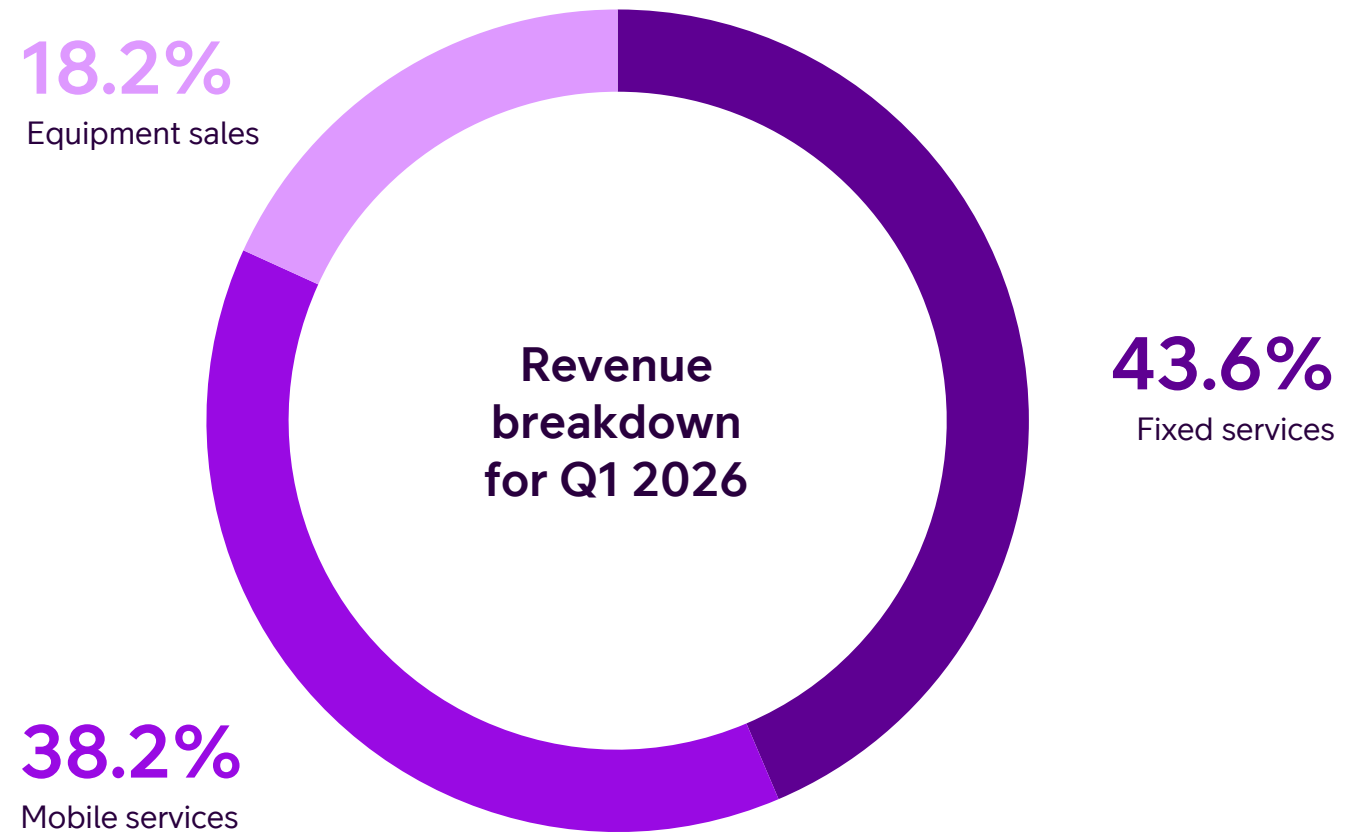
# Financial ratios\*

	31-03-2026	31-03-2025	31-03-2024
Return on capital employed (%)	26.0	22.1	18.7
Return on average assets (%)	18.0	15.4	13.4
Return on shareholders' equity (%)	23.6	20.6	18.7
Operating cash flow to sales (%)	36.8	37.2	33.6
Capex to sales (12 months' rolling) (%)	12.7	11.1	13.0
Net debt to EBITDA ratio	(0.33)	(0.07)	0.28
Gearing ratio (%)	(15.3)	(3.3)	12.7
Debt to equity ratio (%)	14.8	10.8	20.0
Current ratio (%)	130.3	109.2	79.0
Rate of turnover of assets (%)	81.7	81.0	77.6
Equity to assets ratio (%)	62.7	64.3	60.4
Price to earnings (P/E) ratio	13.1	12.6	14.9

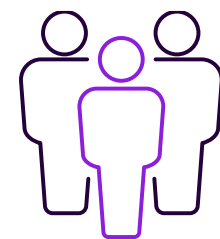
Notes: \*Description of financial ratios and their calculation is provided at <https://www.telia.lt/eng/investors/financial-results>



# Revenue



**36.8%**  
Enterprises



**63.2%**  
Consumers

(in thousands of EUR)	January - March 2026	January - March 2025	Change (%)
<b>Fixed services</b>	<b>56,123</b>	<b>52,707</b>	<b>6.5</b>
Voice telephony services	8,481	7,826	8.4
Internet services	21,304	20,518	3.8
Datacom and network capacity services	4,684	4,654	0.6
TV services	10,194	9,816	3.9
IT services	9,511	7,726	23.1
Other services	1,949	2,167	(10.1)
<b>Mobile services</b>	<b>49,262</b>	<b>45,210</b>	<b>9.0</b>
Billed services	47,245	43,298	9.1
Other mobile services	2,017	1,912	5.5
<b>Equipment</b>	<b>23,423</b>	<b>21,834</b>	<b>7.3</b>
<b>Total</b>	<b>128,808</b>	<b>119,751</b>	<b>7.6</b>

During the first quarter of 2026 revenue from services went up by 7.6 per cent due to continuous growth in revenue from mobile, IT, broadband and TV services. Equipment sales volumes were also higher than a year ago.

During January-March of 2026, number of post-paid mobile subscriptions went up by 10 thousand, but number of pre-paid mobile subscriptions went down by 5 thousand. Over the last 12 months number of post-paid mobile subscriptions increased by 65 thousand, while the number of pre-paid mobile subscriptions decreased by 18 thousand. The larger customer base and continuously growing volumes of mobile data used in the Company's network resulted in growing revenue from mobile services.

Higher revenue per user led to increase in revenue from broadband Internet services despite decreased number of connections. During the first quarter of 2026, the number of fiber (FTTH/B) connections contracted by 1 thousand, while number of copper (DSL) connections went down by 2 thousand. Over the last 12 months, the total number of broadband Internet connections decreased by 10 thousand.

Partnership with Netflix, HBO Max and more quality content offered to Telia Play service users increased revenue from TV services despite decreased number of TV service users. Over the last 12 months it went down by 3 thousand.

During the first three months of 2026, revenue stream from voice transit services was higher by 20.8 per cent than a year ago and pushed up the total revenue from voice telephony services, while revenue from retail voice telephony services declined in line with the decreased number of fixed telephone lines by 11.7 per cent.

# Expenses

(in thousands of EUR)	January - March 2026	January - March 2025	Change (%)
<b>Cost of goods and services</b>	<b>(43,031)</b>	<b>(41,566)</b>	<b>3.5</b>
<b>Operating expenses</b>	<b>(34,910)</b>	<b>(30,360)</b>	<b>15.0</b>
Employee related	(17,492)	(16,794)	4.2
Other	(17,418)	(13,566)	28.4
Non-recurring expenses	(1,076)	(473)	127.5
<b>Operating expenses (excl. non-recurring expenses)</b>	<b>(33,834)</b>	<b>(29,887)</b>	<b>13.2</b>
Employee related	(16,416)	(16,458)	(0.3)
Other	(17,418)	(13,429)	29.7

Cost of goods and services for the first quarter of 2026 increased year on year, primarily driven by higher equipment sales and increased network interconnection and roaming costs. Employee related expenses rose mainly due to non-recurring redundancy expenses (EUR 1.1 million) related to restructuring of the Company's Digital & Transformation unit during January-March of 2026. Other operating expenses for the first three months of 2026 increased as a result of higher energy and advertising costs, as well as an increase in common Group function expenses.

During January-March 2026, the number of employees (headcounts) went down by 50 employees from 1,687 to 1,637, and in terms of full-time employees by 52 – from 1,617 to 1,565. Over the last 12 months number of employees decreased by 119 – from 1,756 to 1,637, while in terms of full-time employees by 106 – from 1,671 to 1,565.

Non-recurring redundancy pay-outs for the first quarter of 2026 amounted to EUR 1,076 thousand (2025: EUR 336 thousand). Other non-recurring expenses for January-March of 2025 amounted to EUR 137 thousand (none in 2026).

# Earnings

(in thousands of EUR)	January - March 2026	January - March 2025	Change (%)
<b>EBITDA</b>	<b>51,164</b>	<b>47,819</b>	<b>7.0</b>
Margin (%)	39.7	39.9	
Depreciation and amortisation	(21,283)	(20,514)	3.7
<b>Operating profit (EBIT)</b>	<b>29,881</b>	<b>27,305</b>	<b>9.4</b>
Margin (%)	23.2	22.8	
Non-recurring expenses	(1,076)	(473)	127.5
Gain (loss) on sale of property	-	-	
<b>Adjusted EBITDA excluding non-recurring items</b>	<b>52,240</b>	<b>48,292</b>	<b>8.2</b>
Margin (%)	40.6	40.3	
<b>EBIT excluding non-recurring items</b>	<b>30,957</b>	<b>27,778</b>	<b>11.4</b>
Margin (%)	24.0	23.2	

During the first quarter of 2025 and 2026, the Company had no gain or loss on sale of property.

(in thousands of EUR)	January - March 2026	January - March 2025	Change (%)
<b>Profit before income tax</b>	<b>29,347</b>	<b>26,498</b>	<b>10.8</b>
Margin (%)	22.8	22.1	
Income tax	(4,722)	(3,899)	21.1
<b>Profit for the period</b>	<b>24,625</b>	<b>22,599</b>	<b>9.0</b>
Margin (%)	19.1	18.9	

From 1 January 2026, the profit tax rate in Lithuania is 17 per cent (2025: 16 per cent). Following the provisions of the Law on Corporate Profit Tax regarding tax relief for investments in new technologies, the profit tax relief for the year 2026 to EUR 0.2 million (2025: EUR 0.4 million).

# Financial position and cash flow

As of 31 March 2026, the total non-current assets amounted to 70.2 per cent (77.8 per cent a year ago), the total current assets – to 29.8 per cent (22.2 per cent), whereof cash and cash pool arrangement alone represented 18.8 per cent (9.1 per cent) of total assets. At the end of March 2026, shareholders' equity amounted to 62.7 per cent of the total assets (64.3 per cent a year ago).

(in thousands of EUR)	31-03-2026	31-12-2025	Change (%)
<b>Total assets</b>	<b>681,380</b>	<b>658,050</b>	<b>3.5</b>
Non-current assets	478,031	485,372	(1.5)
Current assets	203,298	172,627	17.8
whereof cash and cash pool arrangement	128,389	90,779	41.4
Assets for sale	51	51	-
<b>Shareholders' equity</b>	<b>426,908</b>	<b>402,283</b>	<b>6.1</b>

The Board proposed to the Annual General Meeting of Shareholders from the Company's distributable profit of EUR 216.4 million to allocate EUR 81.6 million for the payment of dividends for the year 2025, i. e. EUR 0.14 dividend per share, and carry forward to the next financial year an amount of EUR 134.8 million as retained earnings (undistributed profit)

(in thousands of EUR)	January - March 2026	January - March 2025	Change (%)
<b>Net cash generated by operating activities</b>	<b>61,585</b>	<b>52,388</b>	<b>17.6</b>
Purchase of PPE and intangible assets (Cash Capex)	(21,477)	(21,192)	1.3
Proceeds from disposal of PPE and intangible assets	111	80	38.8
<b>Free cash flow</b>	<b>40,219</b>	<b>31,276</b>	<b>28.6</b>
Increase (decrease) in lease liabilities	(3,195)	(3,233)	(1.2)
<b>Operational free cash flow</b>	<b>37,024</b>	<b>28,043</b>	<b>32.0</b>

The Company participates in reverse factoring or Supplier Invoice Financing (SIF) program where suppliers' invoices are paid by the banks within 7 days for an agreed fee which is covered by supplier. The Company does not pay any credit fees and does not provide any additional collateral or guarantee to the banks. The Company pays to the banks full invoice amount in up to one-year period (actual term depends on few variables agreed between all three parties). One of the variables effecting the terms of repayments to the banks is Euribor interest rate.

(in thousands of EUR)	31-03-2026	31-12-2025	31-03-2025
Liabilities under reverse factoring agreements	63,055	63,026	42,873
<b>Borrowings</b>	<b>63,055</b>	<b>63,026</b>	<b>42,873</b>
Cash and cash equivalents	4,858	5,379	6,920
Cash pool arrangement	123,531	85,400	49,272
<b>Net debt</b>	<b>(65,334)</b>	<b>(27,753)</b>	<b>(13,319)</b>
Net debt to equity (Gearing) ratio (%)	(15.3)	(6.9)	(3.3)

In January 2024, the Company has entered into agreement with Telia Company AB and Telia Global Services Lithuania, UAB, a subsidiary of Telia Company AB in Lithuania, on cash pooling at SEB bank. Cash pool arrangement provides the Company with the short-term borrowing possibility to ensure its liquidity.

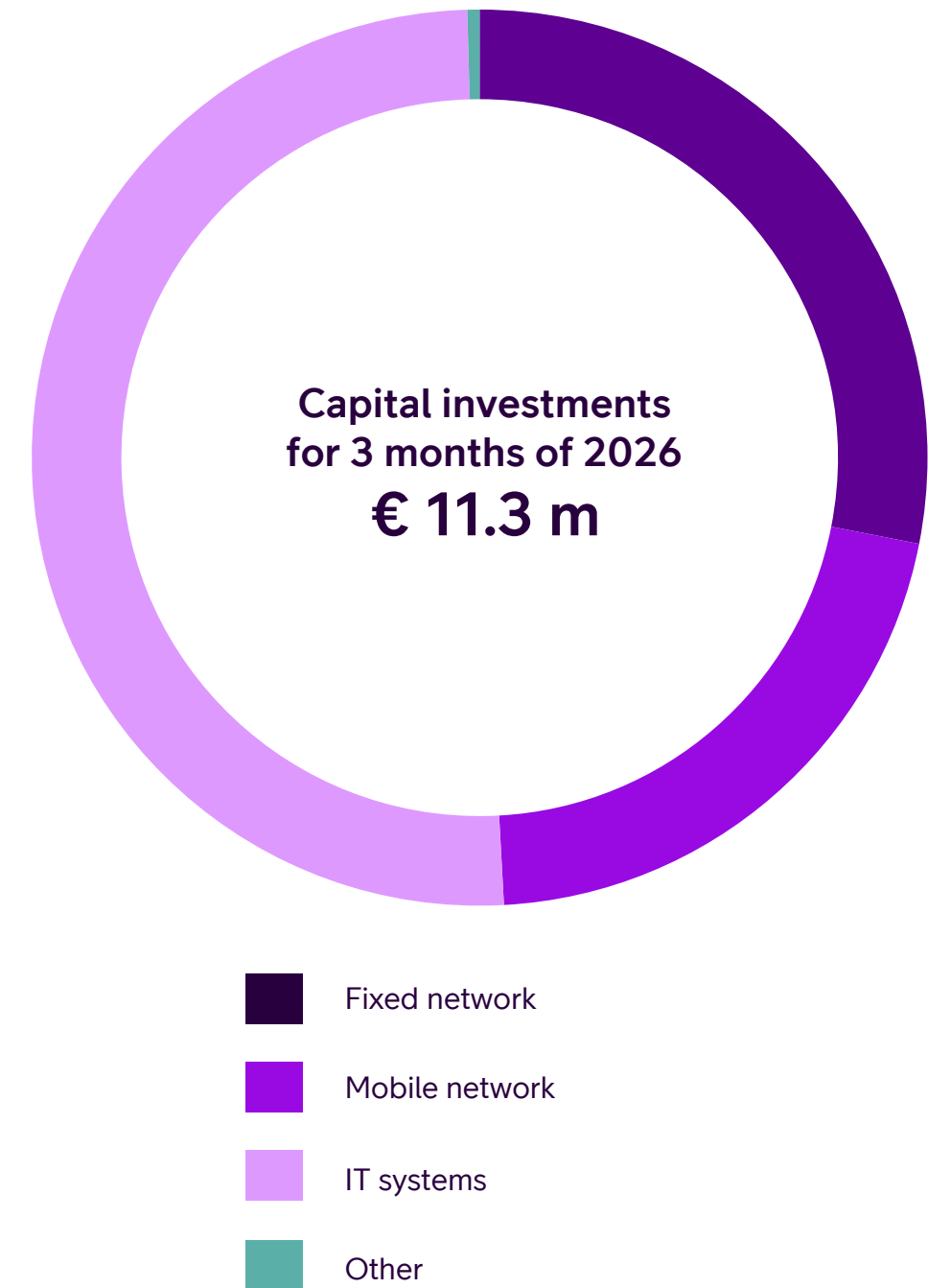
# Capital investments

(in thousands of EUR)	January - March 2026	January - March 2025	Change (%)
Fixed network	3,183	2,872	10.8
Mobile network	2,386	1,158	106.0
IT systems and infrastructure	5,715	5,454	4.8
Other	50	21	138.1
<b>Total capital investments</b>	<b>11,334</b>	<b>9,505</b>	<b>19.2</b>
Capital investments to revenue ratio (%)	8.8	7.9	

In summer of 2025, the Company started a major upgrade of its national fiber-optic internet network, which will increase data transfer speeds by 6 times to a record 600 Gbps. An investment of approximately EUR 1 million into new underground cables will provide the necessary capacity for growing customer data usage and provision of next-generation services. By upgrading its fiber-optic network backbone, the Company also invests into security of the connectivity. The investment will reduce the risk of a critical connection failure that banks, healthcare, electricity supply and other critical systems depend on. The upgraded network will allow data to travel via multiple routes, making Lithuania more resilient to threats and unexpected technical failures.

By the end of March 2026, the Company had 990 thousand households passed (982 thousand a year ago), or 60 per cent of the country's households, by the fiber-optic network.

At the end of 2025, Telia Lietuva signed a contract for construction of a new data center near Vilnius. The Company plans to invest up to EUR 26 million to two initial data center modules with 400 racks to be completed by the second half of 2027.



# Share capital and shareholders

The **authorised capital** of the Company amounts to 168,957,810.02 euro and consists of 582,613,138 ordinary registered shares with a nominal value of 0.29 euro each. The number of the Company's shares that provide voting rights during the General Meeting is 582,613,138.

582,613,138 ordinary registered shares of Telia Lietuva, AB (ISIN code LT0000123911) are listed on the Main List of Nasdaq Vilnius stock exchange (code: TEL1L). Nasdaq Vilnius stock exchange is a home market for the Company's shares.

From January 2011, the Company's shares are included into the trading lists of Berlin Stock Exchange (Berlin Open Market (Freiverkehr), Frankfurt Stock Exchange (Open Market (Freiverkehr), Munich Stock Exchange and Stuttgart Stock Exchange. Telia Lietuva share's symbol on German stock exchanges is ZWS.

Information on **trading in Telia Lietuva shares** on Nasdaq Vilnius stock exchange during January-March 2026:

Currency	Opening price	Highest price	Lowest price	Last price	Average price	Turnover (units)	Turnover
EUR	1.895	2.14	1.89	2.07	2.038	3,703,079	7,547,034

**Shareholders**, holding more than 5 per cent of the share capital and votes, as on 31 March 2026:

Name of the shareholder (name of the enterprise, type and registered office address, code in the Register of Enterprises)	Number of ordinary registered shares owned by the shareholder	Share of the share capital (%)	Share of votes given by the shares owned by the right of ownership (%)	Share of votes held together with persons acting in concert (%)
Telia Company AB, 169 94 Solna, Sweden, code 556103-4249	513,594,774	88.15	88.15	-
Other shareholders	69,018,364	11.85	11.85	-
<b>Total:</b>	<b>582,613,138</b>	<b>100.00</b>	<b>100.00</b>	<b>-</b>

The total number of shareholders on the shareholders' registration day (17 April 2026) for the Annual General Meeting of Shareholders, to be held on 24 April 2026, was 16,254.

Trading in the Company's shares on [Nasdaq Vilnius stock exchange](#) since beginning of listing



# Dividends

In 2024, the Board has revised the guidelines for the Company's dividend payout. The revised Company's dividend policy provides that:

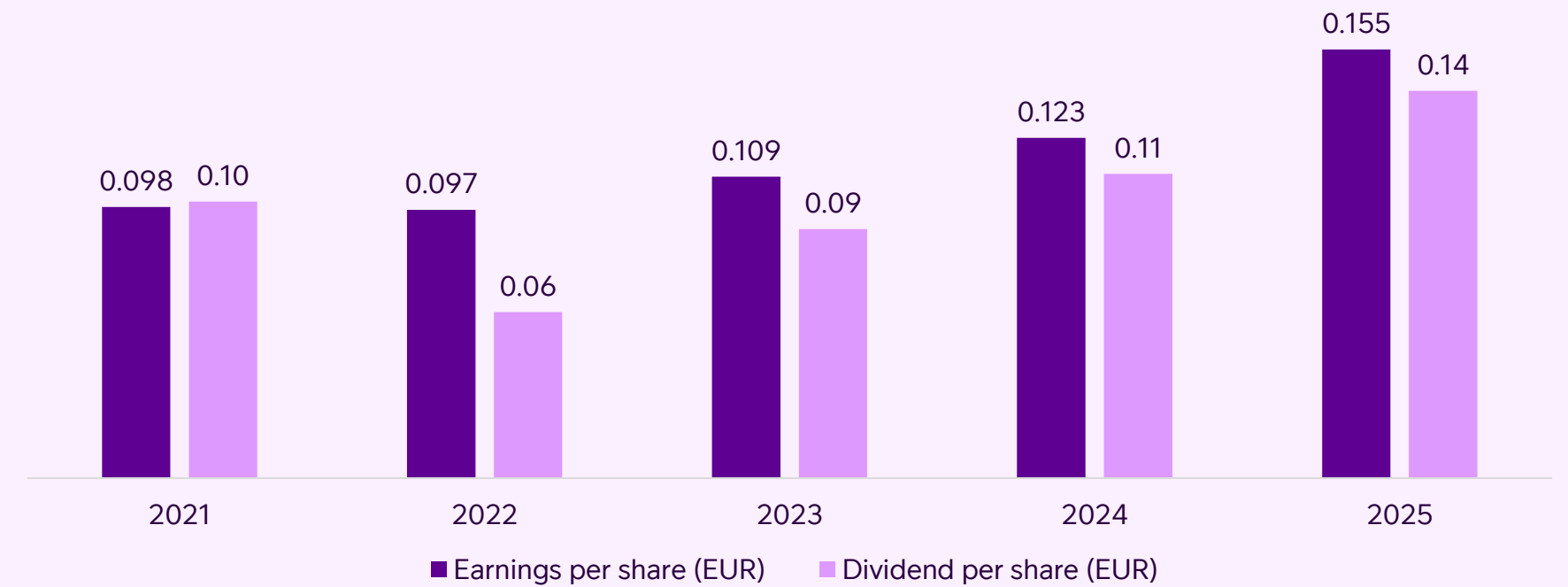
- the Company must maintain the net debt to EBITDA ratio not higher than 1.5, and
- to pay out not more than 80% of free cash flow but not more than 100% of the Company's net profit as dividend.

Following the dividend policy, the Board of the Company proposed to allocate EUR 81.6 million for the payment of dividends for the year 2025, i. e. EUR 0.14 dividend per share.

Dividends paid in 2026 to legal entities (residents and non-residents) are subject to withholding Corporate income tax of 17 per cent and dividends paid to natural persons (residents and non-residents) are subject to withholding Personal income tax of 15 per cent.

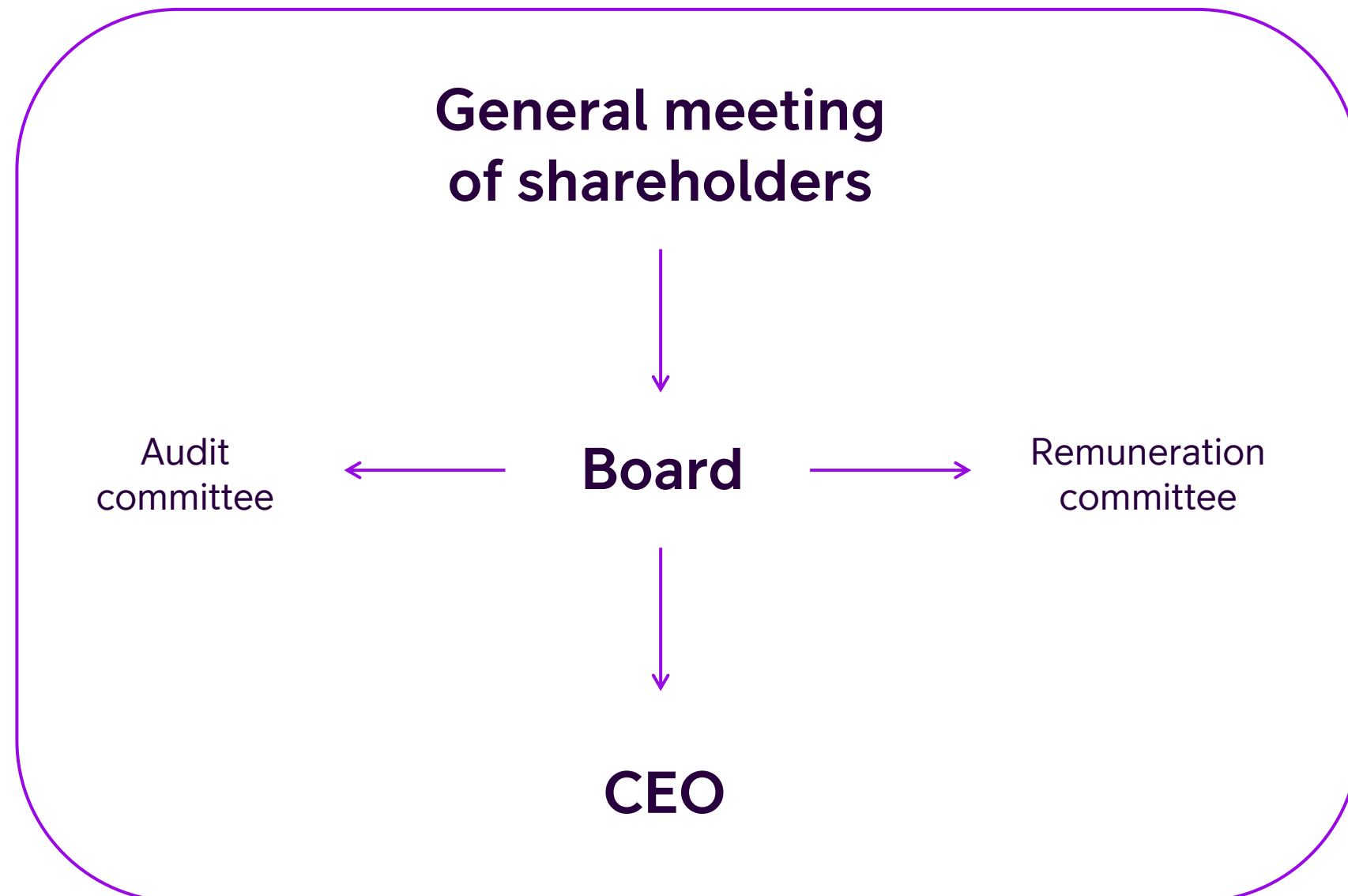
**Information about the Company's dividend pay-out** during the last five years (in EUR thousand unless otherwise stated):

Year	Profit for the period	Earnings per share (EUR)	Dividends paid	Dividend per share (EUR)	Dividends to profit ratio (%)
2021	56,808	0.098	58,261	0.10	102.0
2022	56,398	0.097	34,957	0.06	62.0
2023	63,594	0.109	52,435	0.09	82.5
2024	71,619	0.123	64,087	0.11	89.4
2025	90,359	0.155	81,566	0.14	90.3



# Corporate governance

According to the By-Laws of the Company, the **governing bodies of the Company** are the General Shareholder’s Meeting, the Board and the CEO. The Law of the Republic of Lithuania on Companies provides that Lithuanian companies at their discretion could have either two (Supervisory Council and Board) or only one collegial governing body. There is no Supervisory Council in the Company.



From 1 February 2026, Elina Dapkevičienė, Head of Consumer, became a new Head of Sales & Customer Care, while Lina Bandzinė, former Head of Sales & Customer Care, became a new Head of Consumer.

## Decisions of the Board

- On 26 March 2026, the Board of the Company proposed to the Annual General Meeting of shareholders:
- to allocate EUR 81.6 million for the payment of dividends for the year 2025, i. e. EUR 0.11 dividend per share,
  - to allocate EUR 39.6 thousand for tantiemes for the year 2025 to two independent members of the Board – Leda Iržikevičienė and Mindaugas Glodas – EUR 19.8 thousand each,
  - to elect KPMG Baltics, UAB as the Company’s independent audit enterprise for the year 2026 and 2027.

## Convocation of the Annual General Meeting

- The Annual General Meeting was held on 24 April 2026 with the following agenda proposed by the Board:
- Presentation by the Company’s auditor.
  - Approval of the Company’s annual financial statements for the year 2025 and presentation of the Company’s annual report for the year 2025.
  - Allocation of the Company’s profit for the year 2025.
  - Approval of the Company’s Remuneration Report for the year 2025.
  - Election of the Company’s auditor.
  - Election of the Company’s Board member.
  - Regarding the implementation of decisions.

Taking into consideration that the Board member, Hannu-Matti Mäkinen, has resigned from the Board as of 23 April 2026 due to change of his position and responsibilities within Telia Company Group, Telia Company AB, as a shareholder of Telia Lietuva, AB holding 88.15 per cent of the Company’s shares and votes, proposed for a current term of the Board till 28 April 2027 to elect to the Board Andreas Ekström, who is Head of Telia Asset Management at Telia Company.

# Members of the Board



**Stefan Backman**  
Chair of the Board



**Claes Nycander**  
Member of the Board,  
Chair of the Remuneration Committee



**Hannu-Matti Mäkinen**  
Member of the Board,  
Member of the Remuneration Committee  
till 23 April 2026



**Annelie Lakner**  
Member of the Board,  
Member of the Audit Committee



**Leda Iržikevičienė**  
Independent member of the Board,  
Chair of the Audit Committee



**Mindaugas Glodas**  
Independent member of the Board,  
Member of the Audit and Remuneration Committees

# Management Team



**Giedrė  
Kaminskaitė-  
Salters**  
CEO



**Lina  
Bandzinė**  
Head of Consumer  
(B2C)



**Daiva  
Kasperavičienė**  
Head of Legal and  
People & Culture



**Elina  
Dapkevičienė**  
Head of Sales &  
Customer Care



**Vygintas  
Domarkas**  
Head of Digital &  
Technology



**Vaida  
Jurkonienė**  
Head of Marketing &  
Communication



**Aurimas  
Žlibinas**  
Head of Enterprise  
(B2B)



**Daina  
Večkytė**  
Head of Finance



**Vytautas  
Bučinskas**  
Head of Business  
Assurance, Resilience &  
Sustainability

# Financial Statements

## Statement of profit or loss and other comprehensive income

In thousands of EUR, except per share data		January – March	
	Notes	2026	2025
<b>Revenue</b>		<b>128,808</b>	<b>119,751</b>
Cost of goods and services		(43,031)	(41,566)
Employee related expenses		(17,492)	(16,794)
Other operating expenses		(17,418)	(13,566)
Other gain / (loss) – net		297	(6)
Depreciation, amortisation and impairment of fixed assets and assets classified as held for sale	6	(21,283)	(20,514)
<b>Operating profit</b>		<b>29,881</b>	<b>27,305</b>
Finance income		834	628
Finance costs		(1,368)	(1,435)
Finance and investment activities – net		(534)	(807)
<b>Profit before income tax</b>		<b>29,347</b>	<b>26,498</b>
Income tax	3	(4,722)	(3,899)
<b>Profit for the year</b>		<b>24,625</b>	<b>22,599</b>
<b>Other comprehensive income:</b>			
Other comprehensive income for the period		-	-
<b>Total comprehensive income for the period</b>		<b>24,625</b>	<b>22,599</b>
Profit and comprehensive income attributable to:			
Owners of the Parent		24,625	22,599
<b>Basic and diluted earnings per share for profit attributable to the equity holders of the Company (EUR)</b>	4	<b>0.042</b>	<b>0.039</b>

## Statement of financial position

In thousands of EUR		As at 31 March	As at 31 December
	Notes	2026	2025
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	230,633	235,510
Goodwill	7	26,769	26,769
Intangible assets	7	136,803	138,822
Right-of-use assets	8	52,092	51,306
Costs to obtain contract		6,092	5,912
Contract asset		99	137
Trade and other receivables		19,805	21,094
Finance lease receivables		5,738	5,822
		<b>478,031</b>	<b>485,372</b>
<b>Current assets</b>			
Inventories		13,086	10,847
Contract assets		826	1,024
Trade and other receivables		56,835	65,668
Current income tax assets		-	-
Finance lease receivables		4,162	4,309
Cash pool receivables		123,531	85,400
Cash and cash equivalents		4,858	5,379
		<b>203,298</b>	<b>172,627</b>
Assets classified as held for sale		51	51
<b>Total assets</b>		<b>681,380</b>	<b>658,050</b>

In thousands of EUR		As at 31 March	As at 31 December
	Notes	2026	2025
<b>EQUITY</b>			
<b>Capital and reserves attributable to equity holders of the Company</b>			
Issued share capital	9	168,958	168,958
Legal reserve	10	16,896	16,896
Retained earnings		241,054	216,429
Equity attributable to owners of the Company		426,908	402,283
<b>Total equity</b>		<b>426,908</b>	<b>402,283</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Lease liabilities		48,349	47,987
Deferred tax liabilities		19,694	19,962
Deferred revenue and accrued liabilities		16,668	17,234
Provisions	11	13,787	13,788
		<b>98,498</b>	<b>98,971</b>
<b>Current liabilities</b>			
Trade, other payables and accrued liabilities		70,182	72,705
Current income tax liabilities		5,275	3,500
Borrowings		63,055	63,026
Contract liability		2,483	2,915
Lease liabilities		14,979	14,650
		<b>155,974</b>	<b>156,796</b>
<b>Total liabilities</b>		<b>254,472</b>	<b>255,767</b>
<b>Total equity and liabilities</b>		<b>681,380</b>	<b>658,050</b>

## Statement of changes in equity

In thousands of EUR	Share capital	Legal reserve	Retained earnings	Total equity
<b>Balance at 1 January 2025</b>	<b>168,958</b>	<b>16,896</b>	<b>190,158</b>	<b>376,012</b>
Profit for the year	-	-	22,599	22,599
Other comprehensive income for the year, net of income tax	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>22,599</b>	<b>22,599</b>
Dividends paid for 2024	-	-	-	-
<b>Balance at 31 March 2025</b>	<b>168,958</b>	<b>16,896</b>	<b>212,757</b>	<b>398,611</b>
<b>Balance at 1 January 2026</b>	<b>168,958</b>	<b>16,896</b>	<b>216,429</b>	<b>402,283</b>
Profit for the year	-	-	24,625	24,625
Other comprehensive income for the year, net of income tax	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>24,625</b>	<b>24,625</b>
Dividends paid for 2025	-	-	-	-
<b>Balance at 31 March 2026</b>	<b>168,958</b>	<b>16,896</b>	<b>241,054</b>	<b>426,908</b>

## Statement of cash flows

In thousands of EUR		January – March	
	Notes	2026	2025
<b>Operating activities</b>			
Profit for the year		24,625	22,599
Adjustments for:			
Income tax expenses recognized in profit or loss	3	4,722	3,899
Depreciation, amortisation and impairment charge	6	21,760	20,518
Other gain / (loss) – net		(64)	48
Interest income		(834)	(628)
Interest expenses		1,351	1,421
Changes in working capital (excluding the effects of acquisition and disposal of subsidiaries):			
Inventories / Assets held for sale		(2,340)	1,254
Trade and other receivables		9,730	3,866
Decrease/(increase) in contract assets		236	213
Decrease/(increase) in contract costs		(180)	(150)
Increase/(decrease) trade, other payables and accrued liabilities, deferred tax liabilities		7,216	2,816
Increase/(decrease) in contract liabilities		(432)	11
Increase/(decrease) in deferred revenue and accrued liabilities		(570)	(681)
Increase/(decrease) in provisions	11	(1)	(16)
<b>Cash generated from operations</b>		<b>65,219</b>	<b>55,171</b>
Interest paid		(947)	(969)
Interest received		528	317
Income taxes paid		(3,215)	(2,131)
<b>Net cash generated by operating activities</b>		<b>61,585</b>	<b>52,388</b>

In thousands of EUR		January – March	
	Notes	2026	2025
<b>Investing activities</b>			
Purchase of property, plant and equipment and intangible assets		(21,477)	(21,192)
Proceeds from disposal of property, plant and equipment and intangible assets		111	80
Proceeds from / repayments for finance sublease receivables		537	630
Receipt of asset-related government grant		20	-
<b>Net cash used in investing activities</b>		<b>(20,809)</b>	<b>(20,482)</b>
<b>Financing activities</b>			
Repayment of borrowings		(17,499)	(22,987)
Proceeds from borrowings		17,528	15,710
Increase (decrease) in lease liabilities		(3,195)	(3,233)
Dividends paid to shareholders		-	-
<b>Net cash received in financing activities</b>		<b>(3,166)</b>	<b>(10,510)</b>
<b>Increase (decrease) in cash and cash equivalents</b>		<b>37,610</b>	<b>21,396</b>
<b>Movement in cash and cash equivalents</b>			
<b>At the beginning of the financial year</b>		<b>90,779</b>	<b>34,796</b>
Increase (decrease) in cash and cash equivalents		37,610	21,396
<b>At the end of the financial year</b>		<b>128,389</b>	<b>56,192</b>

# Notes to the financial statements

## 1 Basic of preparation

The interim financial statements for the three months' period ended 31 March 2026 are prepared in accordance with the International Financial Accounting Standards (IFRS), as adopted by the European Union (EU), includes IAS 34. In all material respects, the same accounting principles have been followed as in the preparation of financial statements for 2025.

The financial statements have been prepared mainly under the historical cost convention.

The presentation currency is euro. The financial statements have been presented in thousands of euro, unless indicated otherwise.

These financial statements for the period ended 31 March 2026 are not audited. Financial statements for the year ended 31 December 2025 are audited by the external auditor KPMG Baltics, UAB.

## 2 Investments in subsidiaries and associates

The investments included in the Company's financial statements are indicated below:

Associate	Country of incorporation	Ownership interest in %		Profile
		31 March 2026	31 December 2025	
VšĮ Numerio Perkėlimas	Lithuania	50%	50%	A non-profit organization established by Lithuanian telecommunications operators administers central database to ensure telephone number portability

As at 31 March 2026 and 31 December 2025, the Company had no investments in subsidiaries.

## Notes to the financial statements

### 3 Income tax

The tax expenses for the period comprise current and deferred tax.

Profit for 2026 is taxable at a rate of 17 per cent in accordance with Lithuanian regulatory legislation on taxation (2025: 16 per cent).

In thousands of EUR	January – March	
	2026	2025
Current tax expenses	4,990	3,238
Deferred tax change	(268)	661
<b>Total</b>	<b>4,722</b>	<b>3,899</b>

As at 1 January 2009, amendments to Law on Corporate Profit Tax came into effect which provides tax relief for investments in new technologies. As a result, the Company's calculated profit tax relief amounts for 2026 to EUR 0.2 million (2025: EUR 0.4 million). Investments in new technologies are capitalised as property, plant and equipment, and their depreciation is deductible for tax purposes, therefore, the tax relief does not create any deferred tax liability.

The tax authorities may at any time inspect the books and records within 3 years from the end of the year when tax declaration was submitted and may impose additional tax assessments with penalty interest and penalties.

The Company's management is not aware of any circumstances, which may give rise to a potential material liability in this respect.

### 4 Earnings per share

Basic earnings per share are calculated by dividing the net profit (loss) for the period by the weighted average number of ordinary shares in issue during the period. The Company has no dilutive potential ordinary shares and therefore diluted earnings per share are the same as basic earnings per share.

The weighted average number of shares for both reporting periods amounted to 582,613 thousand.

In thousands of EUR, except per share data	January – March	
	2026	2025
<b>Net profit</b>	<b>24,625</b>	<b>22,559</b>
Weighted average number of ordinary shares in issue (thousands)	582,613	582,613
<b>Basic earnings per share (EUR)</b>	<b>0.042</b>	<b>0.039</b>

### 5 Dividends per share

A dividend that relates to the period to 31 December 2024 was approved by the Annual General Meeting of Shareholders on 28 April 2025. The total amount of allocated dividend, that was paid off in May 2025, is EUR 64,088 thousand or EUR 0.11 per ordinary share.

### 6 Property, plant and equipment

The depreciation, amortisation and impairment charge in the statement of profit or loss items:

In thousands of EUR	January – March	
	2026	2025
Depreciation of property, plant and equipment (Note 6)	11,505	11,180
Impairment of property, plant and equipment (Note 6)	11	17
Amortisation of intangible assets (Note 7)	6,667	6,337
Impairment of intangible assets (Note 7)	-	-
Amortisation of right-of-use-asset (Note 8)	3,100	2,980
<b>Total</b>	<b>21,283</b>	<b>20,514</b>
Impairment of assets classified as held for sale	-	-
<b>Total</b>	<b>21,283</b>	<b>20,514</b>

## Notes to the financial statements

### 6 Property, plant and equipment (continued)

In thousands of EUR	Land and buildings	Ducts and telecommunication equipment	Other tangible fixed assets	Construction in progress	Total
<b>Three months ended 31 March 2025</b>					
Opening net book amount	6,979	208,278	8,414	20,023	243,694
Additions	-	-	-	3,849	3,849
Reclassifications	-	-	-	(322)	(322)
Disposals and write-offs	(1)	(121)	(5)	-	(127)
Transfers from construction in progress	319	9,484	3,495	(13,298)	-
Depreciation charge	(320)	(9,910)	(950)	-	(11,180)
Impairment charge	-	(17)	-	-	(17)
<b>Closing net book amount</b>	<b>6,977</b>	<b>207,714</b>	<b>10,954</b>	<b>10,252</b>	<b>235,897</b>
<b>At 31 March 2025</b>					
Cost	26,330	760,779	49,319	10,252	846,680
Accumulated depreciation	(19,312)	(552,305)	(38,364)	-	(609,981)
Impairment charge	(41)	(760)	(1)	-	(802)
<b>Net book amount</b>	<b>6,977</b>	<b>207,714</b>	<b>10,954</b>	<b>10,252</b>	<b>235,897</b>
<b>Three months ended 31 March 2026</b>					
Opening net book amount	6,382	197,233	8,865	23,030	235,510
Additions	-	-	-	6,837	6,837
Reclassifications	-	-	-	(151)	(151)
Disposals and write-offs	(6)	(41)	-	-	(47)
Transfers from construction in progress	267	10,055	4,422	(14,744)	-
Depreciation charge	(230)	(10,246)	(1,029)	-	(11,505)
Impairment charge	-	(11)	-	-	(11)
<b>Closing net book amount</b>	<b>6,413</b>	<b>196,990</b>	<b>12,258</b>	<b>14,972</b>	<b>230,633</b>
<b>At 31 March 2026</b>					
Cost	24,045	694,536	44,855	14,972	778,408
Accumulated depreciation	(17,591)	(496,984)	(32,597)	-	(547,172)
Impairment charge	(41)	(562)	-	-	(603)
<b>Net book amount</b>	<b>6,413</b>	<b>196,990</b>	<b>12,258</b>	<b>14,972</b>	<b>230,633</b>

### 7 Intangible assets

In thousands of EUR	Licenses and software	Goodwill	Other intangible assets	Construction in progress	Total
<b>Three months ended 31 March 2025</b>					
Opening net book amount	73,154	26,769	20,927	46,055	166,905
Additions	-	-	-	5,652	5,652
Reclassifications	-	-	-	322	322
Disposals and write-offs	-	-	(1)	-	(1)
Transfers to other accounts	38,887	-	-	(38,887)	-
Amortization charge	(5,478)	-	(859)	-	(6,337)
<b>Closing net book amount</b>	<b>106,563</b>	<b>26,769</b>	<b>20,067</b>	<b>13,142</b>	<b>166,541</b>
<b>At 31 March 2025</b>					
Cost	228,846	29,408	53,123	13,142	324,519
Accumulated amortization	(122,283)	-	(33,056)	-	(155,339)
Impairment charge	-	(2,639)	-	-	(2,639)
<b>Net book amount</b>	<b>106,563</b>	<b>26,769</b>	<b>20,067</b>	<b>13,142</b>	<b>166,541</b>
<b>Three months ended 31 March 2026</b>					
Opening net book amount	90,496	26,769	20,640	27,686	165,591
Additions	-	-	-	4,497	4,497
Reclassifications	-	-	-	151	151
Disposals and write-offs	-	-	-	-	-
Transfers to other accounts	15,515	-	-	(15,515)	-
Amortization charge	(6,381)	-	(286)	-	(6,667)
<b>Closing net book amount</b>	<b>99,630</b>	<b>26,769</b>	<b>20,354</b>	<b>16,819</b>	<b>163,572</b>
<b>At 31 March 2026</b>					
Cost	244,689	29,408	53,122	16,819	344,038
Accumulated depreciation	(145,059)	-	(32,768)	-	(177,827)
Impairment charge	-	(2,639)	-	-	(2,639)
<b>Net book amount</b>	<b>99,630</b>	<b>26,769</b>	<b>20,354</b>	<b>16,819</b>	<b>163,572</b>

## Notes to the financial statements

### 8 Right-of-use-assets

In thousands of EUR	Land and premises	Dark fibre	Equipment rent	Other	Total
<b>Three months ended 31 March 2025</b>					
Opening net book amount	34,807	9,433	-	2,937	47,177
Additions	261	-	1,144	235	1,640
Lease modifications	4,385	(27)	-	(133)	4,225
Disposals and write-offs	-	-	(1,144)	-	(1,144)
Amortization charge	(2,423)	(298)	-	(259)	(2,980)
Closing net book amount	37,030	9,108	-	2,780	48,918
<b>At 31 March 2025</b>					
Cost	87,293	16,423	-	5,784	109,500
Accumulated amortization	(50,263)	(7,315)	-	(3,004)	(60,582)
Net book amount	37,030	9,108	-	2,780	48,918
<b>Three months ended 31 March 2026</b>					
Opening net book amount	39,419	9,744	-	2,143	51,306
Additions	2,407	-	953	6	3,366
Lease modifications	1,419	67	-	(13)	1,473
Disposals and write-offs	-	-	(953)	-	(953)
Amortization charge	(2,566)	(311)	-	(223)	(3,100)
Closing net book amount	40,679	9,500	-	1,913	52,092
<b>At 31 March 2026</b>					
Cost	100,980	18,052	-	5,853	124,885
Accumulated depreciation	(60,301)	(8,552)	-	(3,940)	(72,793)
Net book amount	40,679	9,500	-	1,913	52,092

### 9 Issued share capital

The authorised share capital comprises of 582,613,138 ordinary shares of EUR 0.29 nominal value each. All shares are fully paid up.

### 10 Legal reserve

A legal reserve is a compulsory reserve under Lithuanian legislation. Annual transfer of 5% of net profit, calculated in accordance with Lithuanian regulatory legislation on accounting, is compulsory until the reserve including share premium reaches 10% of the share capital. The legal reserve can be used to cover the accumulated losses. The amount of the legal reserve surplus which exceeds the size of legal reserve required by the legislation can be added to retaining earnings for the profit distributing purpose.

As at 31 March 2026 and 31 December 2025, legal reserve – EUR 16.9 million.

### 11 Provisions

In thousands of EUR	Provision for restructuring	Assets retirement obligation	Total
<b>Closing net book amount at 31 December 2024</b>			
	-	13,462	13,462
Additions	-	-	-
Discounting	-	-	-
Used provisions	-	(16)	(16)
Adjustment for change in discount rate, timing	-	-	-
Closing net book amount at 31 March 2025	-	13,446	13,446
<b>Closing net book amount at 31 December 2025</b>			
	-	13,788	13,788
Additions	-	-	-
Discounting	-	-	-
Used provisions	-	(1)	(1)
Adjustment for change in discount rate, timing	-	-	-
Closing net book amount at 31 March 2026	-	13,787	13,787

The Company leases land for the construction of mobile stations. Upon expiry of the lease term the mobile stations should be disassembled and land restored so that it could be returned to the land owner in a condition it was before the lease. Similarly, the Company has telecommunication equipment installed in the premises or on the buildings leased from third parties. This equipment will have to be disassembled when the lease agreement expires.

To cover these estimated future costs, assets retirement obligation has been recognized. The Company expects that assets retirement obligation will be realized later than after one year. Therefore, the whole amount of assets retirement obligation has been classified as non-current provision for other liabilities and charges.

## Notes to the financial statements

### 12 Related party transactions

The Company is controlled by Telio Company AB, registered in Sweden, and owning 88.15% of the Company's shares and votes. The largest shareholder of Telio Company AB is the State of Sweden.

The following transactions were carried out with related parties:

In thousands of EUR	January – March	
	2026	2025
<b>Sales of telecommunication and other services to Telio Company AB and its subsidiaries:</b>		
Sales of telecommunication and other services	2,252	1,869
of which Telio Company AB	-	-
Cash pool interest income	448	244
<b>Total sales of telecommunication and other services</b>	<b>2,700</b>	<b>2,113</b>
<b>Purchases of assets and services from Telio Company AB and its subsidiaries:</b>		
Purchases of services	5,186	3,388
of which Telio Company AB	4,984	3,052
Interest expenses on borrowings (incl. commitment fee)	-	6
Purchases of assets	-	58
Other purchases	35	61
<b>Total purchases of assets and services</b>	<b>5,221</b>	<b>3,513</b>

Receivables and accrued revenue from related parties:

In thousands of EUR	January – March	
	2026	2025
<b>Receivables and accrued revenue from Telio Company AB and its subsidiaries:</b>		
Short-term receivables	307	149
of which Telio Company AB	-	9
Interest bearing receivables (cash pool)	123,531	49,272
Accrued revenue	251	242
<b>Total receivables and accrued revenue</b>	<b>124,089</b>	<b>49,663</b>

In January 2024, the Company has entered into agreement with Telio Company AB and Telio Global Services Lithuania, UAB on cash pooling at SEB bank. Cash pool arrangement provides the Company with the short-term borrowing possibility to ensure its liquidity.

Payables and accrued expenses to related parties:

In thousands of EUR	January – March	
	2026	2025
<b>Payables and accrued expenses to Telio Company AB and its subsidiaries:</b>		
Short-term payables	3,455	3,892
of which Telio Company AB	1,654	2,810
Accrued expenses	308	86
<b>Total payables and accrued expenses</b>	<b>3,763</b>	<b>3,978</b>

On 10 January 2023, the Company had signed 2-years agreement regarding revolving credit facility with Telio Company AB that provides the Company with the possibility to borrow any amount up to a total limit of EUR 50 million for 3 or 6 months within 2 business days. As at 31 March 2026 and 31 March 2025, the Company had no outstanding internal loans provided by Telio Company AB.

In May 2025, the Company paid-out to Telio Company an amount of EUR 56.5 million as dividend for the year 2024.

All transactions with related parties are carried out based on an arm's length principle.

## Confirmation of responsible persons

Following Article 22 of the Law on Securities of the Republic of Lithuania and the Rules on Information Disclosure of the Bank of Lithuania, we, Giedrė Kaminskaitė-Salters, CEO of Telia Lietuva, AB, and Daina Večkytė, Head of Finance of Telia Lietuva, AB, hereby confirm that, to the best of our knowledge, the not audited Interim Financial Statements for the 3 months' period ended 31 March 2026, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position, profit and cash flows of Telia Lietuva, AB.

Giedrė Kaminskaitė-Salters  
CEO

Daina Večkytė  
Head of Finance

Vilnius, 23 April 2026



<b>Name of the Company</b>	Telia Lietuva, AB
<b>Legal form</b>	public company (joint-stock company)
<b>Date of registration</b>	6 February 1992
<b>Name of Register of Legal Entities</b>	State Enterprise Centre of Registers
<b>Code of enterprise</b>	1212 15434
<b>LEI code</b>	5299007A0LO7C2YYI075
<b>Registered office</b>	Saltoniškių str. 7A, LT-08126 Vilnius, Lithuania
<b>Telephone number</b>	+370 5 262 1511
<b>Fax number</b>	+370 5 212 6665
<b>E-mail address</b>	info@telia.lt
<b>Internet address</b>	www.telia.lt