



**FINANCIAL STATEMENTS
BULLETIN**

2021

Index

Summary	3
CEO's review	5
DNA Plc's Financial Statements Bulletin 2021	6
Total revenues and result	7
Cash flow and financial position	9
Development per business segment	10
Capital expenditure	12
Network infrastructure and new technologies	13
Personnel	14
Significant litigation matters	14
Decisions of DNA's Annual and Extraordinary General Meeting	15
Corporate responsibility	15
Near-term risks and uncertainties	16
Changes in DNA's Executive Team in 2021	17
Events after the financial period	17
Group key figures	18
Calculation of key figures	19
Financial Report	21
Consolidated income statement	21
Consolidated statement of comprehensive income	22
Consolidated statement of financial position	23
Consolidated statement of cash flows	24
Consolidated statement of changes in equity	25
Notes	26

DNA Plc's Financial Statements Bulletin 2021

DNA's total revenues, EBITDA and operating result improved in 2021, 5G population coverage almost doubled

Summary

Unless otherwise stated, the comparison figures in brackets refer to the corresponding period in the previous year (reference period). Figures are unaudited.

July–December 2021

- Total revenues increased 1% and amounted to EUR 480 million (476).
- Mobile revenues increased 3% and amounted to EUR 284 million (276).
- EBITDA increased 3% and was EUR 175 million (171).
- Operating result decreased 3% and was EUR 74 million (76).
- Average revenue per user (ARPU)¹⁾ for mobile communications increased 2% and was EUR 17.1 (16.7).

January–December 2021

- Total revenues increased 3% and amounted to EUR 956 million (932).
- Mobile revenues increased 2% and amounted to EUR 565 million (552).
- EBITDA increased 8% and was EUR 359 million (333).
- Operating result increased 2% and was EUR 154 million (151).
- Average revenue per user (ARPU)¹⁾ for mobile communications increased 2% and was EUR 17.1 (16.8).
- The number of mobile subscriptions²⁾ increased and was 2,699,000 (2,694,000).
- The number of fixed subscriptions³⁾ decreased to 892,000 (900,000).
 - The number of fixed broadband subscriptions increased by 19,000.

Key figures

The calculation method of the key figures presented in this table differs from that of DNA's previous key figures. The figures in this table are presented the same way as the figures published by DNA's parent company Telenor ASA. The main changes concern the reclassification of spectrum acquisitions from intangible assets to right-of-use assets and the corresponding reclassification of spectrum licence liabilities from non-interest-bearing to interest-bearing borrowings, which has an impact on the presentation of net debt and cash flows. In addition, some receivables have been reclassified from non-current to current items, and certain items reclassified from current to non-current receivables. Figures for the reference periods have been adjusted accordingly.

EUR million	7-12/2021	7-12/2020	Change, %	1-12/2021	1-12/2020	Change, %
Total revenues ⁴⁾	480	476	1	956	932	3
EBITDA ^{4) 5)}	175	171	3	359	333	8
% of total revenues	37	36		38	36	
Depreciation, amortisation and impairments	102	96		204	181	
Operating result	74	76	-3	154	151	2
% of total revenues	15	16		16	16	
Net result before tax	70	72	-2	147	143	3
Net result for the period	58	59	-2	118	115	3
Return on investment (ROI), %	12	12		12	12	
Return on equity (ROE), %	15	18		17	19	
Capital expenditure ⁶⁾	119	250	-53	191	308	-38
Cash flow after investing activities	102	69	47	174	105	65
Net debt	492	619	-21	492	619	-21
Net debt/EBITDA	1.4	1.8		1.4	1.9	
Net gearing, %	64	94		64	94	
Equity ratio, %	47	41		47	41	
Earnings per share, basic and diluted, EUR	0.44	0.45		0.89	0.87	
Personnel at the end of period	1,604	1,609	0	1,604	1,609	0

1) ARPU = Monthly mobile revenues (company's subscriptions) and traffic revenues + interconnection / average number of subscriptions

2) Postpaid, prepaid, mobile home phone ("Luuri") and mobile broadband subscriptions.

3) Voice, broadband, pay-TV and DNA TV subscriptions.

4) Total revenues and EBITDA before other income and expenses differ from those previously reported for 2020 due to the transition to Telenor's reporting method. This is a classification difference of EUR 2 million in the whole of 2020.

5) DNA reassessed the duration of short-term leases in the autumn of 2020 based on the new owner and new long-term forecast. The effect of the reassessment on EBITDA was EUR 4 million in 7-12/2021 and EUR 15 million in the whole of 2021.

6) Capex no longer includes frequency payments. In the future, DNA reports the acquisition cost of a new frequency as an investment at the time of acquisition.

Additional information:

Jussi Tolvanen, CEO, DNA Plc, +358 44 044 1000, jussi.tolvanen@dna.fi

Maria Strömberg, CFO, DNA Plc, +358 44 044 3270, maria.stromberg@dna.fi

DNA Corporate Communications, tel. +358 (0)44 044 8000, communications@dna.fi

CEO's review

Having taken the helm of DNA last autumn, I am happy to have the opportunity to discuss positive and stable growth figures for the whole of 2021. The positive development also signals the critical role DNA plays in the Finnish society as a service provider and enabler of success. The prolonged pandemic has underpinned the importance of our role in a society, which would have come to a halt without secure modern network connections and cloud-based communications solutions.

Our total revenues increased by 3% and amounted to EUR 956 million (932) in 2021. Our mobile revenues were also up by 2% and amounted to EUR 565 million (552). DNA's EBITDA developed well in 2021, growing 8% to EUR 359 million (333). Our operating result also increased and amounted to EUR 154 million (151), up 2% from 2020.

Our mobile communication subscription base increased by 5,000. At the same time, our average revenue per user (ARPU) increased to EUR 17.1 (16.8). The total number of fixed subscriptions decreased by 9,000. While the number of fixed voice and TV subscriptions decreased, the number of fixed broadband subscription grew by 19,000. As a result of the growth, we announced in May that DNA had become the leader of the fixed-network broadband market, and the lead has since increased¹⁾.

Sales of 5G subscriptions gained clear momentum during 2021. This was reflected in the sales of 5G phones, which increased four-fold. This development was driven by the quick construction of our 5G network, which reached approximately 3.5 million Finns at the end of the year. This means that the population coverage almost doubled within a space of a year. DNA's mobile subscription achieved the highest average mobile download speed measured by Omnitel²⁾ in twelve cities in the Helsinki metropolitan area, the Turku region and the Tampere region in October–November 2021.

Due to the long-running exceptional circumstances and our responsibility for critical functions in the society, we have developed our own operations further, which is also reflected in our financial success. However, the positive development we have experienced during the exceptional circumstances is not limited to our key figures – we also run our business in a more responsible way, have enhanced our customer experience and are an even more flexible employer. A business cannot succeed without its personnel; individuals who have the skills, motivation and ability to create value for customers. With skilled personnel, we can maintain our high level of customer satisfaction now and in the future, which will have a positive impact on our sales, total revenues and operating result.



With the emergence of the new COVID-19 variant towards the end of 2021, most of our personnel went back to full remote working mode. While this is an unfortunate situation, year 2022 marks the 10-year anniversary of the introduction of DNA's flexible method of working. With such long-running experience in remote working, DNA is well placed to run its business as usual during these exceptional circumstances. Furthermore, we want to demonstrate that a flexible working method makes sense also during more normal times. At DNA, employees will be able to choose freely where and how they will work – now and in the future.

Jussi Tolvanen
CEO

1) Source: Fixed broadband subscriptions reported in the interim reports of the largest broadband operators in Finland, Q1/2021 (DNA: 591,000, Elisa 567,000 and Telia 470,000) and Q3/2021 (DNA: 601,000, Elisa: 562,000 and Telia 472,000).

2) Source: Omnitel's study on data transfer speeds in mobile networks, 11/2021. The study was carried out in the following twelve cities in Finland: Helsinki, Espoo, Vantaa, Turku, Naantali, Raisio, Kaarina, Tampere, Pirkkala, Nokia, Ylöjärvi and Kangasala. DNA's mobile subscription reached the highest average download speed in all of them. The results are presented as averages for each area. The data transfer speeds and ranking of the operators varied between locations within each area. The study was carried out with the operators' fastest 5G consumer subscriptions and smartphones with 5G. The full report (in Finnish) is available at: https://www.dna.fi/documents/753910/5166098/mobiiliverkkojen_tiedonsiirtonopeuksien_vertailu+2021.pdf/a0ecaf02-b0d0-75a9-e234-c339de7f19d2

DNA Plc's Financial Statements Bulletin 2021

Operating environment in 2021

At the end of 2021, the Finnish telecommunications market remained characterised by tough competition between established operators. The COVID-19 pandemic has lasted for almost two years. The immediate financial impact for DNA's business, however, has diminished during 2021.

At the end of 2021, DNA's 5G services were available in nearly 140 residential areas, reaching 3.5 million people. In other words, 64% of Finns now live in the network area. Population coverage of 5G increased significantly with the activation of the 700 MHz frequency band for 5G use. It carries a lot further than the 3.5 GHz frequency band, which was the only frequency band used in 5G networks for a long time. Rapid construction of the network continues, and we will continue to improve the capacity of our 4G network parallel to the upgrade to 5G. In addition to mobile use, 5G enables fast broadband connections also in single-family house areas where the construction of fibre is very expensive or impossible. In cities and densely populated areas, connections will be built with fixed fibre.

Consumers were interested in solutions that made their everyday lives easier in 2021. DNA introduced a new device, "DNA Hubi", which aims for further improving customer experience. Based on an open ecosystem, the device provides an easy and convenient way to watch entertainment in one place. DNA also launched the "DNA Multi-SIM" service in 2021, which boosted the sales of smartwatches with eSIM cards by 50% from 2020 as consumers were keen to use the convenient solution.

The need for strong data security and data protection gained even more importance in 2021, and there was more public discussion on the subject. The purpose of data security at DNA is to protect DNA's service quality, customers, personnel, reputation as well as DNA's trademark and brand name. DNA's information security offering grew significantly in 2021, and sales of these services increased by nearly 30% from 2020.

Regulation

The revised Finnish Act on Electronic Communications Services entered into force on 1 January 2021. The amended Act adopts the EU requirements on electronic communications and audiovisual media services and measures included in the common toolbox to protect critical parts of the communications network related to the security of the EU's 5G networks. A new advisory board for network security was set up to monitor the security of communications networks. The advisory board consists of representatives of key authorities from different administrative branches and the telecom industry.

Finland started the review of national must-carry obligations towards the end of 2021. The EU is also planning several projects to revise regulations related to DNA's industry in areas such as the joint construction of broadband networks, data protection of electronic services, artificial intelligence, network security and the provision and markets of digital services.

Changes related to regulation and decisions of authorities may have significant impacts on DNA's business.

Total revenues and result

Consolidated key figures

EUR million	7-12/2021	7-12/2020	Change, %	1-12/2021	1-12/2020	Change, %
Total revenues ¹⁾	480	476	1	956	932	3
EBITDA ^{1) 2)}	175	171	3	359	333	8
% of total revenues	37	36		38	36	
Operating result	74	76	-3	154	151	2
% of total revenues	15	16		16	16	
Net result for the period	58	59	-2	118	115	3

1) Total revenues and EBITDA before other income and expenses differ from those previously reported for 2020 due to the transition to Telenor's reporting method. This is a classification difference of EUR 2 million in the whole of 2020.

2) DNA reassessed the duration of short-term leases in the autumn of 2020 based on the new owner and new long-term forecast. The effect of the reassessment on EBITDA was EUR 4 million in 7-12/2021 and EUR 15 million in the whole of 2021.

July–December 2021

DNA's total revenues for July–December increased 1% to EUR 480 million (476). 76% (76) of total revenues was generated by consumer business and 24% (24) by corporate business.

EBITDA increased 3% year-on-year and amounted to EUR 175 million (171), or 37% of total revenues (36). Operating result decreased 3% and was EUR 74 million (76). Operating result as a percentage of total revenues was 15% (16). Net result for the period decreased 2% and was EUR 58 million (59).

January–December 2021

DNA's total revenues for January–December increased 3% and amounted to EUR 956 million (932). Mobile revenues increased 2% and amounted to EUR 565 million (552). 76% (76) of total revenues was generated by consumer business and 24% (24) by corporate business.

EBITDA increased 8% year-on-year and amounted to EUR 359 million (333), or 38% of total revenues (36). Operating result increased 2% and was EUR 154 million (151). Operating result as a percentage of total revenues was 16% (16). Net result for the period increased 3% and was EUR 118 million (115).

Key operative indicators

	7-12/2021	7-12/2020	Change, %	1-12/2021	1-12/2020	Change, %
Number of mobile subscriptions at end of period	2,699,000	2,694,000	0	2,699,000	2,694,000	0
average revenue per user (ARPU) ¹⁾ , EUR	17.1	16.7	2	17.1	16.8	2
Number of fixed subscriptions at end of period	892,000	900,000	-1	892,000	900,000	-1

1) ARPU = Monthly mobile revenues (company's subscriptions) and traffic revenues + interconnection / average number of subscriptions

DNA's mobile subscription base increased by 5,000 subscriptions from 2020. Average revenue per user (ARPU) was EUR 17.1 (16.8). DNA's fixed subscription base decreased by 9,000, but the number of broadband subscriptions grew by 19,000.

Cash flow and financial position

Cash flow and financial key figures

EUR million	7-12/2021	7-12/2020	Change, %	1-12/2021	1-12/2020	Change, %
Cash flow after investing activities ¹⁾	102	69	47	174	105	65

EUR million	1-12/2021	1-12/2020	Change, %
Net debt ¹⁾	492	619	-21
Net debt/EBITDA ¹⁾	1.4	1.9	
Net gearing ¹⁾ , %	64	94	
Equity ratio, %	47	41	

¹⁾ The figures for the comparison periods 7-12/2020 and the whole of 2020 differ from those previously reported due to classification changes introduced in 2021, with particular impact on the comparison of changes in working capital.

Cash flow after investing activities in 2021 was EUR 174 million (105). Cash flow was impacted, for example, by an increase in trade payables and lower level of investment activities. Cash flow after investing activities in July-December was EUR 102 million (69).

At the end of 2021, DNA had a EUR 195 million internal revolving credit facility, of which EUR 130 million (90) remained undrawn, and a 45 million (51) Group overdraft.

Net gearing decreased and was 64% (94) at the end of the year. Net gearing was impacted by payment of borrowings.

DNA's liquidity is at a healthy level. The Group's liquid assets amounted to EUR 11 million (8). Net debt was EUR 492 million (619). The Group's liquid assets and undrawn committed credit facilities amounted in total to EUR 186 million (144). In addition to liquid assets, DNA has cash pool receivables of EUR 28 million (24).

Changes in working capital had an EUR 2 million positive (EUR 6 million negative) impact on cash flow in the whole of 2021. The decrease in working capital was mainly due to increased trade payables. The change in working capital in July-December was EUR 3 million positive (EUR 6 million negative).

DNA has a strong balance sheet. The net debt/EBITDA ratio was 1.4 (1.9) at the end of 2021. DNA's equity ratio at the end of the year was 47% (41).

Development per business segment

Consumer business

EUR million	7–12/2021	7–12/2020	Change, %	1–12/2021	1–12/2020	Change, %
Total revenues ¹⁾	365	363	0	727	707	3
EBITDA ^{1) 2)}	136	132	3	279	258	8
% of total revenues	37	36		38	37	
Operating result ³⁾	71	70	1	147	137	8
% of total revenues	19	19		20	19	

1) Total revenues and EBITDA before other income and expenses differ from those previously reported for 2020 due to the transition to Telenor's reporting method. This is a classification difference of EUR 2 million in the whole of 2020.

2) DNA reassessed the duration of short-term leases in the autumn of 2020 based on the new owner and new long-term forecast. The effect of the reassessment on EBITDA was EUR 3 million in 7–12/2021 and EUR 11 million in the whole of 2021.

3) The allocation between segments in terms of depreciation and operating profit in the comparison period 7–12/2020 differs from that presented in last year's financial statement bulletin due to the allocation adjustment of the depreciation difference.

July–December 2021

Consumer business total revenues increased and came to EUR 365 million (363). EBITDA increased and was EUR 136 million (132). The EBITDA percentage of total revenues was 37% (36). Consumer business operating result increased and was EUR 71 million (70), or 19% of consumer business total revenues (19).

January–December 2021

Consumer business total revenues increased and came to EUR 727 million (707). EBITDA increased and was EUR 279 million (258). The EBITDA percentage of total revenues was 38% (37). Consumer business operating result increased and was EUR 147 million (137), or 20% of consumer business total revenues (19).

While fast and reliable connections gained in importance in 2021, the year also marked the breakthrough of 5G phones and subscriptions as well as more user-friendly solutions and data security services.

Services of DNA's mobile and fixed networks became more important for consumers in the increasingly digital society, while the continued expansion of DNA's fast 5G network boosted the sales of 5G phones and subscriptions. The sales of 5G phones using fifth generation data connections increased four-fold in 2021. The high quality and reliability of the network helped DNA become the leader of the fixed-network broadband market, after which the lead has increased¹⁾.

DNA introduced a new device, "DNA Hubi", which aims for further improving customer experience. Based on an open ecosystem, the device provides an easy and convenient way to watch entertainment in one place.

DNA also launched the "DNA Multi-SIM" service in 2021, which boosted the sales of smartwatches with eSIM cards by 50% from 2020 as consumers were keen to use the convenient solution. With smartwatches, it is possible to receive messages and phone calls without the phone.

DNA's long-running commitment to reliability and security has enabled us to provide secure digital services for our customers. In 2021, consumers also realized the importance of information security. DNA's information security offering grew significantly in 2021, and sales of these services increased by nearly 30% from 2020.

1) Source: Fixed broadband subscriptions reported in the interim reports of the largest broadband operators in Finland, Q1/2021 (DNA: 591,000, Elisa 567,000 and Telia 470,000) and Q3/2021 (DNA: 601,000, Elisa: 562,000 and Telia 472,000).

Corporate business

EUR million	7-12/2021	7-12/2020	Change, %	1-12/2021	1-12/2020	Change, %
Total revenues	115	112	3	228	225	2
EBITDA ¹⁾	39	39	1	79	74	7
% of total revenues	34	35		35	33	
Operating result ²⁾	3	6	-52	7	14	-53
% of total revenues	2	5		3	6	

1) DNA reassessed the duration of short-term leases in the autumn of 2020 based on the new owner and new long-term forecast. The effect of the reassessment on EBITDA was EUR 1 million in 7-12/2021 and EUR 4 million in the whole of 2021.

2) The allocation between segments in terms of depreciation and operating profit in the comparison period 7-12/2020 differs from that presented in last year's financial statement bulletin due to the allocation adjustment of the depreciation difference.

July–December 2021

Corporate business total revenues increased and came to EUR 115 million (112). EBITDA remained stable and was EUR 39 million (39). EBITDA percentage of total revenues was 34% (35). Corporate business operating result decreased and was EUR 3 million (6), or 2% of corporate business total revenues (5).

January–December 2021

Corporate business total revenues increased and came to EUR 228 million (225). EBITDA also increased and was EUR 79 million (74). EBITDA percentage of total revenues was 35% (33). Corporate business operating result decreased and was EUR 7 million (14), or 3% of corporate business total revenues (6).

Systematic development of corporate business continued in 2021 in order to provide streamlined services to corporate customers of all sizes through different channels. The functions of DNA's self-service and digital channels were expanded further.

In July, DNA and the City of Espoo announced that DNA was chosen as the become Espoo's main provider of telecommunications services. DNA has been a supplier of telecommunications services to the City of Espoo for several years, and the cooperation will expand and deepen with the new agreement, which includes a jointly agreed service management model in addition to telecommunications equipment and subscriptions.

The demand for international corporate network solutions, or SD-WAN solutions, remained strong and corporate business gained many new SD-WAN clients, such as Ropo Capital.

Capital expenditure

Capital expenditure

EUR million	7-12/2021	7-12/2020	Change, %	1-12/2021	1-12/2020	Change, %
Consumer business	81	148	-46	126	185	-32
Corporate business	38	102	-62	65	123	-47
Total capital expenditure¹⁾	119	250	-53	191	308	-38

Capital expenditure comprises additions to property, plant and equipment, and intangible assets, excluding business acquisitions and asset retirement obligations.

EUR million	7-12/2021	7-12/2020	Change, %	1-12/2021	1-12/2020	Change, %
Operative capital expenditure ²⁾	104	119	-13	160	171	-6
% of total revenues	22	25		17	18	
Lease investments (IFRS 16) ³⁾	15	132	-88	31	137	-77
Total capital expenditure¹⁾	119	250	-53	191	308	-38

1) Capex no longer includes frequency payments. In the future, DNA reports the acquisition cost of a new frequency as an investment at the time of acquisition.

2) Operative capital expenditure is reported capital expenditure excluding annual cash instalments for capitalised spectrum licences and lease investments (IFRS 16).

3) DNA reassessed the duration of short-term leases in the autumn of 2020 based on the new owner and new long-term forecast. The effect of the reassessment on the balance sheet was EUR 121 million in 2020.

July–December 2021

In the July–December period, capital expenditure decreased 53% to EUR 119 million (250). Operative capital expenditure also decreased year-on-year and amounted to EUR 104 million (119), or 22% of total revenues (25).

January–December 2021

In 2021, capital expenditure decreased 38% to EUR 191 million (308). Operative capital expenditure also decreased year-on-year and amounted to EUR 160 million (171), or 17% of total revenues (18).

The most significant individual capital expenditures in 2021 consisted of radio network capacity expansion, the building of 5G network and fibre optic networks and transmission systems.

Network infrastructure and new technologies

DNA continues to make strong investments in mobile and fixed network infrastructure to keep providing high-quality connections to support the growing use of devices and digital services. At the end of 2021, DNA's 5G services were available in nearly 140 residential areas, reaching 3.5 million people. In other words, 64% of Finns now live in the network area.

We will continue to improve the capacity of our 4G network parallel to the 5G investments, and DNA's 4G network now reaches nearly 100% of the population in mainland Finland. As a result, data speeds in the 4G network have improved despite the growth of traffic volumes. DNA's mobile network supports NB-IoT and LTE-M technologies, which makes it possible to provide advanced M2M services.

At the end of January 2021, it was reported that DNA Plc and Telia Finland Oyj had agreed to expand their existing cooperation in the construction of a mobile network. The network area will be expanded further towards the inland of Finland. Since 2015, Suomen Yhteisverkko Oy (Finnish Shared Network) has been building a mobile network on behalf of the two companies in Eastern and Northern Finland. During 2021, the 5G upgrade construction was started, and the 5G service area will expand considerably during 2022.

DNA announced in 2021 that it will replace its remaining copper-based networks in Finland with modern solutions by 2025. The network will be fully replaced during 2025 at the latest. The work will be carried out in stages in municipalities where DNA provides services that use the copper-based network. There are several dozen municipalities, and DNA will contact users of the copper-based network to help in the transition to a replacement service.

DNA announced in August that it will shut down its 3G network by the end of 2023. A particularly important factor contributing to DNA's decision is the desire to enable a better customer experience by updating technology. With the shutdown, frequencies and resources will be freed up for 4G and 5G connections and other new technologies. The shutdown will not generally require any action from the customers, such as buying a new phone, as almost all devices in DNA's network already utilise 4G and 5G networks.

DNA's subsidiary DNA Tower Finland Ltd started operations on 1 October 2021, tasked with the responsibility for the management of DNA's small equipment facilities. The company manages and leases small equipment facilities and masts to its parent company DNA and other customers.

At the end of 2021, all DNA 5G base stations were connected to a standalone 5G core network. Customers will be able to start using the services of the standalone network gradually during 2022. Until now, 5G technology has relied on the 4G core network, but the standalone (SA) 5G networks marks the next step in 5G. The solution operates independently of the 4G network and enables the 5G technology to be fully utilised.

According to the data transfer speed comparison published in December by Omnitel¹⁾, the data transfer speed of DNA's mobile network is the best by a large margin in the cities of Helsinki, Espoo and Vantaa, as well as the economic districts of Tampere and Turku.

1) Source: Omnitel's study on data transfer speeds in mobile networks, 11/2021. The study was carried out in the following twelve cities in Finland: Helsinki, Espoo, Vantaa, Turku, Naantali, Raisio, Kaarina, Tampere, Pirkkala, Nokia, Ylöjärvi and Kangasala. DNA's mobile subscription reached the highest average download speed in all of them. The results are presented as averages for each area. The data transfer speeds and ranking of the operators varied between locations within each area. The study was carried out with the operators' fastest 5G consumer subscriptions and smartphones with 5G. The full report (in Finnish) is available at https://www.dna.fi/documents/753910/5166098/mobiiliverkkojen_tiedonsiirtonopeuksien_vertailu+2021.pdf/a0ecaf02-b0d0-75a9-e234-c339de7f19d2

Personnel

Personnel by business segment

	31 Dec 2021	31 Dec 2020	Change, %
Consumer business	898	899	0
Corporate business	706	710	-1
Total personnel	1,604	1,609	0

At the end of 2021, DNA Group had 1,604 employees (1,609), of whom 621 were women (616) and 983 men (993). Salaries and employee benefit expenses paid during the year amounted to EUR 117 million (113).

Promotion of family-friendly practices was one of DNA's main areas of development as an employer in 2021. For some, these practices allow more time with friends, while others feel that they bring flexibility into working life for the needs of children or parents. At DNA, it is believed that unique families are the power source of everyday life.

A flexible and uncomplicated way of working, regardless of place and time, has been one of DNA's success stories since 2012. However, no one was prepared for the full-flexed remote working caused by the coronavirus pandemic. DNA announced in June that the lessons of the exceptional year are being used to take the flexible work culture even further. Among other things, this means that DNA's personnel do not have to return to the office after the pandemic. Instead, DNA will focus on identifying ways to support their work broadly also outside the

office environment. This decision was made based on the feedback from personnel. As the COVID-19 situation deteriorated towards the end of 2021, it seems safe to say that this was the right decision.

For years, DNA has also understood that only a tolerant, non-discriminatory and inclusive work culture can best promote customer needs and guarantee an excellent workplace. DNA published its diversity goals in June 2021 to promote diversity at DNA, and the first challenge is gender equality. At the time, women held 31% of executive positions and 22% of managerial positions. DNA aims to increase both to at least 35% by 2023.

In November, DNA and the children's rights organisation Plan International Finland announced that they will start promoting digital inclusion and diversity in their new joint project. DNA's main objectives for the cooperation include increasing diversity in its own operations and providing young people with an immigrant background the opportunity to explore the ICT sector as a workplace.

Significant litigation matters

On 26 October 2021, Finnish transport and communications regulator Traficom directed DNA to improve its mobile network coverage along roadways 9704 and 9553. Sufficient mobile network coverage must be in place by 31 December 2022.

Decisions of DNA's Annual and Extraordinary General Meeting

DNA's Annual General Meeting was held in Helsinki on 26 March 2021. The Annual General Meeting (AGM) adopted the consolidated financial statements and parent company financial statements for the financial year 1 January – 31 December 2020. It was noted that the Board of Directors had proposed to the Annual General Meeting that the company pays no dividend for the financial year 2020 and that the net profit for 2020 is allocated to retained earnings. The AGM decided to approve the proposal concerning the use of distributable funds shown on the balance sheet. The AGM also decided to discharge the Members of the Board of Directors and the CEO from liability for the financial year 1 January – 31 December 2020.

It was decided that the number of the Members of the Board of Directors will be six. The AGM decided to elect **Sigve Brekke** as the Chairman of the Board of Directors and the following people as Members of the Board of Directors: **Birgitte Engebretsen, Gaute Simen Gravir, Nils Katla, Håvard Naustdal and Trine Rønningen**.

The members of the board are independent of the company but non-independent of Telenor Group. The Board Members who are not independent of Telenor Group shall not be paid remuneration.

The AGM decided to elect Authorised Public Accountants Ernst & Young as the company's auditor. APA **Terhi Mäkinen** will act as the principal auditor.

DNA's Extraordinary General Meeting held on Monday, October 11, 2021, decided to elect the following persons as members of the Board of Directors: **Jukka Leinonen, Birgitte Engebretsen, Gaute Simen Gravir, Nils Katla, Håvard Naustdal and Trine Rønningen**. The members of the board are independent of the company but non-independent of Telenor Group. The Board Members who are not independent of Telenor Group shall not be paid remuneration.

Jukka Leinonen was elected Chair of the Board of Directors.

Corporate responsibility

DNA continued the implementation of its corporate responsibility strategy and goals in 2021.

In the first half, DNA followed the strategy by placing even more emphasis on diversity and equal opportunity at the workplace and published its diversity goals on its website. DNA also published the results of the second Digital Inclusion in Finland survey in June 2021.

In the second half, DNA continued to focus strongly on diversity and to develop its work in the areas of human rights and climate impact. For instance, DNA completed its first human rights impact assessment. In addition, DNA has updated its climate objectives and has started to promote Telenor's Scope 3 objective, encouraging suppliers to adopt science-based targets in their own operations.

The alignment of DNA's and Telenor's corporate responsibility approaches continued. As part of Telenor Group, DNA will adopt all Telenor guidelines during 2022. By the end of 2021, all DNA employees had completed training on Telenor's Code of Conduct.

Near-term risks and uncertainties

Strategic and operative risks

The Finnish telecommunications market is characterised by tough competition between established operators, and a high degree of penetration of telecommunications solutions.

The COVID-19 pandemic may still have direct or indirect negative impacts on areas such as the health of DNA's employees or DNA's subcontractors' employees and DNA's service reliability. The negative effects of the pandemic on the Finnish economy may reduce demand for DNA's services.

International players have a strong presence in the competitive environment of TV and entertainment services. DNA's competitors include traditional operators as well as OTT (over-the-top) service providers that deliver content over the Internet to mobile devices. The role of media companies' own distribution channels and services is also becoming more important.

The nature of DNA's operations and customer requirements place high demands on DNA's information systems and network infrastructure. DNA's business is capital-intensive, and continuous maintenance and improvement of the Group's network infrastructure is essentially linked to its success.

DNA makes significant investments in high-quality data systems and data analytics tools to deepen customer understanding and to create a good omnichannel customer experience. DNA's business operations are dependent on information systems, which involve several interconnected risks but also provide business-critical opportunities for utilising data.

Cyber security risks have increased significantly over the last few years with digitalisation and more widespread use of digital networks and services. The role of information security, data security, and high operational network reliability are expected to gain in importance in the future.

Uncertainty in global trade policies may have an impact on DNA's subcontractors and partners and their product availability, service quality, and reliability, as well as DNA's customers' behaviour.

Regulatory risks

Both national and EU regulations have a significant impact on the operation of the telecommunications market in Finland. Regulatory influence on areas such as the price level of DNA's products and services, wholesale products that DNA procures from other operators, critical network components and the criteria used for distributing frequencies may have a significant impact on DNA's business.

Financing risks

In order to manage the interest rate risk, the Group's borrowings have been spread between fixed- and variable-rate instruments. In order to manage liquidity risk, in addition to liquid assets the Group uses credit limits. To manage customer credit risk, the credit history of new customers is checked as part of the ordering process. The Group's foreign interest risk is insignificant, since the majority of its cash flow is euro denominated.

Damage risk

In anticipation of possible unforeseen damage risks, DNA has continuous insurance policies covering aspects of its operations, including personnel, property, business interruption, third-party liability, and criminal action. There is specific insurance in place for cyber damage risks. Damage risks are prevented and minimised by means such as security guidelines and personnel training.

Changes in DNA's Executive Team in 2021

On 21 December 2020, DNA announced that **Maria Strömberg**, M.Sc. (Econ.) was appointed Chief Financial Officer (CFO) and member of the Executive Team as of 1 February 2021. She took up the position within DNA, where she has worked as head of the accounting department.

On 17 March 2021, DNA announced that the company's CEO **Jukka Leinonen** moves to head Telenor Group's Nordic Cluster fulltime in the autumn 2021. On 3 September 2021, DNA announced that **Jussi Tolvanen** was appointed CEO. Tolvanen started in his new position as DNA's CEO on 11 October 2021.

On 11 May 2021, DNA announced that **Tommy Olenius**, CTO at DNA Plc, and a member of the Executive Team, has decided to leave the company by the end of 2021. On 19 July 2021, DNA announced that **Ville Virtanen** has been appointed CTO of DNA. Virtanen started in his new role as the CTO and member of the Executive Team on 1 September 2021.

On 19 July 2021, DNA announced that, **Vilhelmiina Wahlbeck**, Senior Vice President, Communications, Sustainability and Brand Development at DNA Plc, was appointed member of the Executive Team, starting in her new role immediately.

Member of the Executive Team **Asta Rantanen** was nominated Senior Vice President, Corporate Affairs as of 9 August 2021. In her role, she is responsible for legal and regulatory affairs and compliance as well as privacy. She also continues as a member of the Executive Team and reports to the CEO.

On 12 November 2021, DNA announced that **Christoffer von Schantz**, Senior Vice President, Strategy and a member of the Executive Team, was appointed Vice President of DNA's broadband and TV business starting from 22 November 2021. He left the Executive Team by the end of the year. New SVP, Strategy is yet to be appointed.

Events after the financial period

In its draft decision in January 2022, the Finnish Transport and Communications Agency has ruled that DNA Plc violates section 109 (5) of the Electronic Communications Services Act and order 46 K/2021 M 13 of the Finnish Transport and Communications Agency's regulation on telephone number portability by requiring their consumer customers to separately allow the contract information inspection service for telephone subscriptions. DNA has commented on the draft decision and will make more

detailed decisions on the progress after receiving the decision of the Finnish Transport and Communications Agency in the matter.

DNA responded to the Finnish Competition and Consumer Authority's request for clarification on the area expansion of Finnish Shared Network (Suomen Yhteisverkko Oy) on 7 January 2022.

Group key figures

Group key figures

	7-12/2021	7-12/2020	1-12/2021	1-12/2020
Earnings per share, basic and diluted, EUR	0.44	0.45	0.89	0.87
Equity per share, EUR	5.82	4.97	5.82	4.97
Shares outstanding at the end of the period, thousands			132,182	132,182
Weighted average adjusted number of shares during the financial period, basic, thousands	132,182	132,182	132,182	132,182
Weighted average adjusted number of shares during the financial period, diluted, thousands	132,182	132,182	132,182	132,182
Net debt, EUR thousands	491,669	619,476	491,669	619,476
Net gearing, %	64	94	64	94
Equity ratio, %	47	41	47	41
Net debt/EBITDA	1.4	1.8	1.4	1.9
Return on investment (ROI), %	12	12	12	12
Return on equity (ROE), %	15	18	17	19
Capital expenditure, EUR thousands	118,851	250,432	191,256	307,940
Capital expenditure, % of total revenues	25	53	20	33
Personnel at the end of period	1,604	1,609	1,604	1,609

Calculation of key figures

Earnings per share (EPS), EUR	=	$\frac{\text{Net result for the period}}{\text{Weighted number of shares during the financial period excl treasury shares}}$
Equity per share, EUR	=	$\frac{\text{Equity attributable to the owners of the parent company}}{\text{Number of outstanding shares at end of period}}$
Net debt, EUR	=	Non-current and current borrowings – cash and cash equivalents
Net gearing, %	=	$\frac{\text{Non-current and current borrowings – cash and cash equivalents}}{\text{Total equity}}$
Equity ratio, %	=	$\frac{\text{Total equity}}{\text{Total assets – advances received}}$
EBITDA, EUR	=	Operating result (EBIT) + depreciation, amortisation and impairments
Return on investment (ROI), % *	=	$\frac{\text{Net result before income taxes + finance expense}}{\text{Total equity + borrowings (average for the period)}}$
Return on equity (ROE), % *	=	$\frac{\text{Net result for the period}}{\text{Total equity (average for the period)}}$
Net debt/EBITDA *	=	$\frac{\text{Net debt}}{\text{Operating result + depreciation, amortisation and impairments}}$
Cashflow after investing activities, EUR	=	Net cash generated from operating activities + net cash used in investing activities
Capital expenditure, EUR	=	Additions to property, plant and equipment and intangible assets excluding business acquisitions, gross acquisition cost of spectrum license and asset retirement obligations
Operative capital expenditure, EUR	=	Operative capital expenditure is reported capital expenditure without capitalized spectrum licenses and lease investments (IFRS 16)

* 12-month adjusted

Calculation of key figures

DNA presents alternative performance measures as additional information to financial measures presented in the consolidated income statement, consolidated statement of financial position and consolidated statement of cash flows prepared in accordance with IFRS. In DNA's view, alternative performance measures provide significant additional information on DNA's results of operations, financial position and cash flows and are widely used by analysts, investors and other parties.

EBITDA and operating result are presented as complementing measures to the measures included in the consolidated income statement because, in DNA's view, they increase understanding of DNA's results of operations. Net debt, ratio of net debt to EBITDA, net gearing, equity ratio, return on equity and return on investment are presented as complementing measures because, in DNA's view, they are useful measures of DNA's ability to obtain financing and service its debts. Capital expenditure, operative capital expenditure and cash flow after investing activities provide also additional information of the cash flow needs of DNA's operations.

Alternative performance measures should not be viewed in isolation or as a substitute to the IFRS financial measures. All companies do not calculate alternative performance measures in a uniform way, and therefore DNA's alternative performance measures may not be comparable with similarly named measures presented by other companies.

Consolidated income statement

EUR thousands	7-12/2021	7-12/2020	1-12/2021	1-12/2020
Total revenues	480,112	475,560	955,961	932,295
Materials and services	-194,389	-200,969	-379,389	-385,280
Employee benefit expenses	-56,041	-53,143	-116,590	-112,648
Depreciation, amortisation and impairments	-101,931	-95,532	-204,429	-181,196
Other operating expenses	-54,229	-50,378	-101,390	-101,754
Operating result	73,522	75,537	154,163	151,418
Finance income	205	279	304	530
Finance expense	-3,788	-4,186	-7,191	-8,539
Share of associates' results	33	23	16	12
Net result before income tax	69,972	71,653	147,291	143,420
Income tax expense	-12,166	-12,804	-29,554	-28,618
Net result for the period	57,806	58,849	117,737	114,802
Attributable to:				
Owners of the parent company	57,806	58,849	117,737	114,802
Earnings per share for net result attributable to the owners of the parent company:				
Earnings per share, basic and diluted, EUR	0.44	0.45	0.89	0.87

Notes are an integral part of the Financial Statements Bulletin.

Consolidated statement of comprehensive income

EUR thousands	7-12/2021	7-12/2020	1-12/2021	1-12/2020
Net result for the period	57,806	58,849	117,737	114,802
Items that will not be reclassified to profit or loss:				
Remeasurements of post-employment benefit obligations	-202	-14	-310	290
Other comprehensive income, net of tax	-202	-14	-310	290
Total comprehensive income	57,604	58,835	117,427	115,092
Attributable to:				
Owners of the parent company	57,604	58,835	117,427	115,092

Notes are an integral part of the Financial Statements Bulletin.

Consolidated statement of financial position

EUR thousands	31 Dec 2021	31 Dec 2020	1 Jan 2020
ASSETS			
Non-current assets			
Goodwill	338,706	338,706	338,706
Other intangible assets	127,653	130,128	137,295
Property, plant and equipment	469,730	461,717	427,442
Right-of-use assets	232,554	249,055	135,504
Investments in associates	1,240	1,228	1,219
Other investments	111	111	110
Other receivables	76,482	70,713	64,470
Deferred tax assets	7,000	7,617	7,164
Total non-current assets	1,253,475	1,259,274	1,111,910
Current assets			
Inventories	38,217	33,724	34,303
Trade and other receivables	311,671	272,755	241,924
Contract assets	1,305	6,166	8,793
Income tax receivables	10,280	3,884	2,155
Accrued expenses	23,840	28,359	24,912
Cash and cash equivalents	10,817	7,633	17,423
Total current assets	396,131	352,522	329,510
Total assets	1,649,606	1,611,796	1,441,420
EQUITY			
Equity attributable to the owners of the parent company			
Share capital	72,702	72,702	72,702
Reserve for invested unrestricted equity	506,079	506,079	506,079
Treasury shares	-1,728	-1,728	-1,728
Retained earnings	74,620	-34,653	-124,757
Net result for the period	117,737	114,802	98,819
Total equity	769,410	657,202	551,115
LIABILITIES			
Non-current liabilities			
Borrowings	313,890	357,628	472,445
Lease liabilities	144,706	161,463	77,254
Employment benefit obligations	1,513	1,156	1,540
Provisions	14,070	11,833	4,996
Deferred tax liabilities	52,667	44,145	36,863
Other non-current liabilities	12,009	12,110	8,939
Total non-current liabilities	538,854	588,334	602,038
Current liabilities			
Borrowings	-	59,987	28,810
Lease liabilities	43,889	48,031	22,969
Contract liabilities	2,886	3,254	4,689
Provisions	326	208	470
Trade and other payables	284,395	254,397	230,941
Income tax liabilities	9,846	381	388
Total current liabilities	341,342	366,259	288,267
Total equity and liabilities	1,649,606	1,611,796	1,441,420

Notes are an integral part of the Financial Statements Bulletin.

The presentation of certain balance sheet items differs from that of DNA's previous financial statements. The figures are presented the same way as the figures published by DNA's parent company Telenor ASA. The main changes concern the reclassification of spectrum acquisitions from intangible assets to right-of-use assets and the corresponding reclassification of spectrum licence liabilities from non-interest-bearing to interest-bearing borrowings, which has an impact on the presentation of net debt and cash flows. In addition, some receivables have been reclassified from non-current to current items, and certain items reclassified from current to non-current receivables. Figures for the reference periods have been adjusted accordingly.

Consolidated statement of cash flows

EUR thousands	1-12/2021	1-12/2020
Cash flows from operating activities		
Net result for the period	117,737	114,802
Adjustments ¹⁾	240,770	214,958
Change in net working capital ²⁾	2,296	-6,141
Dividends received	36	36
Interest paid	-5,259	-5,480
Interest received	272	471
Other financial items	-2,151	-1,734
Income taxes paid	-15,889	-21,018
Net cash generated from operating activities	337,812	295,894
Cash flows from investing activities		
Investments in property, plant and equipment (PPE) and intangible assets	-160,614	-169,136
Proceeds from sale of PPE	585	2,205
Other investments	-91	-1
Group account receivable	-3,958	-23,666
Net cash used in investing activities	-164,077	-190,598
Cash flows from financing activities		
Proceeds from borrowings	95,000	77,195
Repayment of borrowings	-223,123	-168,041
Repayment of lease liabilities	-42,428	-24,240
Net cash used in financing activities	-170,551	-115,085
Change in cash and cash equivalents	3,184	-9,790
Cash and cash equivalents at beginning of period	7,633	17,423
Cash and cash equivalents at end of period	10,817	7,633
¹⁾ Adjustments:		
Depreciation, amortisation and impairment	204,429	181,196
Gains and losses on disposals of non-current assets	-431	-2,201
Other non-cash income and expense	-16	-12
Finance income and expense	6,887	8,010
Income tax expense	29,554	28,618
Change in provisions	346	-652
Total adjustments	240,770	214,958
²⁾ Change in net working capital:		
Change in trade and other receivables	-20,887	-1,003
Change in inventories	-4,493	579
Change in trade and other payables	27,676	-5,717
Change in net working capital	2,296	-6,141

Notes are an integral part of the Financial Statements Bulletin.

Consolidated statement of changes in equity

EUR thousands	Share capital	Reserve for invested unrestricted equity	Treasury shares	Retained earnings	Total equity
1 Jan 2020	72,702	506,079	-1,728	-25,938	551,115
Comprehensive income					
Net result for the period				114,802	114,802
Other comprehensive income					
Total other comprehensive income, net of tax				290	290
Total comprehensive income	-	-	-	115,092	115,092
Transactions with owners					
Share-based payments				1,494	1,494
Group contribution				-10,498	-10,498
Total transactions with owners	-	-	-	-9,004	-9,004
31 Dec 2020	72,702	506,079	-1,728	80,149	657,202
1 Jan 2021	72,702	506,079	-1,728	80,149	657,202
Comprehensive income					
Net result for the period				117,737	117,737
Other comprehensive income					
Total other comprehensive income, net of tax				-310	-310
Total comprehensive income	-	-	-	117,427	117,427
Transactions with owners					
Share-based payments				300	300
Group contribution				-5,519	-5,519
Total transactions with owners	-	-	-	-5,219	-5,219
31 Dec 2021	72,702	506,079	-1,728	192,357	769,410

Notes are an integral part of the Financial Statements Bulletin.

Notes

1 Accounting principles	27
2 Revenue	27
3 Segment information	28
4 Capital expenditure	30
5 Equity	31
6 Borrowings	31
7 Net debt	32
8 Provisions	33
9 Related party transactions	34
10 Share-based payments	35

1 Accounting principles

This Financial Statements Bulletin has been prepared in accordance with IFRS regulations and measurement principles and complies with the requirements of the IAS 34 standard. The information has been prepared in accordance with International Financial Reporting Standards, as approved for application throughout the European Union. The accounting principles are identical to those applied to the Financial Statements of 31 December 2020 with the exception of new and amended standards effective as of 1 January 2021. This report should be read in connection with the 2020 Financial Statements. The information presented in the report is unaudited.

Reclassification

The presentation of certain balance sheet items differs from that of DNA's previous financial statements. The figures are presented the same way as the figures published by DNA's parent company Telenor ASA. The main changes concern the reclassification of spectrum acquisitions from intangible assets to right-of-use assets and the corresponding reclassification of spectrum licence liabilities from non-interest-bearing to interest-bearing borrowings, which has an impact on the presentation of net debt and cash flows. In addition, some receivables have been reclassified from non-current to current items, and certain items reclassified from current to non-current receivables. Figures for the reference periods have been adjusted accordingly.

2 Revenue

The group revenue consists of income from contracts with customers. The Consumer segment revenue in 7–12/2021 was EUR 364,9 million (363,4) and the Corporate segment revenue was EUR 115,2 million (112,2). Segment revenue is derived from the transfer of goods and services in the following product lines over time and at a point in time:

EUR thousands	7–12/2021		7–12/2020		1–12/2021		1–12/2020	
	Point in time	Over time	Point in time	Over time	Point in time	Over time	Point in time	Over time
Timing of revenue recognition								
Subscription and traffic		257,864		250,282		512,461		500,095
Interconnect revenues		19,195		20,145		39,311		40,746
Mobile revenues subscriptions		277,058		270,427		551,772		540,841
Other mobile revenues		7,283		5,500		13,239		10,720
Total mobile revenues		284,341		275,927		565,011		551,561
Non-mobile revenues	75,448	10,171	82,215	9,764	152,122	19,992	149,134	18,858
Other revenues*		2,094		1,996		3,749		3,794
Total revenues mobile operation	75,448	296,606	82,215	287,688	152,122	588,752	149,134	574,212
Telephony		7,916		7,972		16,300		16,768
Internet and TV		79,537		75,465		157,136		147,193
Other revenues		13,477		13,994		26,356		28,988
Total retail revenues		100,930		97,430		199,792		192,949
Wholesale revenues		7,128		8,227		15,296		16,000
Total revenues fixed operation		108,058		105,657		215,088		208,949
Total revenues	75,448	404,664	82,215	393,345	152,122	803,839	149,134	783,161

*Other revenues consist of, among other things, rental income and income from the sale of assets.

3 Segment information

7–12/2021

EUR thousands				
Business segments	Consumer business	Corporate business	Unallocated	Group total
Total revenues	364,941	115,171		480,112
EBITDA	136,231	39,223		175,453
Depreciation, amortisation and impairment	65,488	36,443		101,931
Operating result	70,742	2,779		73,522
Net finance items			-3,583	-3,583
Share of associates' results			33	33
Net result before income tax				69,972
Net result for the period				57,806
Capital expenditure*	80,512	38,339		118,851
Employees at end of period	898	706		1,604

7–12/2020

EUR thousands				
Business segments	Consumer business	Corporate business	Unallocated	Group total
Total revenues	363,355	112,205		475,560
EBITDA	132,344	38,725		171,069
Depreciation, amortisation and impairment**	62,606	32,926		95,532
Operating result**	69,739	5,799		75,537
Net finance items			-3,907	-3,907
Share of associates' results			23	23
Net result before income tax				71,653
Net result for the period				58,849
Capital expenditure*	148,370	102,063		250,432
Employees at end of period	899	710		1,609

*Capital expenditure is defined as additions to property, plant and equipment and intangible assets excluding business acquisitions and asset retirement obligations. Capital expenditure includes capitalised licenses.

**The allocation between segments in terms of depreciation and operating profit in the comparison period 7–12/2020 differs from that presented in last year's financial statement bulletin due to the allocation adjustment of the depreciation difference.

3 Segment information

1–12/2021

EUR thousands

Business segments	Consumer business	Corporate business	Unallocated	Group total
Total revenues	727,483	228,478		955,961
EBITDA	279,153	79,439		358,591
Depreciation, amortisation and impairment	131,708	72,720		204,429
Operating result	147,444	6,718		154,163
Net finance items			-6,887	-6,887
Share of associates' results			16	16
Net result before income tax				147,291
Net result for the period				117,737
Capital expenditure*	126,221	65,034		191,256
Employees at end of period	898	706		1,604

1–12/2020

EUR thousands

Business segments	Consumer business	Corporate business	Unallocated	Group total
Total revenues	707,369	224,926		932,295
EBITDA	258,353	74,261		332,613
Depreciation, amortisation and impairment	121,269	59,926		181,196
Operating result	137,083	14,335		151,418
Net finance items			-8,010	-8,010
Share of associates' results			12	12
Net result before income tax				143,420
Net result for the period				114,802
Capital expenditure*	185,436	122,504		307,940
Employees at end of period	899	710		1,609

*Capital expenditure is defined as additions to property, plant and equipment and intangible assets excluding business acquisitions and asset retirement obligations. Capital expenditure includes capitalised licenses.

As key figures for business segments, DNA presents total revenues, EBITDA and EBIT. DNA's chief operative decision-maker assesses segment performance mainly based on these key figures.

4 Capital expenditure

EUR thousands	7-12/2021	7-12/2020	1-12/2021	1-12/2020
Capital expenditure*				
Intangible assets	26,282	23,002	42,409	39,438
Property, plant and equipment	92,570	227,430	148,847	268,502
Total	118,851	250,432	191,256	307,940

* Capital expenditure is defined as additions to property, plant and equipment and intangible assets excluding business acquisitions and asset retirement obligations. Capital expenditure includes capitalised licences.

Major individual items included in capital expenditures in 2021 were network capacity expansion and 5G network construction as well as fibre optic networks and transmission systems.

5 Equity

	Outstanding shares thousands	Treasury shares thousands	Total number of shares thousands	Share capital EUR thousands	Reserve for invested unrestricted equity EUR thousands
1 January 2020	132,182	121	132,304	72,702	506,079
31 December 2020	132,182	121	132,304	72,702	506,079
31 December 2021	132,182	121	132,304	72,702	506,079

DNA Plc has one class of shares. The total number of shares is 132,303,500 (132,303,500). The number of outstanding shares is 132,182,184 (132,182,184). The number of treasury shares is 121,316 (121,316). Treasury shares

represent 0.09 per cent of the votes. On 31 December 2021, DNA Plc's share capital amounted to EUR 72,702,226. The shares do not have a nominal value, and all issued shares have been paid in full.

6 Borrowings

EUR thousands	1-12/2021	1-12/2020
Non-current		
Bonds	245,794	244,532
Other loans	68,096	113,096
Lease liabilities	144,706	161,463
Total	458,597	519,091
Current		
Bonds	-	59,987
Lease liabilities	43,889	48,031
Total	43,889	108,018

7 Net debt

EUR thousands	31 December 2021	31 December 2020
Non-current borrowings	458,597	519,091
Current borrowings	43,889	108,018
Total borrowings	502,486	627,109
Less cash and cash equivalents	10,817	7,633
Net debt	491,669	619,476

EUR thousands	Reported in cash flows from financing activities			
	Cash	Current borrowings	Non-current borrowings	Net debt
1 January 2020	17,423	51,779	549,700	584,056
Change in cash	-9,790			9,790
Proceeds from borrowings		8,467	68,729	77,195
Repayment of borrowings		-118,435	-73,846	-192,281
Other non-cash transactions		166,207	-25,491	140,716
31 December 2020	7,633	108,018	519,091	619,476
Change in cash	3,184			-3,184
Proceeds from borrowings		-	95,000	95,000
Repayment of borrowings		-125,551	-140,000	-265,551
Other non-cash transactions		61,422	-15,495	45,928
31 December 2021	10,817	43,889	458,597	491,669

The Group's cash and undrawn credit facilities totaled EUR 185,7 million (143,7). In addition to cash and cash equivalents, DNA has group account receivables of EUR 27,6 million (23,6).

8 Provisions

EUR thousands	1 January 2021	Additions	Provisions used	30 December 2021
Asset retirement obligation	11,633	2,369	-210	13,791
Restructuring provision	200	196	-	396
Other provisions	208	-	-	208
Total	12,041	2,565	-210	14,396

Asset retirement obligation

The asset retirement obligation provision comprises the estimated dismantling and demolition costs of data centres, masts and telephone poles. The asset retirement period for telephone poles is estimated at 10 years, and 40 years for data centres and masts. The realization of the dismantling and demolition costs does not involve any significant uncertainties.

9 Related party transactions

DNA's related parties include the main shareholders which have significant influence over the group, subsidiaries, associated companies, joint arrangements and members of the Board of Directors and the management team,

including the CEO and the deputy CEO as well as their close family members. In addition, related parties include all entities controlled or jointly controlled by a person identified as a related party.

The following related party transactions were carried out:

1–12/2021

EUR thousands	Organisations exercising significant influence	Associated companies
Sales	3,397	-
Purchases	8,665	458
Group contributions	6,899	-
Receivables	28,291	-
Liabilities	72,211	-

1–12/2020

EUR thousands	Organisations exercising significant influence	Associated companies
Sales	1,936	-
Purchases	6,795	431
Group contributions	13,123	-
Receivables	23,994	-
Liabilities	123,875	-

10 Share-based payments

Long-term share incentive schemes for DNA senior executives and other key personnel

Telenor has a long-term share incentive scheme for top executives and critical experts, where they can earn a cash bonus of up to 15–30% of annual base salary, which will be used to purchase Telenor's shares. Remuneration is granted on the basis of the profit development of the two years preceding the payment of the remuneration.

In addition, Telenor offers employees the opportunity to participate in the Employee Share Plan program, where employees are allowed to invest a certain portion of their annual salary in Telenor shares, and where they also have the opportunity to earn bonus shares based on Telenor share price performance.

There have been no share-based compensations during 2021.

Share-based payments

EUR thousands	7-12/2021	7-12/2020	1-12/2021	1-12/2020
Expense recorded	653	-	1,304	2,037
Liability recorded	-	-	-	352
Paid	-	-	-	4,780

Since the beginning of financial year 2021, the share-based payments have been recorded as equity instead of liability. The comparison figures have not been restated.

DNA's financial reporting in 2022

- DNA publishes a half-year (January–June) financial report and a financial statements bulletin for the 2022 financial period. For the January–March and January–September periods, DNA publishes Business reviews including CEO's review and certain financial and operative key figures as a press release.
 - An electronic version of the Annual Report containing full financial statements for 2021 will be published no later than the week starting on 7 March 2022 (week 10/2022).
 - The business review for January–March 2022 will be published as a press release on 3 May 2022.
 - Half-year financial report 2022 (January–June) will be published on 19 July 2022.
 - The business review for January–September 2022 will be published as a press release on 26 October 2022.
- Due to delisting of DNA's share from Nasdaq Helsinki on 3 February 2020, DNA is not subject to reporting obligations as an issuer of shares as set out in the Finnish Securities Markets Act.
- DNA is still subject to reporting obligations as an issuer of the senior unsecured fixed rate notes that are due in 2025 (ISIN: FI4000312095) listed in Nasdaq Helsinki stock exchange.

