



CMD ²⁰/₂₂

Capital Markets Day

September 20, 2022

telenor group

Capital Markets Day agenda

			CET
Reshaping Telenor	CEO	Sigve Brekke	09:00
Nordics	EVP Nordics	Petter-Børre Furberg	09:35
Asia	EVP Asia	Jørgen C. Arentz Rostrup	10:05
<i>Break</i>			10:30
Infrastructure	CFO	Tone H. Bachke	10:50
Technology	CTO	Ruza Sabanovic	11:05
ESG & Responsible business	EVP People, Sustainability & External Relations	Rita Skjærvik	11:20
Financial development and ambitions	CFO	Tone H. Bachke	11:35
Concluding remarks	CEO + CFO	Sigve Brekke & Tone H. Bachke	12:05
Q&A session	Presenters		12:10
<i>Mingling in the HUB with lunch</i>			12:45
<i>Four break-out sessions. Three 15-minutes session</i>			13:15
			14:00

Contents

Reshaping Telenor

Nordics

Asia

Infrastructure

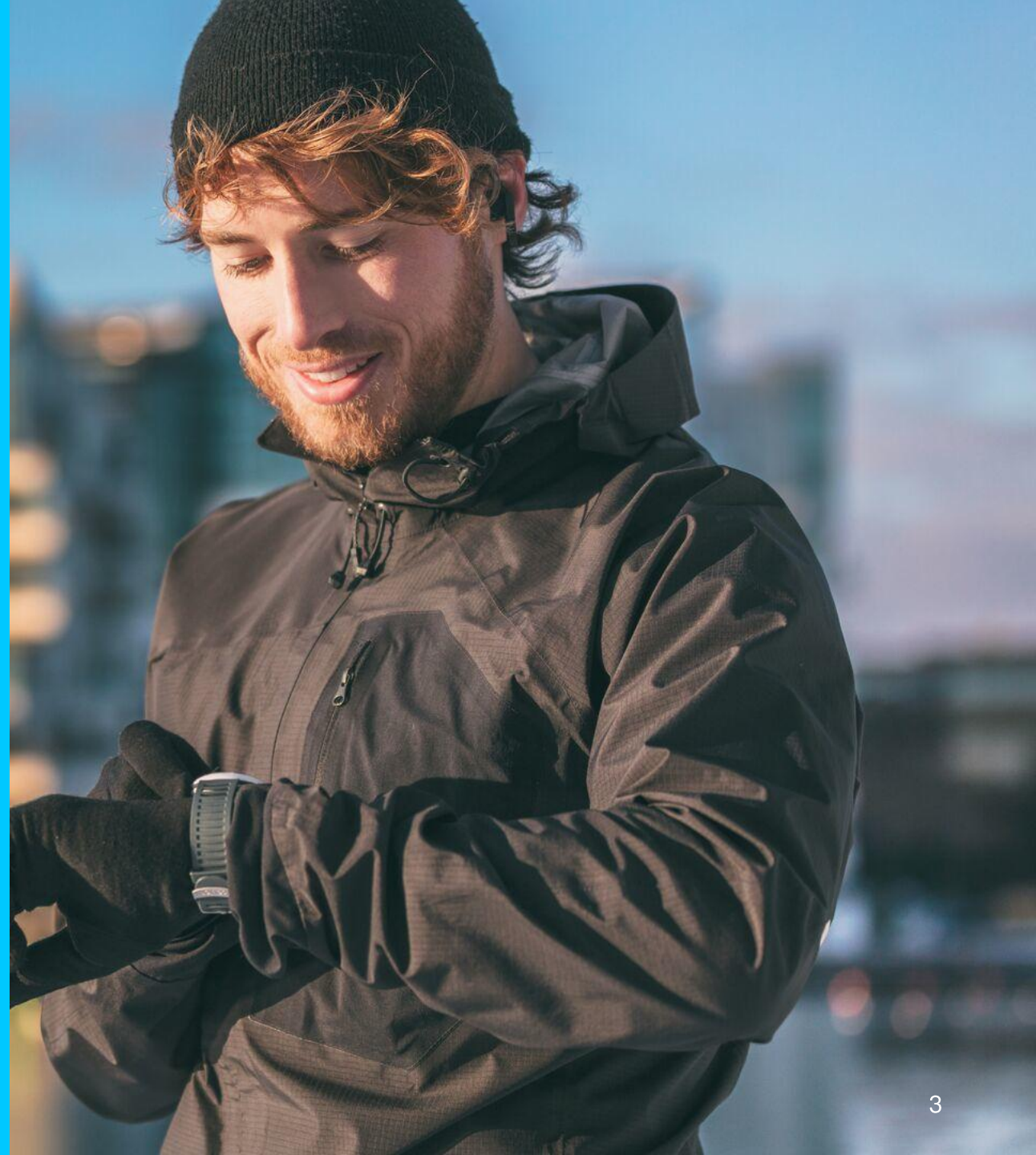
Technology

ESG & Responsible business

Financial development and ambitions

Concluding remarks

Q&A

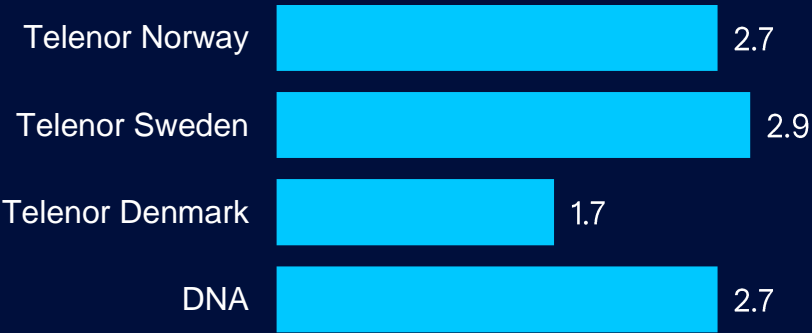


A man with a beard and long hair, wearing a black beanie and a dark jacket, is looking down at a smartwatch on his left wrist. He is wearing black gloves. The background is a blurred cityscape with buildings and a clear blue sky.

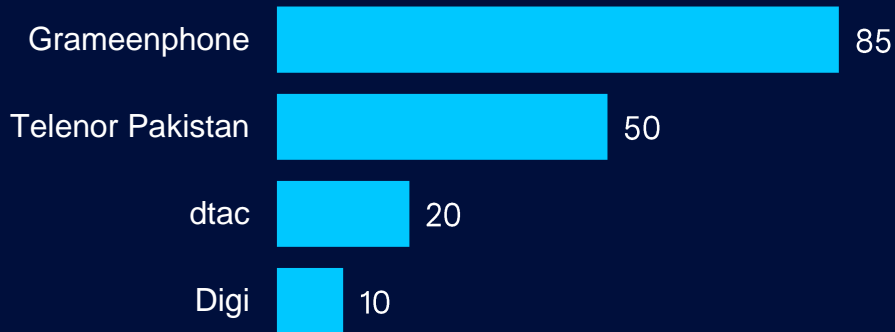
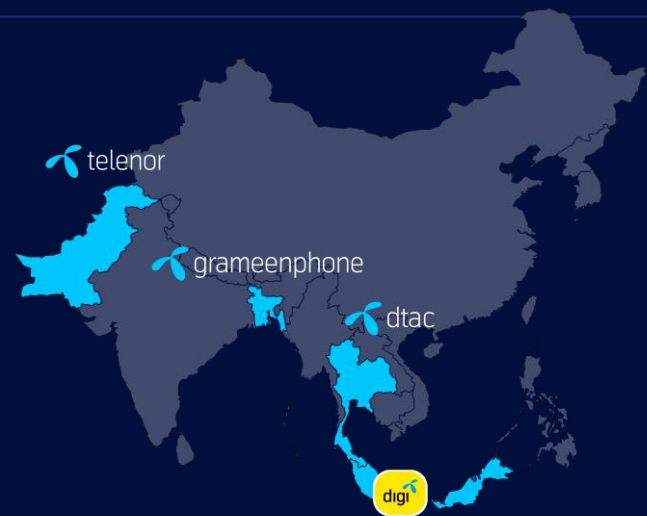
Reshaping Telenor – our journey ahead

Telenor connects 175 million people to what matters the most

Telenor Nordics
10m



Telenor Asia
165m





Connectivity is the lifeblood
of modern societies



Connectivity empowers societies

Driving positive impact
through connectivity

5.8m

people trained in online safety

2.5m

children given a formal identity

122,133 tCO₂

reduction between 2019-2021



The same high standards
everywhere we operate

- Anti-corruption
- Diversity & Inclusion
- Human Rights
- Data privacy compliance
- Security
- Supply chain sustainability
- Health, safety & wellbeing



Preparing for the next chapter



Today we are presenting a reshaped Telenor

Four business areas
with different
priorities

– enabling strategic
optionality

- 1 A leading Nordic telco with profitable growth from efficient connectivity and services
- 2 A strong Asian entity focused on synergies and cash flow
- 3 Crystallise value as a leading Nordic Infrastructure company
- 4 Focused approach to Adjacent Business



New management team to deliver on ambitions

President & CEO

Sigve
Brekke



Chief Financial Officer

Tone
Hegland
Bachke



Chief Technology Officer

Ruza
Sabanovic



EVP People, Sustainability and
External Relations Officer

Rita
Skjærvik



Business areas

Head of Telenor Nordics

Petter-Børre
Furberg



Head of Telenor Asia

Jørgen C.
Arentz Rostrup



Head of Telenor Infrastructure

Jannicke
Hilland

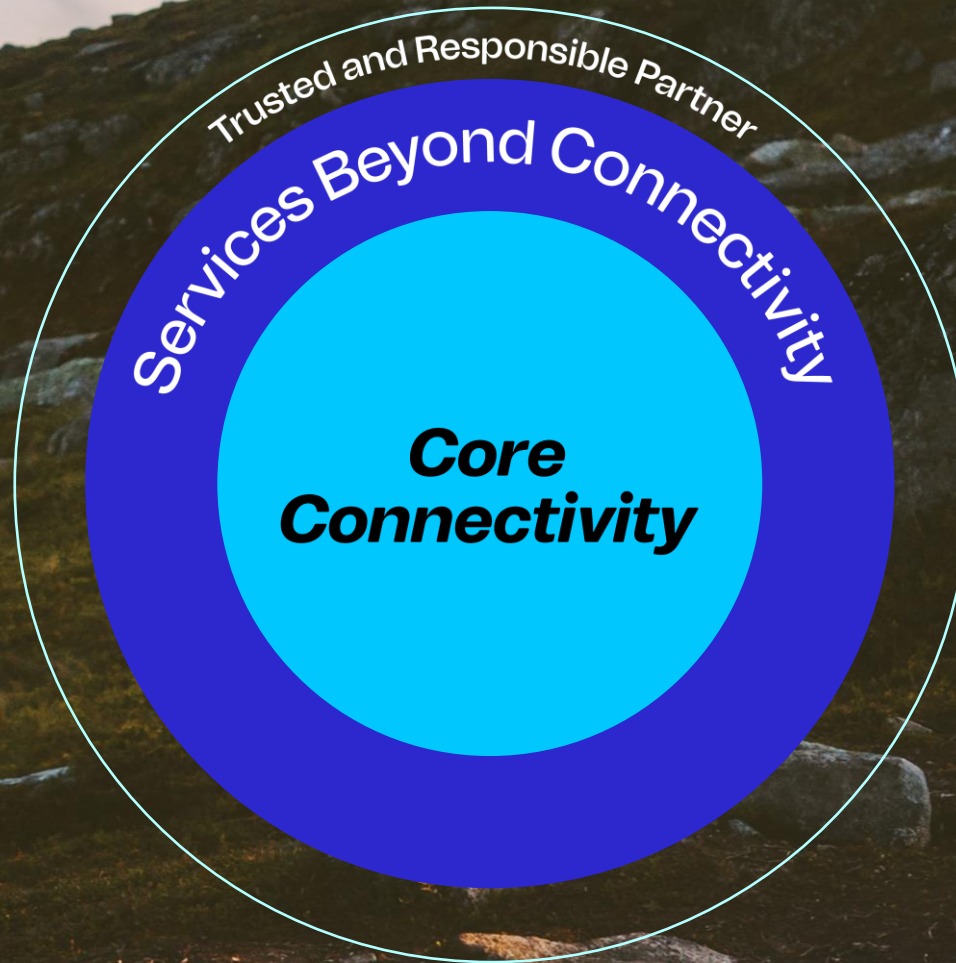


Head of Adjacent Business

Dan
Ouchterlony



Firm belief in
Nordic growth



Opportunities from 5G and
Beyond Connectivity



Profitable growth from efficient connectivity and services

Annual average growth 2022-2025

Growth

and

accelerated
modernisation

driving

profitable growth

Low to mid single-digit

growth in service revenue

Including

double-digit

growth for new services

1-3%

annual net OPEX reduction

Mid single-digit

Annual EBITDA growth 2022-2025



Opportunities in Asia, but risk/reward has changed

~500m

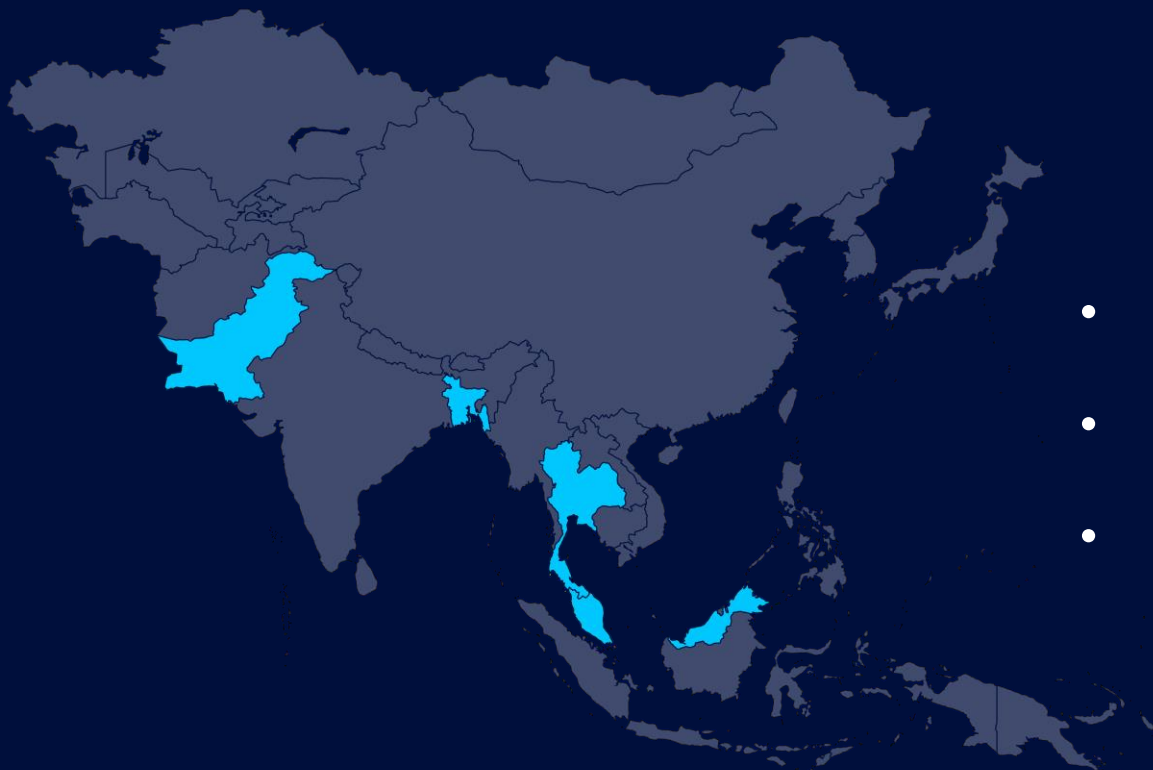
population in our markets

~4m

SMEs in Thailand & Malaysia

59%

mobile data growth in
Bangladesh & Pakistan¹



- Strengthen positions
- Reduce risks
- Strategic optionality



A strong Asian entity contributing significant cash-flow

Priorities for new setup

- Governance set for minority positions
- Operational performance
- Realise merger synergies
- Strategic options in Pakistan
- Structural partnerships or IPO

Market-leading
positions

NOK ~20-25bn

Synergy potential¹

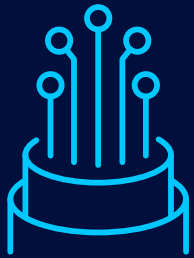
NOK 12bn

Acc. free cash flow 2023-2025²



1. Telenor share of NPV synergy potential (OPEX and capex) from Thailand and Malaysia
2. Assuming merger completion 1.1.2023

A leading Nordic infrastructure company



Fibre

Potential Norwegian fibre transaction



Towers

Executing our 3-step strategy



Data centers

Review of strategic options



Current portfolio of significant value

Partly owned



Innovation



Venture partners



Fully owned



Net asset values
NOK 10-15 bn

Consolidated units 2021

NOK 4 bn
Revenues

NOK 1 bn
EBITDA



Focused approach to adjacent businesses

- Develop or divest within portfolio
- Leading Nordic position in IoT and security
- Unlock values through partnerships and transactions



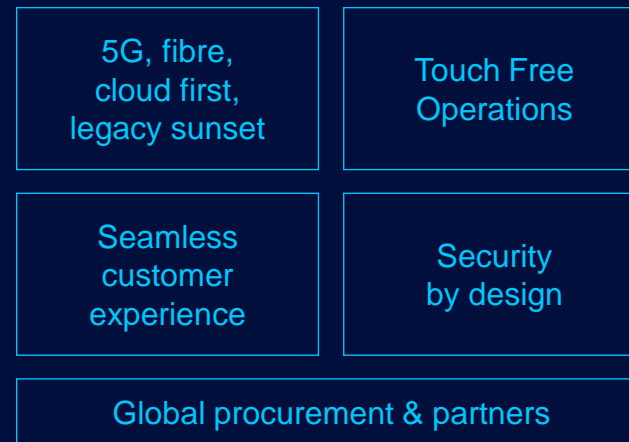
Committed to lead in modernisation

Exceeded past ambitions



- Stable technology OPEX (excl. energy)
- Flat energy consumption

Clear plans for staying ahead



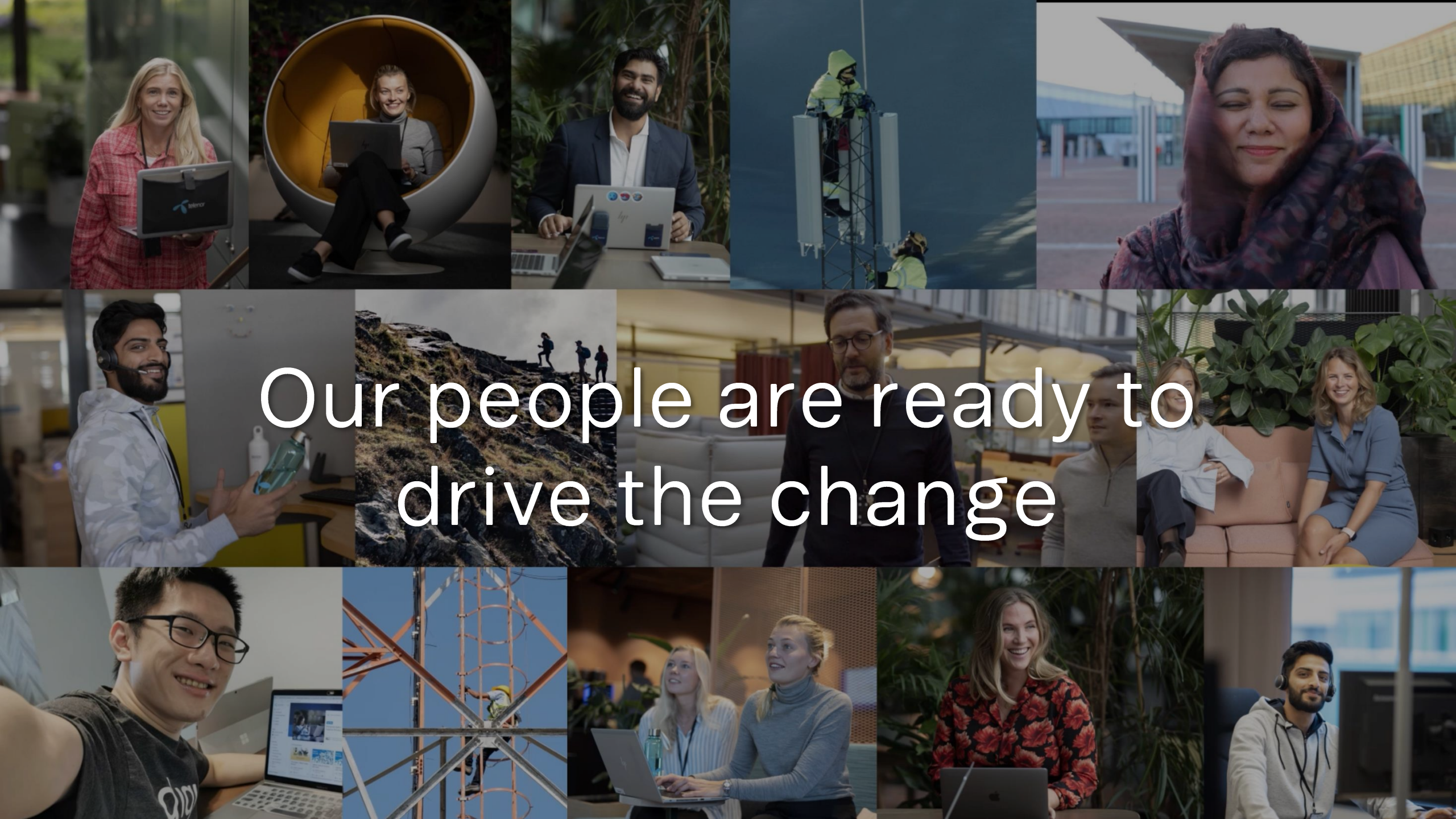
- Technology modernisation enabling new ways of work

Ambition: Technology as an enabler for profitable growth



- Efficient operator
- Reduce cost of experimentation, e.g. with partners





Our people are ready to
drive the change

Mid-term ambitions 2023-2025



Group

Dividend policy



YoY growth in DPS

Free cash flow



FCF to cover
dividend in 2025

Net debt/EBITDA



1.8-2.3x

Telenor Nordics

Service revenues



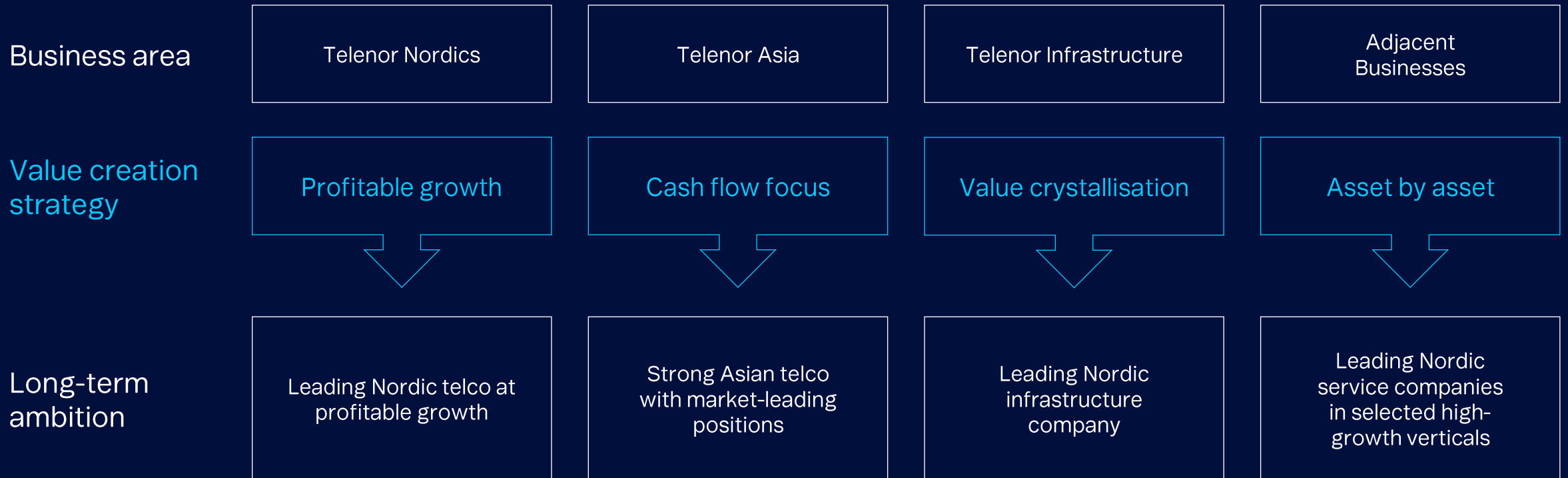
Low to mid single-digit growth

EBITDA



Mid single-digit growth

Value creation focus in a reshaped Telenor



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A man with a beard and a yellow beanie is smiling and holding a baby. The baby is wearing a red beanie and patterned overalls. They are standing on a wooden deck or railing. In the background, there is a body of water and a range of snow-capped mountains under a clear sky. The scene is bathed in warm, golden light, suggesting late afternoon or early morning.

The leading Nordic telco
at delivering profitable growth



Executing on a regional Nordic strategy

2019

Acquired the Finnish telecom operator DNA – Telenor now present in all Nordic countries



2020

Launched Nordic Hub to initiate collaboration across Nordic markets



2022

Created new Nordic setup to ensure delivery on growth, modernisation and pan-Nordic synergies

Telenor Nordics



Delivering growth, modernisation and pan-Nordic synergies

Telenor Nordics to drive collaboration and pan-Nordic synergies



Head of Telenor Nordics
Petter-Børre Furberg



Technology
Ingeborg Øfsthus



CEO, Telenor Norway
Birgitte Engebretsen



IT
Janne Aalto



CEO, Telenor Sweden
Bjørn Ivar Moen



Strategy & Commercial Projects
John Sebastian Slørdahl



CEO, Telenor Denmark
Lars Thomsen



Business Performance
Thomas Thyholdt



CEO, DNA
Jussi Tolvanen



Human Resources
Cecilie Heuch

- One Nordic team with a clear mandate for growth, modernisation and efficiency
- Strategy planning, resource allocation and performance management at regional level
- Strong business unit autonomy to secure speed and agility
- Driving cross boarder synergies through shared service functions, Centres of Excellence and common development



We have a strong position across the Nordics



10m
Customers

>50bn
Revenue (NOK)

42%
EBITDA margin



Customers: 2.7m
Revenue: NOK 25bn
EBITDA: 50%



Customers: 2.9m
Revenue: NOK 11bn
EBITDA: 33%



Customers: 1.7m
Revenue: NOK 5bn
EBITDA: 26%



Customers: 2.7m
Revenue: NOK 10bn
EBITDA: 36%



2023-2025: Mid-term priorities



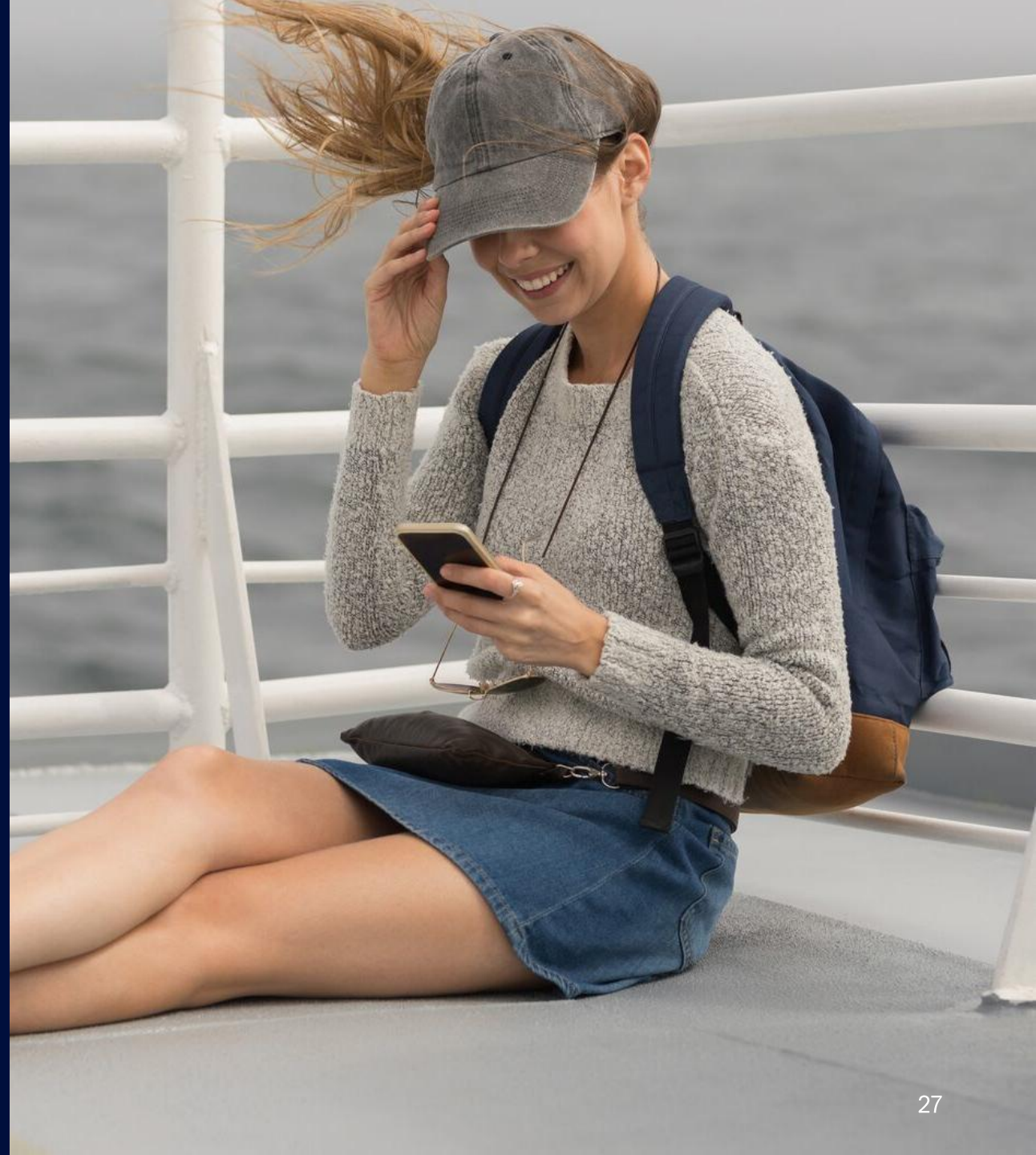
Growing the core connectivity business by monetising 5G and fibre investments



Growing by scaling new services for both B2C and B2B customers

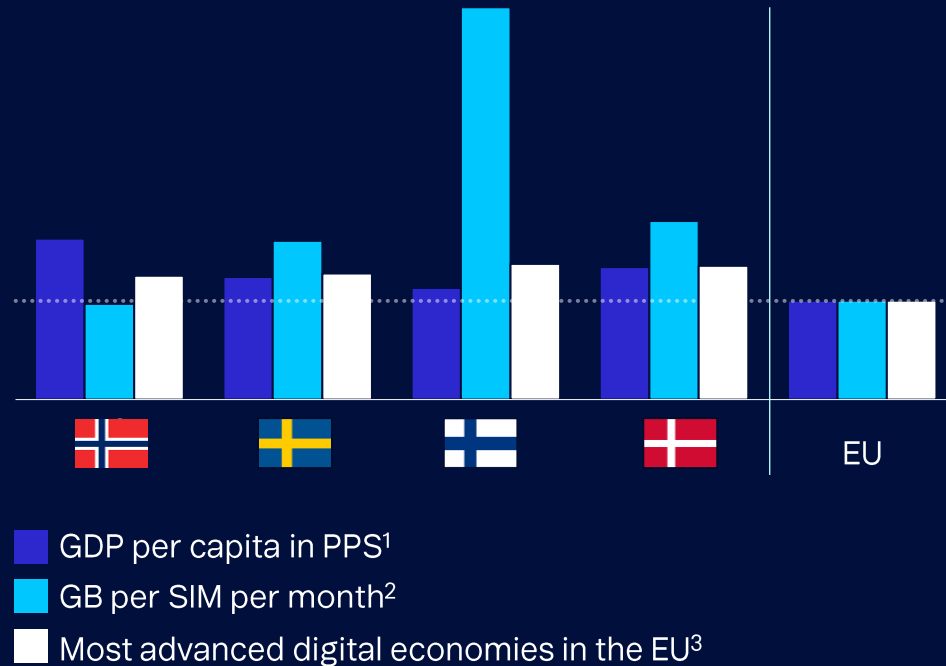


Margin expansion through modernisation and efficiency initiatives across networks, IT and common functions



Well positioned to serve an attractive and advanced customer base

Attractive and advanced customers...



...with high demands

- Coverage & speed
- Device options & range of services
- Convenience & accessibility
- Security & privacy
- Digitalisation partner
- Pan-Nordic delivery



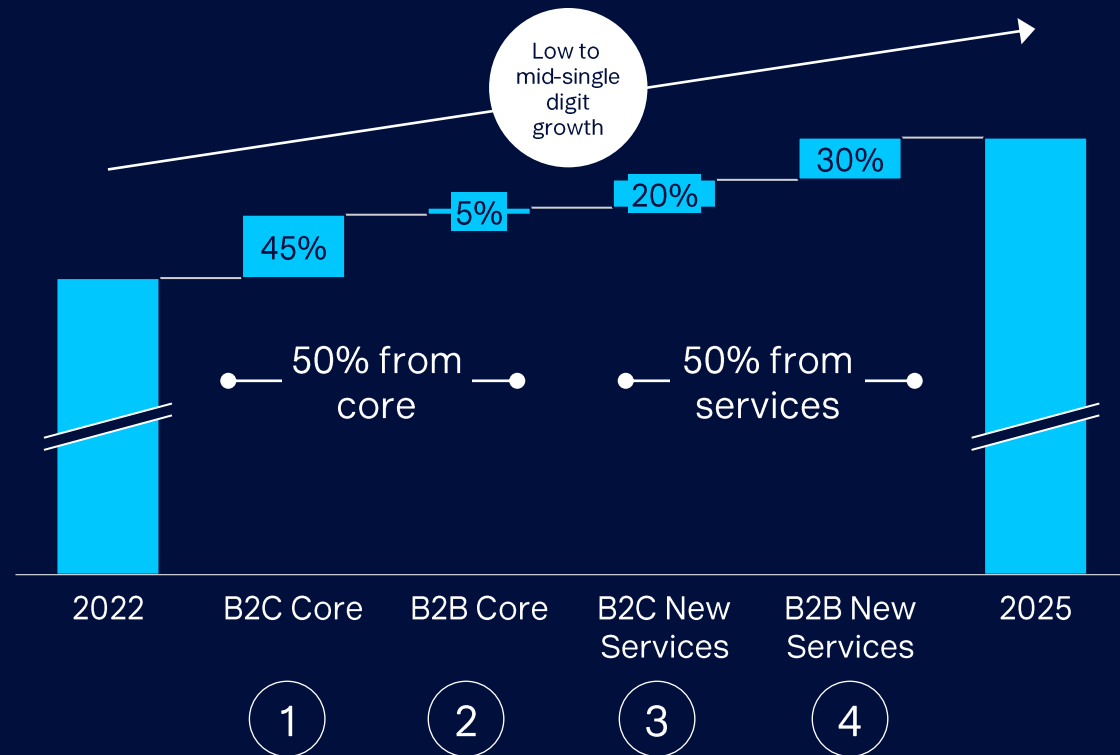
We are well positioned to service these needs



Sources: 1. Eurostat 2021, 2. tefficient, 3. Digital Economy and Society Index 2022 (across Human capital, Connectivity, Integration of digital technology & Digital public services), EU Commission. All metrics indexed such that EU=100.

Building on core strengths – capturing new opportunities for profitable growth

Telenor Nordics revenue ambitions and growth sources, 2022-2025



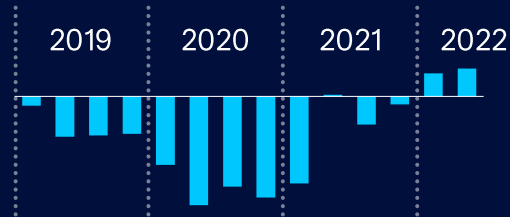
Key revenue drivers

- 1 Grow revenue in B2C mobile and fixed access
- 2 Grow relationships with our significant B2B mobile and fixed customer bases
- 3 Accelerate differentiating Value Added Services to B2C customers
- 4 Accelerate new services to B2B Enterprise customers



Growth ambitions founded on a solid pipeline of initiatives and services

Build momentum in B2C



Telenor Sweden organic service revenue growth

Actively work with brand, value propositions, price/portfolio, monetising investments and leverage fixed assets as part of FMC

Monetise investments in 5G and fibre



Convert B2C subs to higher ARPU 5G subscriptions, roll-out Fixed Wireless Access, B2B focus on low-latency and edge computing opportunities

Grow B2C value-added service revenues



Nordic adjacent services growth BNOK

Utilise local expertise and partner eco-systems to develop compelling consumer services, roll-out to other Nordic countries

Deliver new B2B services

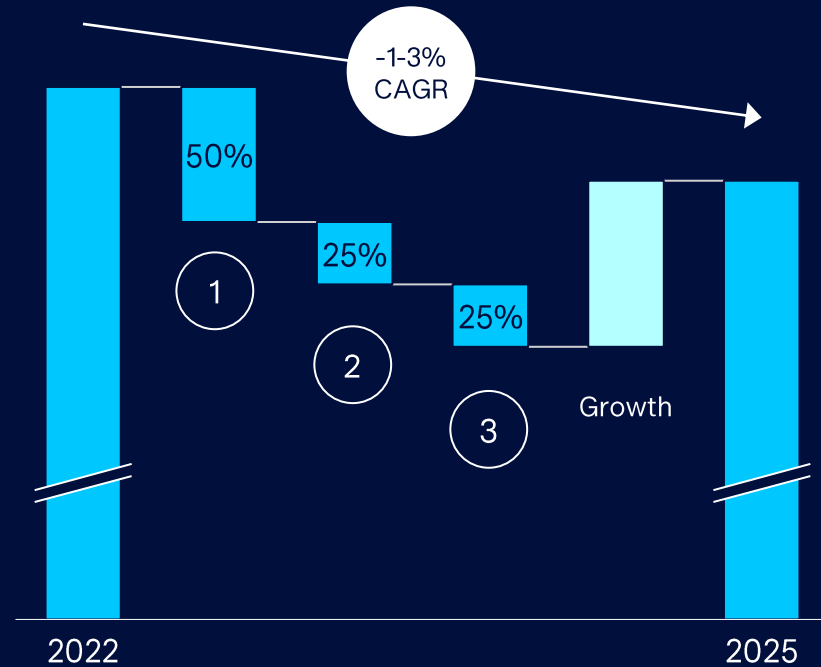


Combine connectivity and security, software defined networks and 5G enterprise networks to support customers' digitalisation journeys



Addressing central cost areas to fund growth and expand margins

Telenor Nordics OPEX ambition and reduction sources, 2022-2025



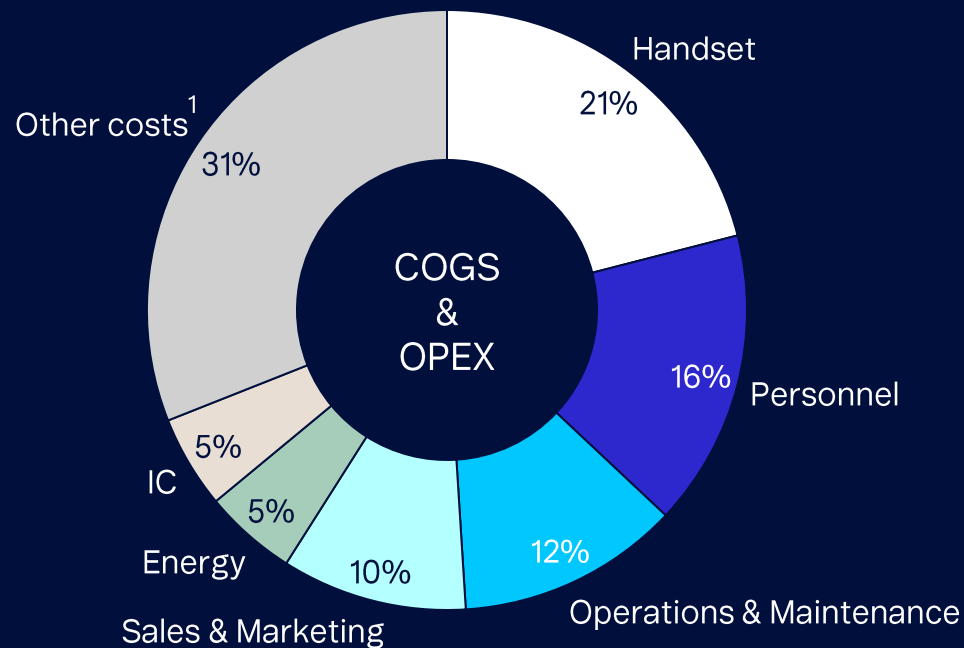
Cost reductions addressing the full cost base

- 1 Network & IT modernisation
- 2 Shared service functions across Nordics
- 3 Future fit organisation



Plans in place to manage inflationary pressure

Telenor Nordics distribution of costs, 2022e



1. Other OPEX, cost of material and traffic charges

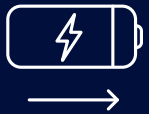
Handling inflation effects

- Handset - Impact dependent on degree of subsidisation
- Personnel - Remuneration negotiations and organisational optimisation
- Operations & Maintenance - Structural initiatives and modernisation
- Sales & Marketing - Optimisation of distribution and digitalisation
- Other costs - Operational efficiency and strict target setting



Reducing energy cost and consumption while shifting to green energy

Meeting increasing cost...



Stable energy consumption...



...despite increased data traffic...



...but higher energy costs due to higher spot prices



...by reducing energy consumption and shifting to green energy

Reducing consumption

- Decommissioning and sunseting old technologies
- Testing and implementing AI/ML based Radio Access NWs energy saving
- Cloud transformation

Increasing predictability with new green energy

- PPAs from 2024, at prices significantly below current market prices

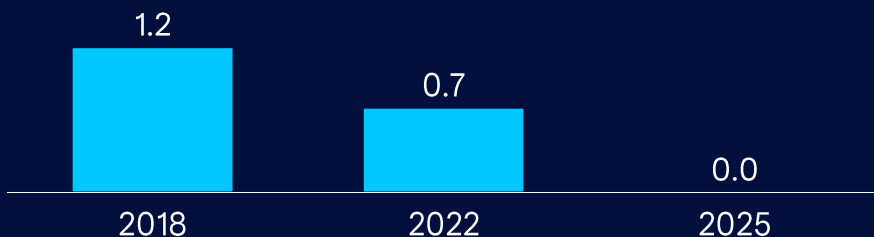
Copper decommissioning set to save NOK 0.7bn of costs in Telenor Norway

In final phase of copper decommissioning

Copper revenues, NOK bn



Copper cost base development and ambitions towards 2025, NOK bn (EoY)



Reducing costs and migrating customers to new technology

- Successfully migrated customers to other technologies, 70% retained revenues
- 95% of customers getting a better product such as FWA or fibre
- ~40% in remaining cost reduction to materialise in 2023



Summary

The leading Nordic telco at delivering profitable growth

Key features



Growing the core connectivity business by monetising on our investments in 5G and fibre



Growing by scaling new services for both B2C and B2B customers



Expanding margins through technology modernisation and cost initiatives

Nordics mid-term ambitions 2023-2025

Service revenues



Low to mid single-digit growth

Net OPEX reduction



1-3%

EBITDA



Mid single-digit growth



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A young couple is walking and smiling in a city setting. The man is carrying the woman on his back. They are both wearing backpacks. The background shows a city street with cars and buildings.

Delivering on strategy to de-risk
and improve cash generation



Executing on established Asia strategy

2019

Regional merger discussions with Axiata – ended later same year



Telenor and Axiata enter discussions to merge Asian operations

(Oslo, Norway – 6 May 2019) Telenor Group and Axiata Group Berhad are in discussions regarding a potential non-cash combination of their telecom and infrastructure assets in Asia (MergeCo), in which Telenor would take a

2020

Established Asia Hub



2021

Signed Celcom-Digi merger in Malaysia

Signed merger with True in Thailand



C.P. Group and Telenor Group support True and dtac in exploring the creation of a new telecom-tech company

Patented: 22 November 2021 52.02

2022

Malaysian Merger approved by MCMC

Shaping Asia region for more independent setup

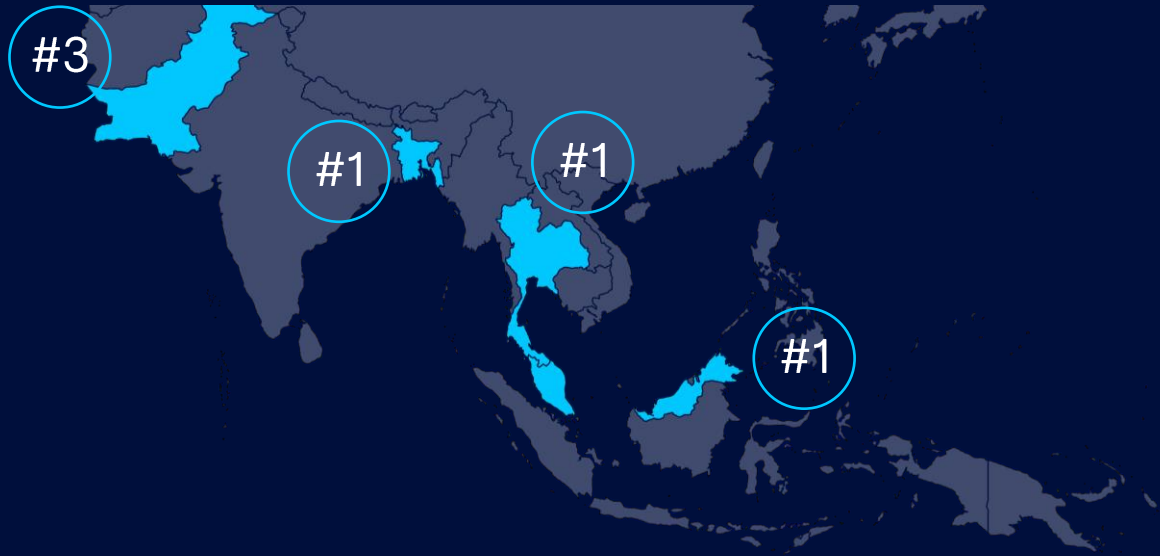


Telenor Group's Malaysian subsidiary Digi.Com Berhad ("Digi"), and Axiata Group Berhad announced today that they have received a Notice of No Objection from the Malaysian Communications and Multimedia Commission ("MCMC") on the proposed merger of Celcom and Digi's

Improve business performance, strengthen culture and leadership, digitalise and modernise operations



Building leading operators with a total of ~215 million customers



215m
Customers

>100bn
Revenue (NOK)



Pakistan



Customers: 50m
Revenue: 5 bn



Bangladesh



Customers: 85m
Revenue: 15 bn



Thailand (merger)



Customers: 60m
Revenue¹: NOK 61 bn



Malaysia (merger)



Customers: 20m
Revenue¹: NOK 27 bn

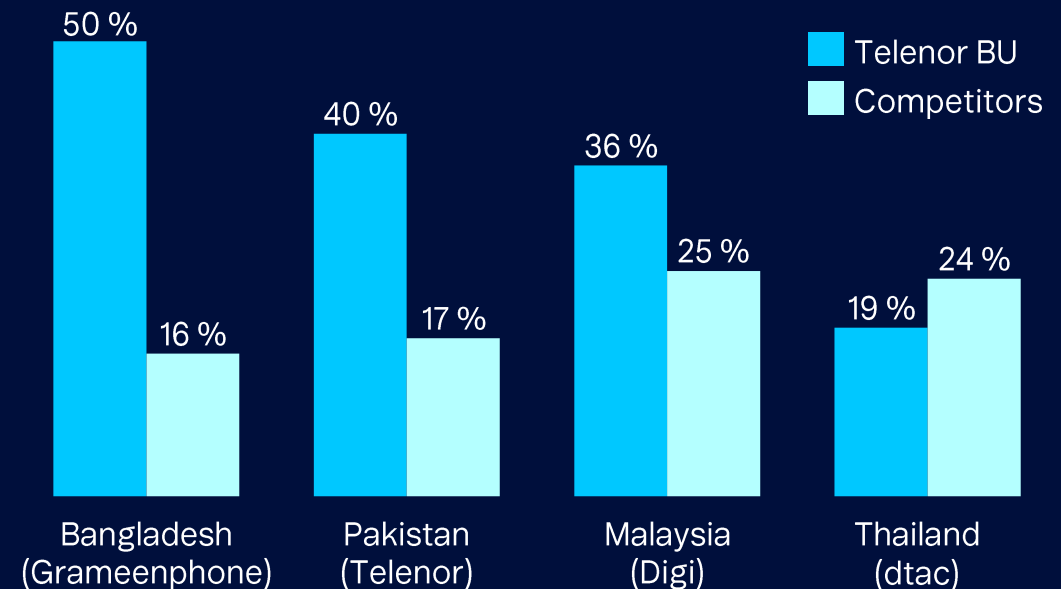


Note: All numbers are 2021 on 100% basis, assuming mergers in Thailand & Malaysia are closed. Ongoing mergers subject to regulatory approval.
1. Numbers are proforma 2021

Successfully protected cash flow in challenging markets 2020-2021

- Benefited from strong operational focus through Covid-19
- Solidified Grameenphone's market leader position
- Transformed to an ultra-lean operator in Pakistan
- Continued strong cash flow in a competitive Malaysian market
- Repositioned dtac in Thailand to a digital challenger

Operational cash flow margin last 2 years



Source: Reported numbers Q3 2020 to Q2 2022. Zong in Pakistan not included due to lack of public information. Operational cash flow defined as EBITDA - CAPEX



2022-2025: Mid-term priorities

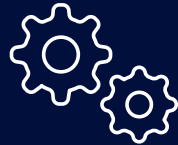
- 1 Drive operational performance – continue to modernise and digitalise operations
- 2 Realise synergies and build on new #1 positions in Thailand and Malaysia
- 3 Explore further strategic opportunities for Telenor Asia as an independent entity



1: Continue to modernise operations to create lean, digital entities



Leadership
& culture



Process improvement
& automation



Low touch
technology



Digitalise
distribution

The last two years in Telenor Asia

-20%

FTEs

+70%

Total data traffic

Flat

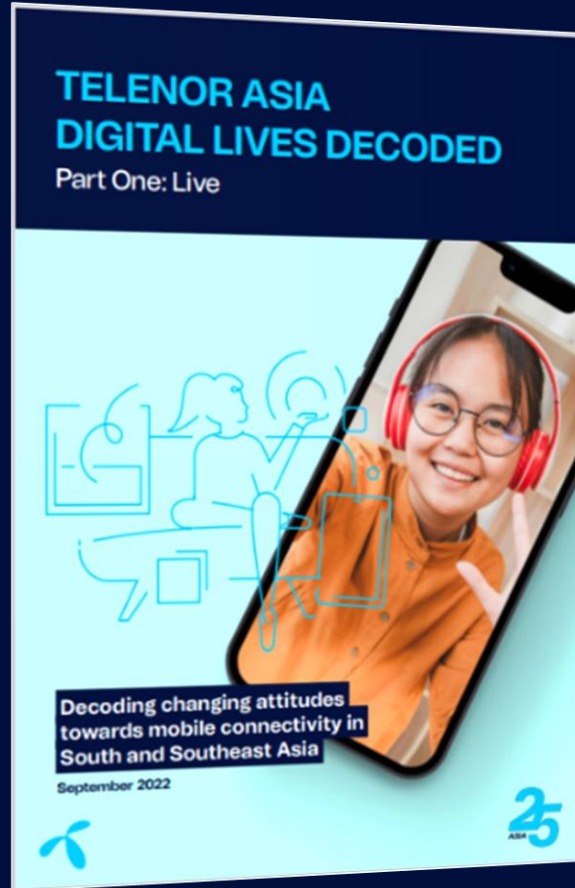
Technology OPEX
(excl. energy)

+13m

Monthly Active Users
of My Telenor apps



1: Connectivity empowers societies



93%

mobile usage improves quality of life

mobile has increased my access to....

financial services 92 %

healthcare 89 %

education 89 %

more women see a "significant improvement" in quality of life



64%



52%

85%

worry about skills keeping pace with technology changes



Source: Company research

1: Pursuing attractive pockets of growth

>150m

Unconnected people
in Bangladesh and
Pakistan

Increase penetration

Large unconnected segments in
Bangladesh and Pakistan

50%

Share of subscriber
base in TP & GP that
use data

Data usage

Converting from voice-only,
drive smart phone adoption and
increase engagement

+10%

Revenue growth from
B2B segment in Telenor
Asia YTD 2022

B2B

Telenor is under-represented in
B2B – currently about 5% of our
Asian revenue comes from the
segment



Services on top

Selective expansion of service
portfolio to increase customer
engagement, deliver value and
reduce churn



2: Two largest telco mergers in South-East Asia



Celcom Digi Berhad

Second largest telco merger in South-East Asia and largest merger of two Malaysian companies

EBITDA¹ (before synergies): **NOK 12 bn**

Expect closing within 2022

NOK 130 bn

EV of combined company



Largest telco merger in South-East Asia and largest merger of two listed Thai companies

EBITDA¹ (before synergies): **NOK 24 bn**

Expect clearance from NBTC in Q4

NOK 190 bn

EV of combined company

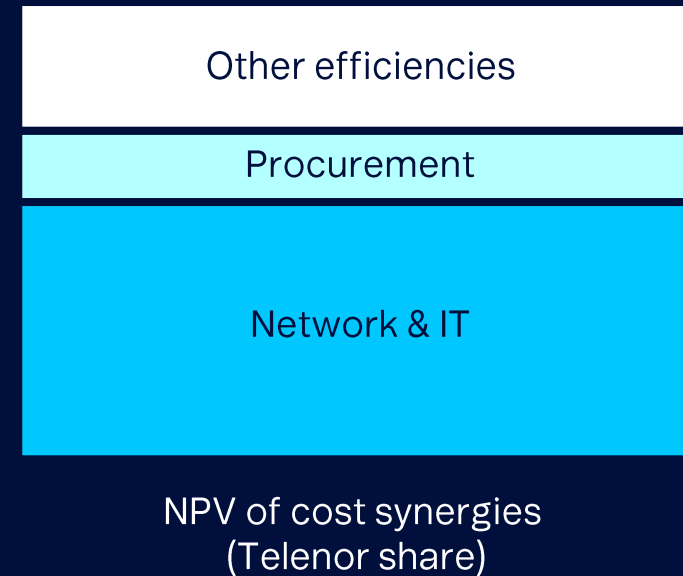


Note: All numbers on 100% basis
1. Ongoing mergers subject to regulatory approval. Numbers are proforma 2021.

2: Realise synergies and build on new #1 positions

- Telenor's share of cost synergies for Malaysia and Thailand combined (NPV)
- Significant valuation uplift potential from synergies
- Based on Telenor's approximate 1/3 ownership

NOK 20-25bn



2: A solid governance setup for minority positions



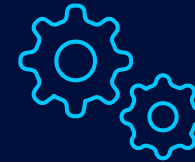
Up front

- Strategic alignment on priorities, business plan and key leadership and Board positions
- Commitment to governance principles in transaction agreements



Integration planning

- Place key leadership and Board members
- Develop governing structures and practices based on the higher of the two companies standards and aligned with international best practice

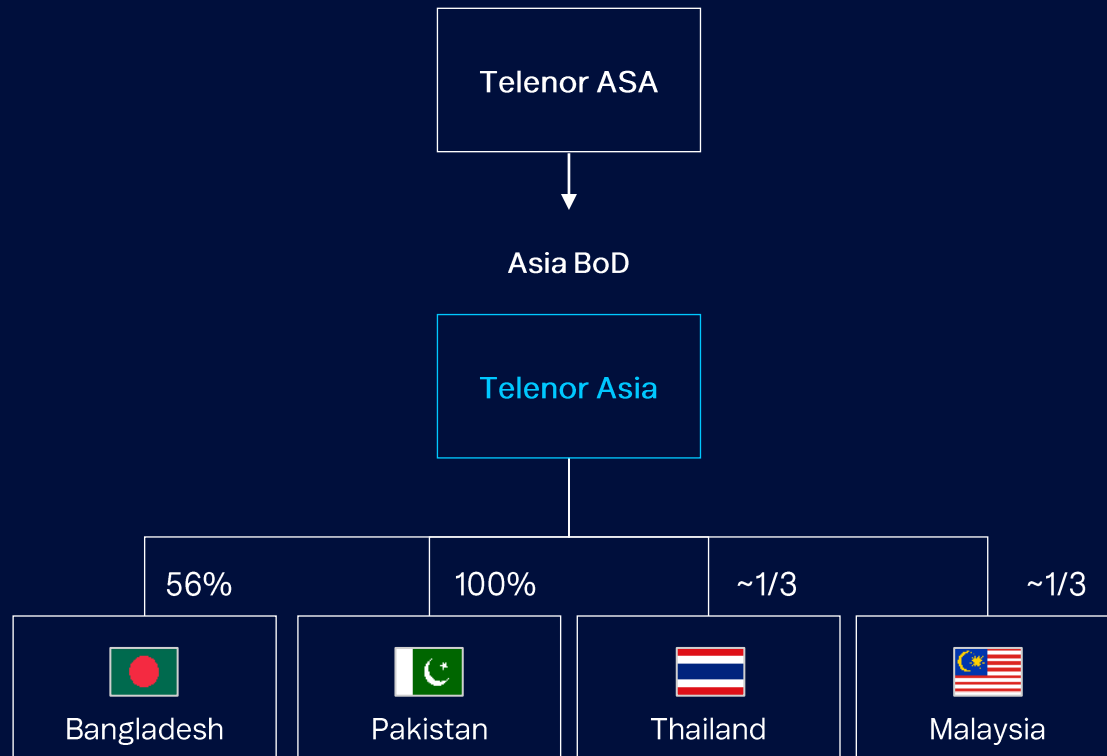


Once operational

- Ongoing tight partner collaboration
- Strong second line of defence functions (Governance, Risk, Internal Control, Compliance)
- Independent internal audit reporting directly to Board
- Experienced Board members supported by dedicated ownership team



3: Next steps in Asia – separate entity ready for structural partnerships



- Asian operations managed through the Asia Hub since 2020
- Proven value of being close to market both for operational performance and driving the structural agenda
- Taking the next step by establishing Telenor Asia as a separate entity
- Preparing for strategic opportunities such as structural partnerships or future IPO(s)



Summary

Delivering on strategy to de-risk and improve cash generation

- Outperforming our peers - drive operational and financial performance across the portfolio companies
- Seek consolidation, larger scale, and market leadership
- Prepare for structural partnerships and optionality
- Continue Telenor's commitment to good governance and responsible business

Targeting NOK 12bn cash flow from Asia 2023-2025, of which ~5bn in 2025



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A low-angle, upward-looking photograph of several telecommunications towers against a clear, light blue sky. The towers are constructed from metal lattice and are equipped with numerous large, circular satellite dishes and smaller antennas. The perspective makes the towers appear to converge towards the top of the frame. A dark blue rectangular box is overlaid on the left side of the image, containing white text.

Creating a leading Nordic
infrastructure company

Telenor is uniquely positioned to develop and capitalise on its Nordic digital infrastructure assets



Fibre

- 600,000 homes passed and 400,000 homes connected in Norway
- Mix of owned and leased fibre in rest of Nordics



Data centers

- Data center assets across Nordics
- Mix of owned, leased and rented



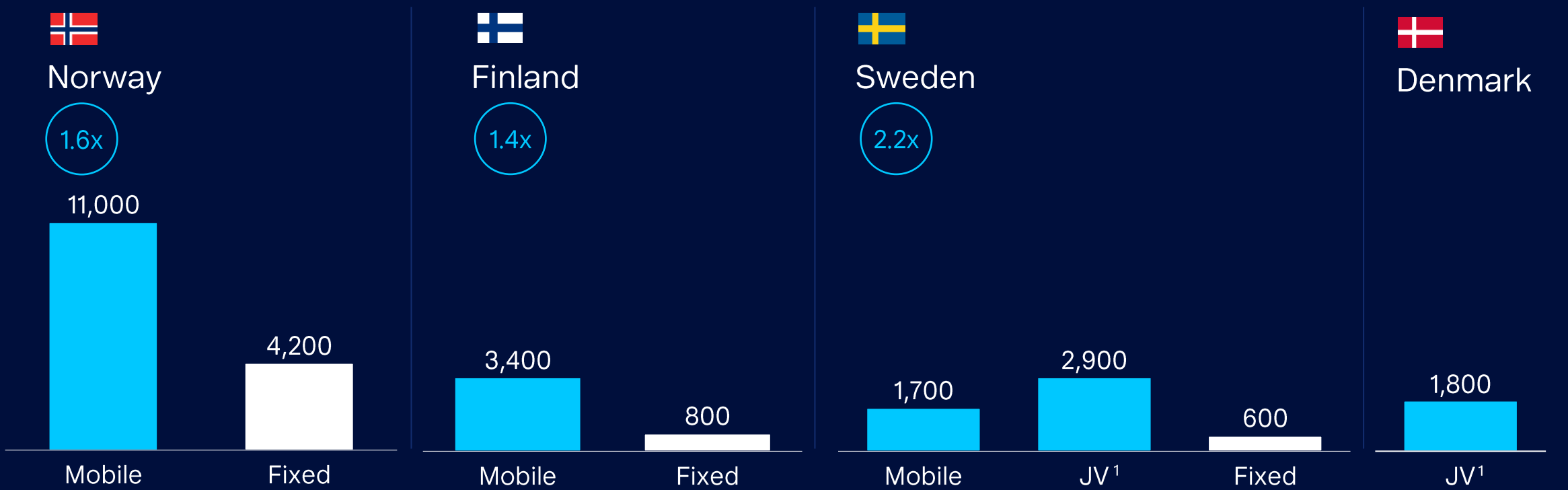
Towers

- Over 26,000 sites in the Nordics, with 21,000 fully owned and carved out
- Average tenancy ratio of 1.6



Towers: A strong Nordic Towers footprint

Total 26,400 sites, with 21,700 fully owned and carved out today

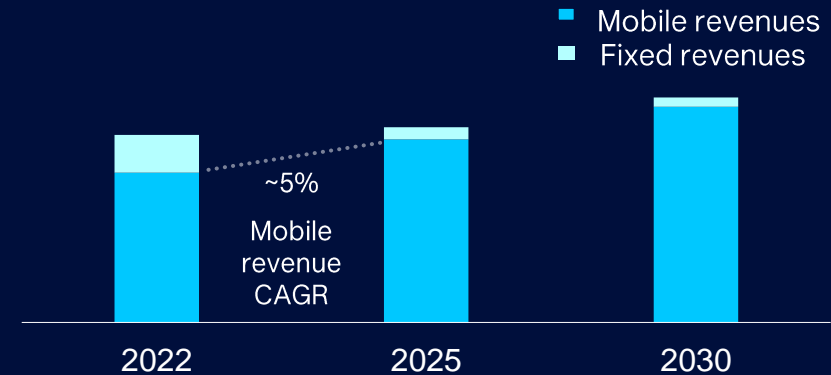


○ Mobile tenancy ratio for owned sites

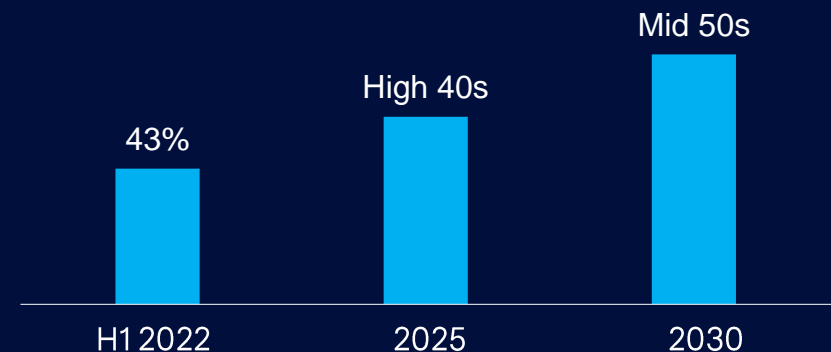
Towers: Unlocking significant value 2022-2025

- Accelerating growth with 5G roll-out and increased tenancies
- Driving modernisation through renewal, cost efficiencies and operational excellence
- Preparing for monetisation through partnerships

Revenues



EBITDAaL margin



Power Purchase Agreements signed in Norway and Denmark

Telenor Norway

Source: Wind power project in Sweden

Telenor offtake: 330 GWh

Duration: 10 years, starting from Q4
2023 or Q1 2024



Telenor Denmark

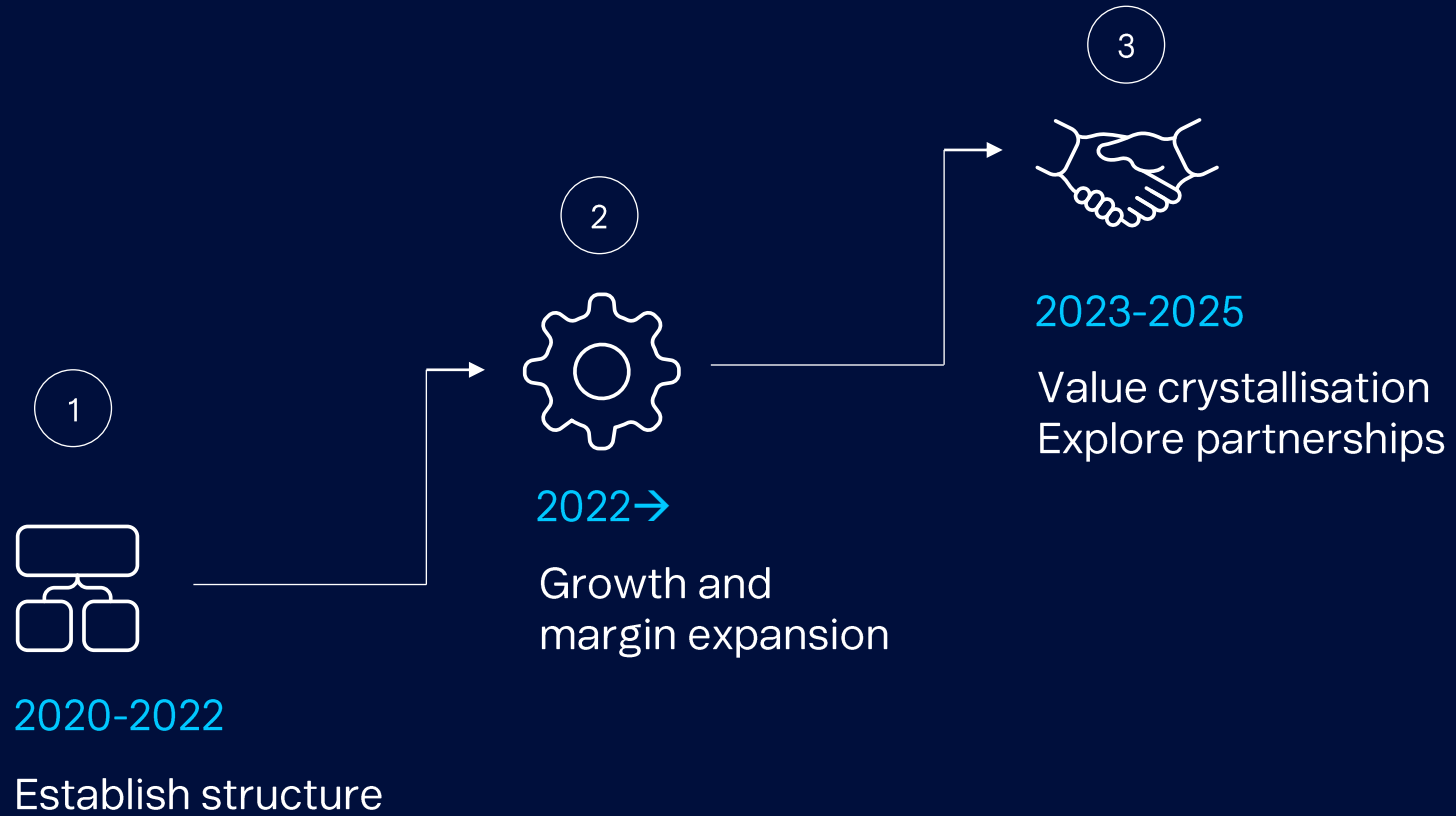
Source: Solar power project in Denmark

Telenor offtake: ~ 70% of consumption
in the JV TTN

Duration: 10 years, starting Q4 2024



Towers: Executing a 3-step strategy



Potential Norwegian fibre transaction



Potential fibre deal in Norway

- In process regarding a potential divestment of 30%
- Enabling further growth potential from network expansion

600,000

homes passed

383,000

own customers

26,000

wholesale
customers

NOK 1.7bn

estimated (proforma)
2021 EBITDA



An aerial photograph of a rural landscape. A large, dark shadow of a tree is cast across the right side of the image. The ground is a mix of brown, tilled soil and green, grassy areas. A narrow, straight path or road runs diagonally through the center of the field.

Summary

Creating a leading Nordic infrastructure company

Leading digital infrastructure
footprint in Nordics

Operational excellence
and responsible business

Attractive financial returns with
significant value unlocked



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Technology as enabler for profitable Growth



Technology enabling profitable growth

- Delaying the integrated telco model and deliver As-a-Service model
- Partnership for speed and scale
- Procurement as a Service



And during the session...

Our 175 million customer will
on average spend 4 min of their time
connecting to what matters most
through 103,000 physical sites

31,000,000 voice minutes,
634 TB mobile data, and
1,216 TB fixed data





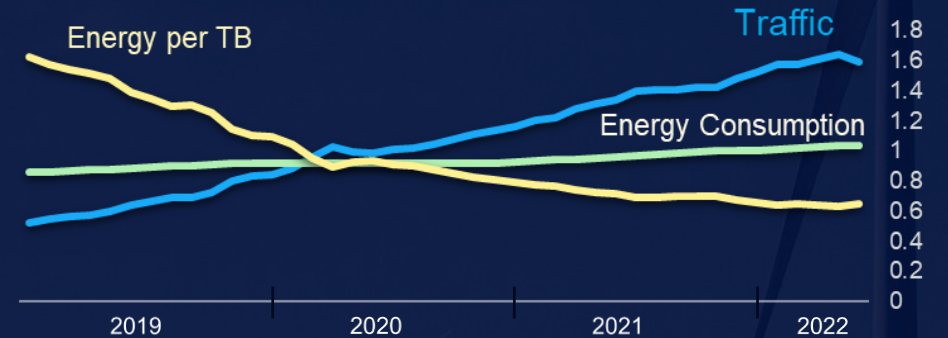
We exceeded
the CMD 2020 promises



And with 200% traffic growth, we delivered...

- Increased customer experience (NW NPS) with flat opex excluding energy cost
- Accelerated 5G modernisation by 1 year, maintaining capex/sales
- 60% less energy consumption per terra byte

Traffic vs. Energy



Customers' expectations require us to change the integrated telco model

Needs

Connectivity
Security
Analytics

Instant delivery

Self service
Single click
delivery

Full flexibility

Personalised
Programmable



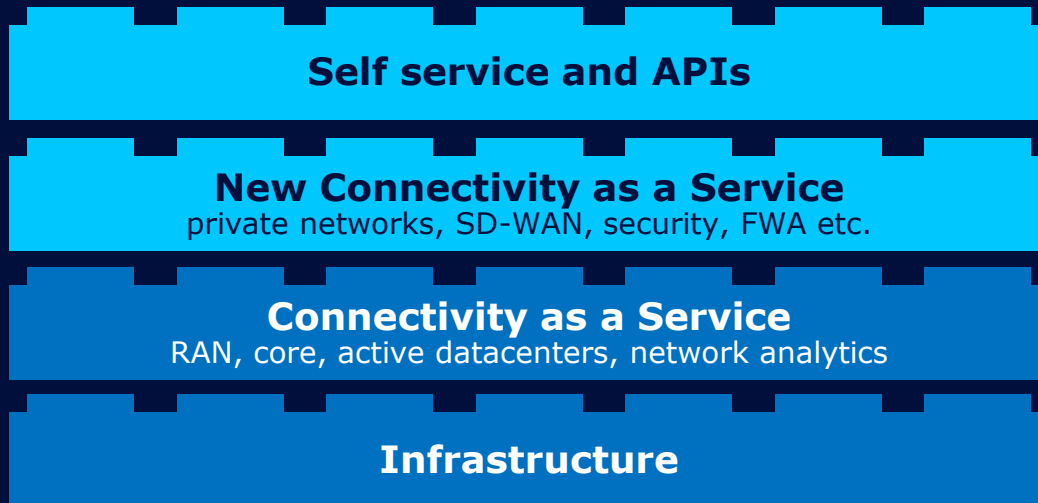
Technology enables us **to delayer** the integrated telco model into a secure and trusted As-a-Service model



Modular, flexible, security by design and fit to sell internal and partners services



Secure and trusted **As-a-Service** model is the core of our modernisation



New Connectivity as a Service:

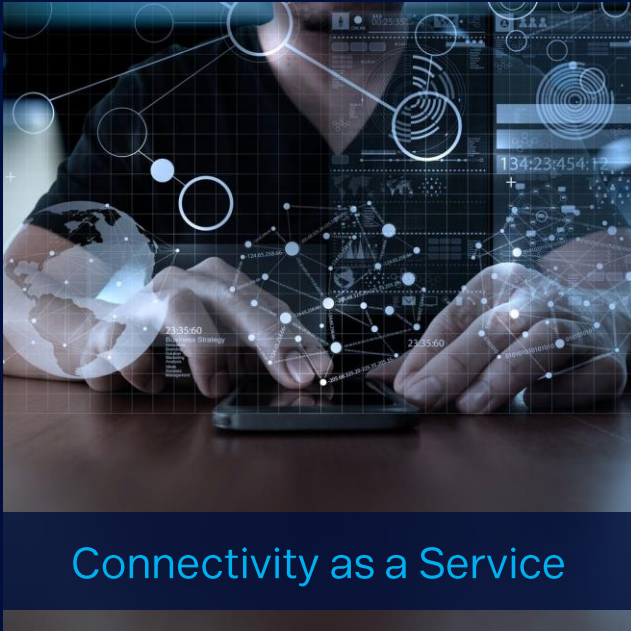
- Mobile private network
- Edge cloud
- Standardised APIs
- Security as a Service

Connectivity-as-a-Service:

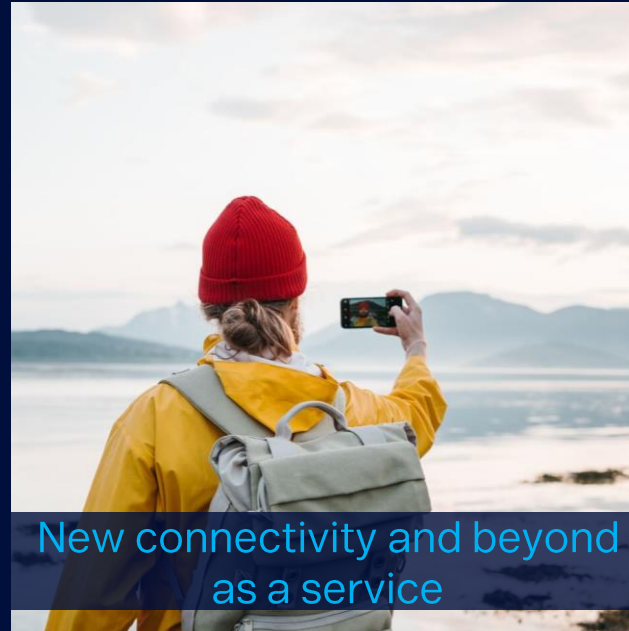
- Offer slicing through core as a service
- Configurable SLAs (e.g. latency, speed)
- Operations and analytics as a service
- Access networks RAN, SD-WAN, FWA



We will continue to lead in modernisation towards 2025



- Multi cloud – public first
- 5G
- Touch Free Operation
- Advanced analytics & AI



- Productised MPN & Edge Solutions
- APIs
- Security as a Service



- Procurement as a Service
- Multi partner



Multi Cloud approach to match speed & cost of innovation of global players in the local market

Towards 2025

Leading telco on native cloud

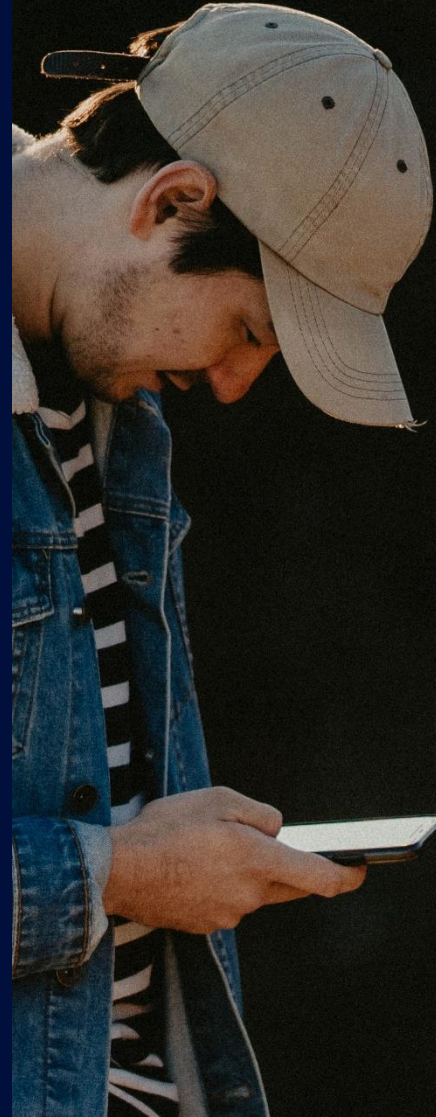
- Multi cloud / Public first / Secured
- Sovereign cloud

Leader in industrializing and scaling products

- Industrialised mobile private network (MPN), Edge, SD WAN
- Industry leading service offering through APIs

Be the preferred partner in Nordics

- Double down on innovation



Leading Telco cloud adoption (>50%)
AWS Lighthouse Customer

7 commercial use cases live
250 Standardised APIs

5 strategic partnerships
From quarterly to >1000 releases/month



Partnerships to modernise our core, leverage our local presence grow & outpace the market

Towards 2025

Preferred trusted aggregator

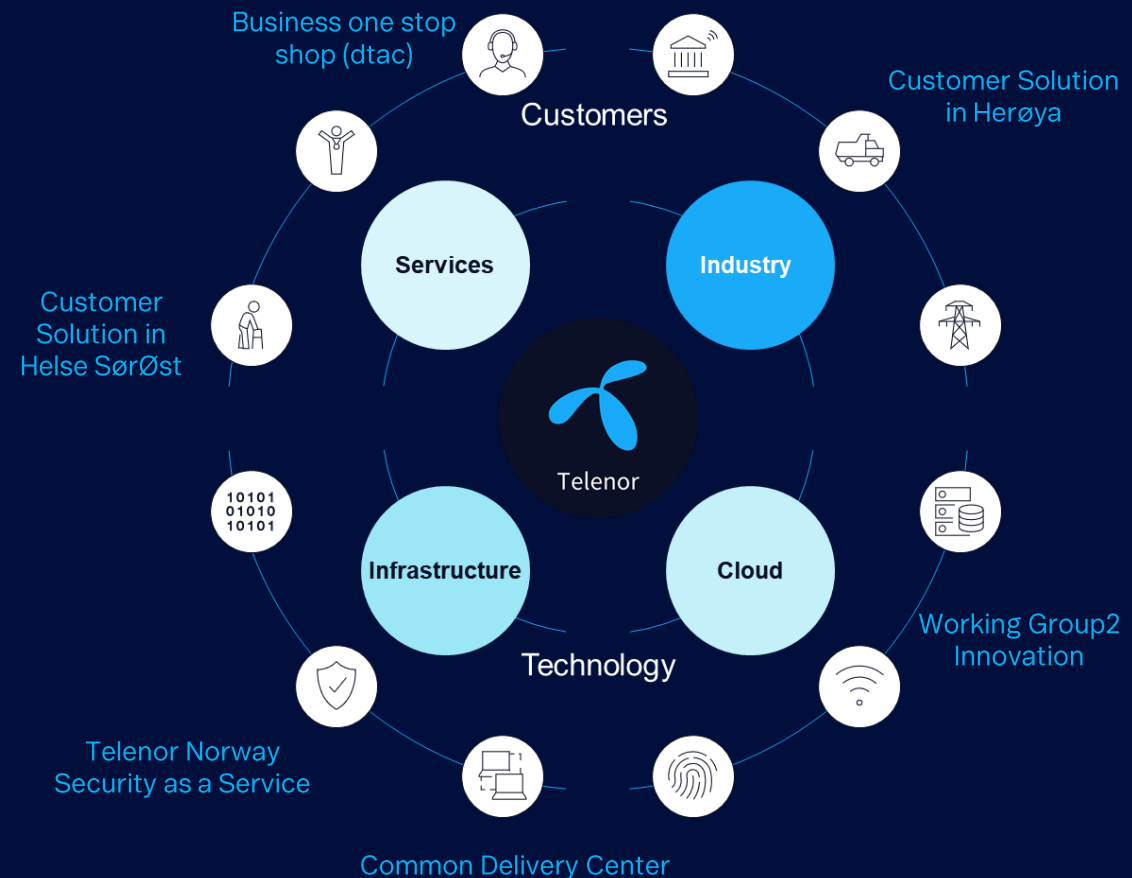
- Fostering partner innovations
- Ecosystem for selected verticals

Accelerated as-a-service model

- Use partner's "as-a-service" offerings
- Master as-a-Service operations

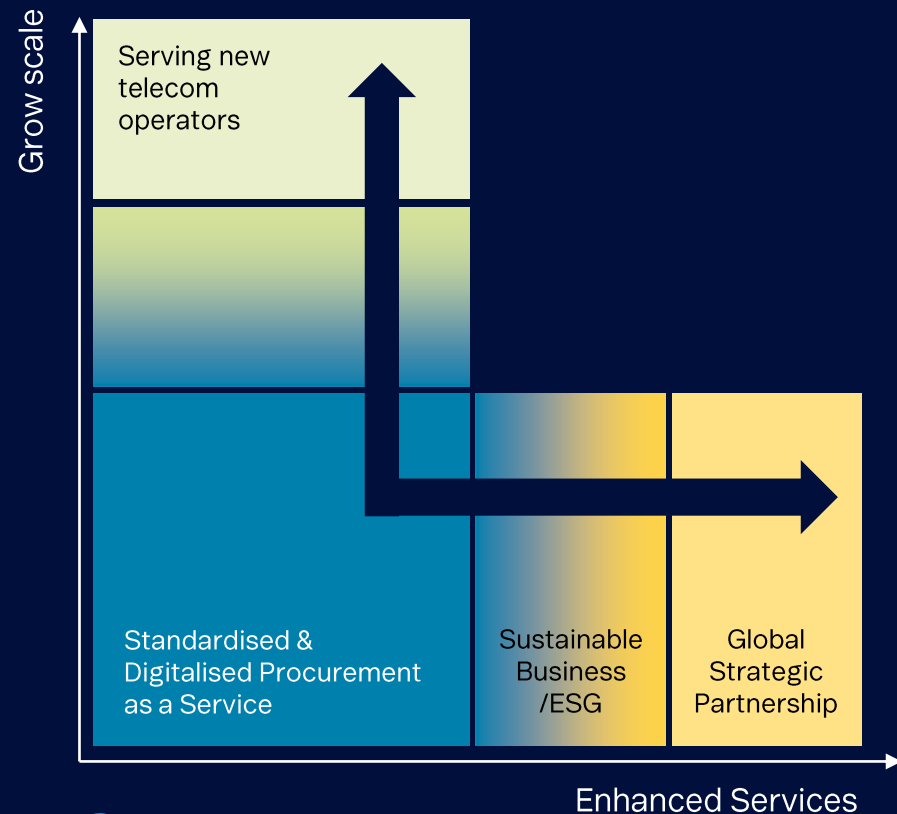
Double down on Speed & Scale

- Be first on the market
- Replicate multiple products



Procurement as a Service accelerates scale, speed and impact - capitalising on our strong foundation and partnering

Procurement as a Service model



Ambitions 2025

Grow the scale

- All customers are on Procurement as a Service model
- 50% increase of centrally managed spend within 2025

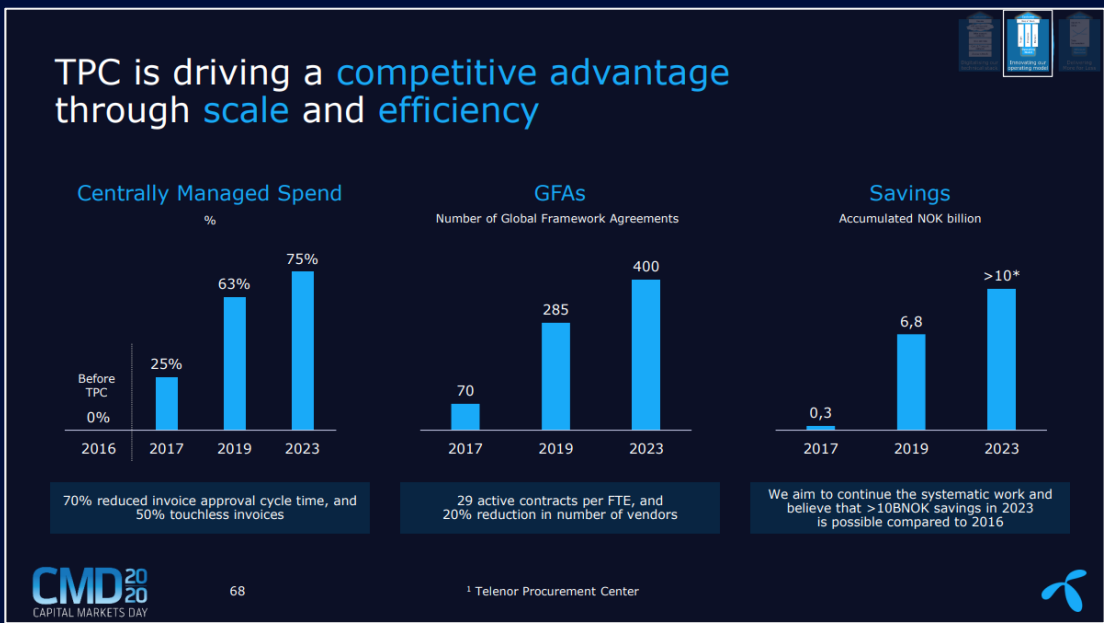
Green procurement

- 68% Science Based Targets (33% in Q2 2022)



Procurement business plan and CMD 2020 promises exceeded

Snapshot from CMD 2020



	Target for 2023	Status Q2 2022
Managed Spend	75%	>80%
# of Frame Agreements	400	>600
Savings Accumulated in NOK incl. avoidance	10bn	>15bn



Summary

Technology & partnerships deliver profitable growth

- Offer Connectivity as a Service
- Offer productised solutions for new connectivity and beyond
- Double down on speed and scale through Partnerships

...built on the continuous modernisation
mindset and can-do attitude



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A close-up photograph of two hands, one from a person on the left and one from a person on the right, gently holding each other. The background is a bright, sunlit ocean with white-capped waves. The lighting is soft and warm, suggesting a sunset or sunrise. The hands are positioned in the center of the frame, with the fingers interlaced. The person on the left is wearing a white shirt, and the person on the right is wearing a red patterned garment.

Responsible Business in practice – 2025 ambitions



Acting responsibly in a rapidly changing business environment

Driving positive impact
through connectivity

5.8m

people trained in online safety

2.5m

children given a formal identity

122,133 tCO₂

reduction between 2019-2021



The same high standards
everywhere we operate

- Anti-corruption
- Diversity & Inclusion
- Human Rights
- Supply chain sustainability
- Data privacy compliance
- Security
- Health, safety & wellbeing



Our 2025 ESG ambitions



Environmental

Deliver on our science-based climate targets and be an environmental enabler for our partners and customers



Social

Drive social and digital inclusion by promoting skills for the future and workplace diversity



Governance

Upholding high standards of governance across and be the preferred partner for digitalisation and corporate cyber security





Reducing our CO₂ emissions and enabling customers

Achieving carbon-neutral operations in Nordics, and 50% CO₂ emission reduction in Asia by 2030

Ensuring that 68% of suppliers by spend have set science-based climate targets by 2025

Enabling customer to reduce GHG emissions through connectivity services





Be a frontrunner in social and digital inclusion

Ensuring 68% active data users by 2025

Training an additional 6m people in digital skills by 2025

40% women in senior leadership roles by 2025



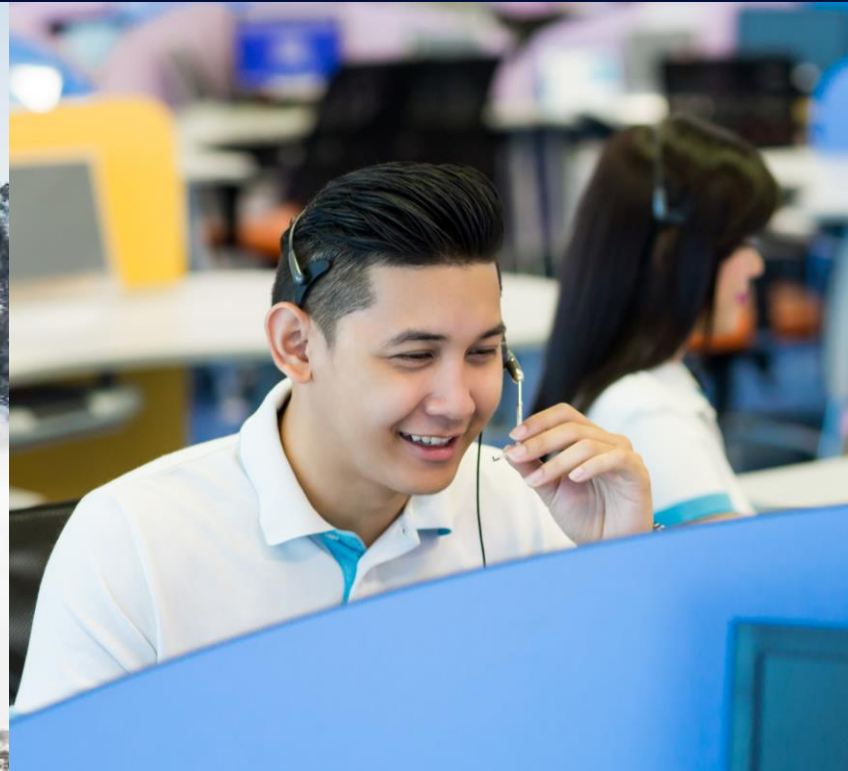


Upholding strong governance and becoming a preferred security partner

Responsible owner in controlled and non-controlled entities

Achieve an annual 90% closure rate of major and minor non-conformities in the supply chain

Be the preferred partner for security and digitalisation



Summary

Responsible Business in practice – 2025 ambitions

- Delivering on our commitment to reduce GHG emissions
- Empowering marginalised groups through digital & social inclusion
- High international standards of governance across all entities



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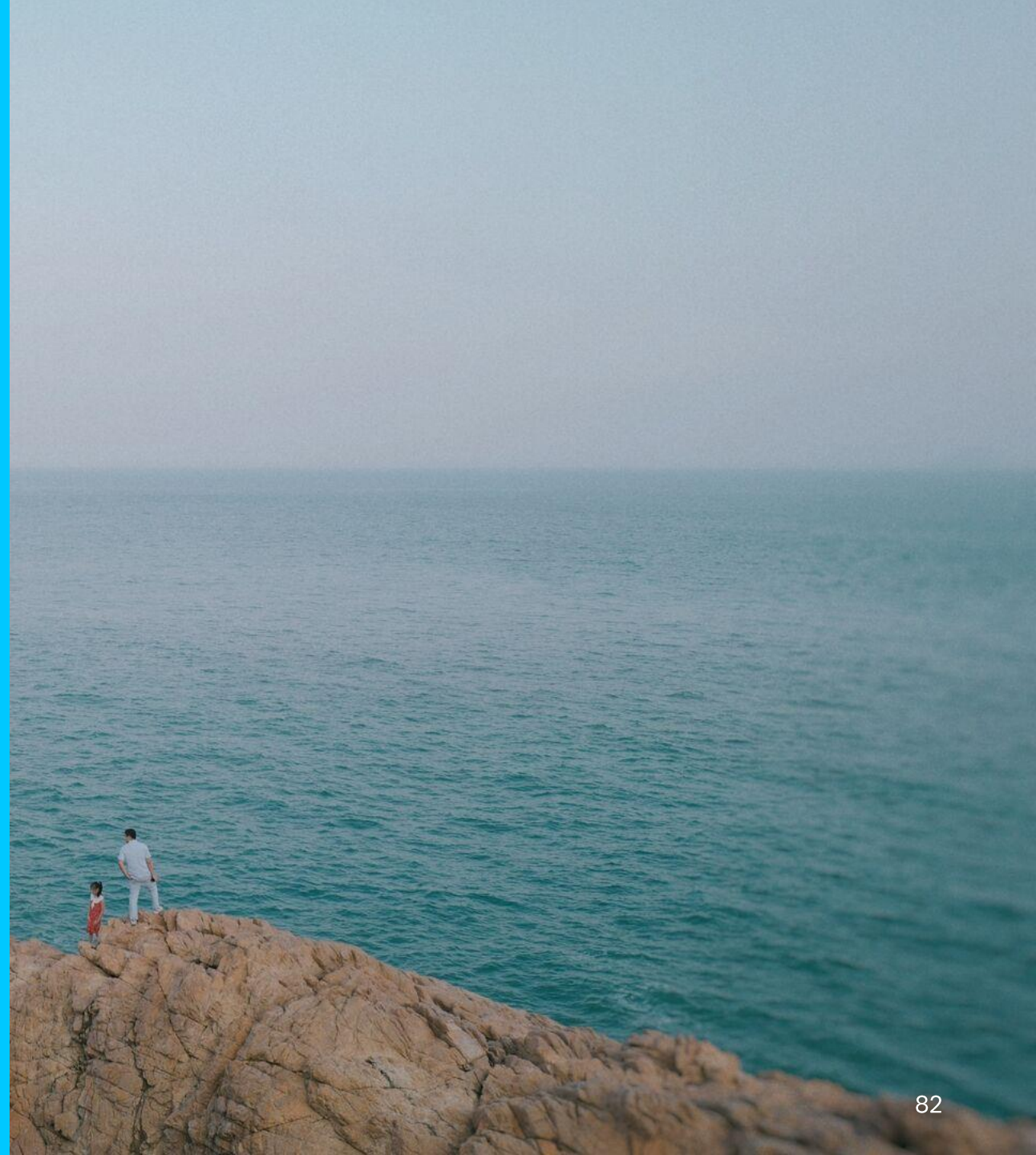
Technology

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Profitable growth to secure
Cash flow and dividend

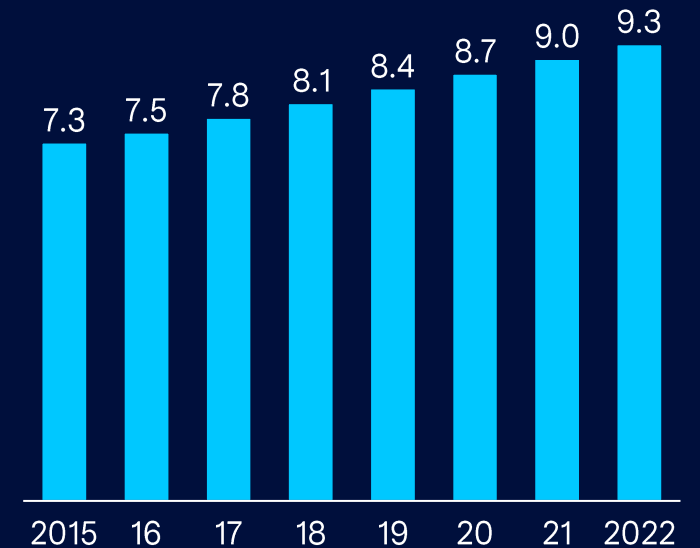


Long term value creation and remuneration predictability

10-year total shareholder return

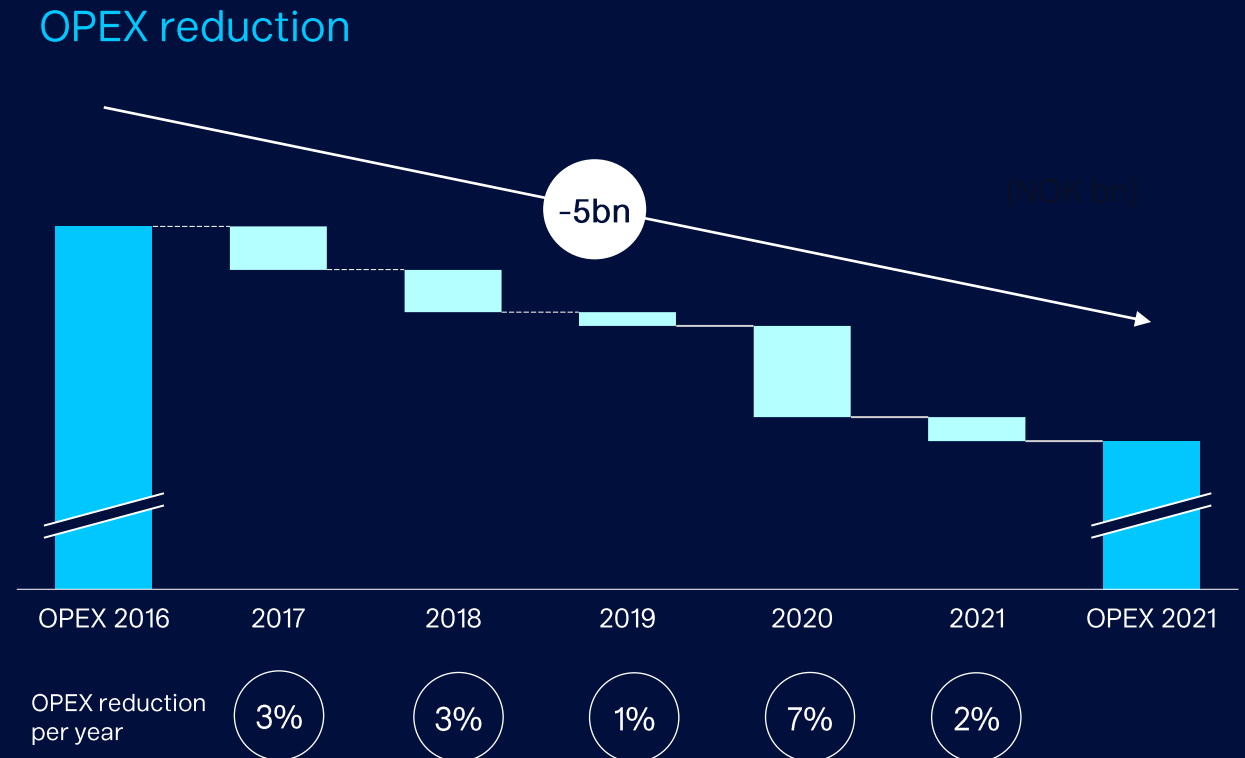


Dividend consistency
NOK per share



Material cost reductions since 2016

- OPEX reduction of more than NOK 5bn in 2016-2021
- Structural efficiencies and modernisation is a major contributor to the overall OPEX savings
- Modernisation journey continues



FX adjusted OPEX. Illustrative development from 2016 (adjusted for IFRS16 and change in Group structure)



Delivering on commitments

2017-2020

	Organic S&T revenue	OPEX reductions	Capex / sales ratio
What we said:	low single-digit growth	1-3% net reduction per year	around 15%, excl. licences
What we delivered:	1% CAGR	-2% CAGR	15% avg.

2020-2021

	Organic S&T revenue	OPEX reductions	Capex / sales ratio
	0-2%	1-3% net reduction per year	around 15%, excl. licences
	-1% CAGR	-5% CAGR	15% avg.



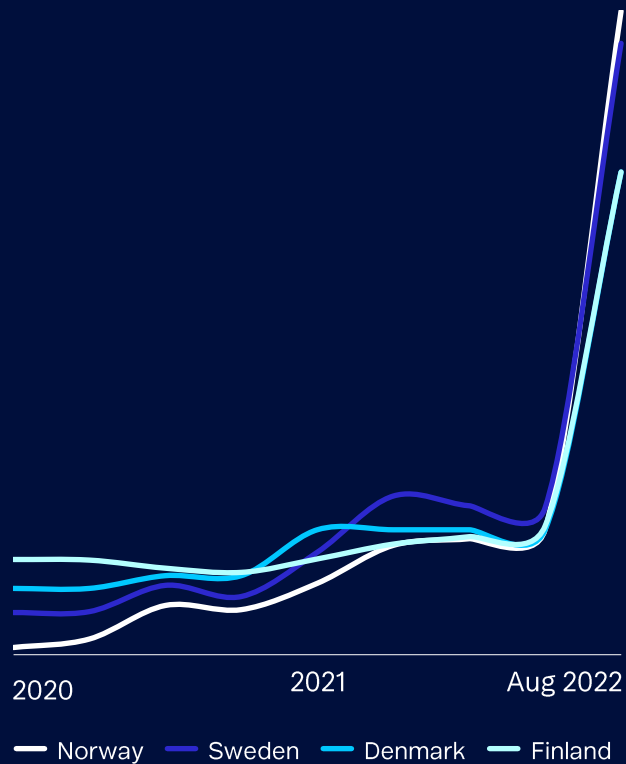


2022

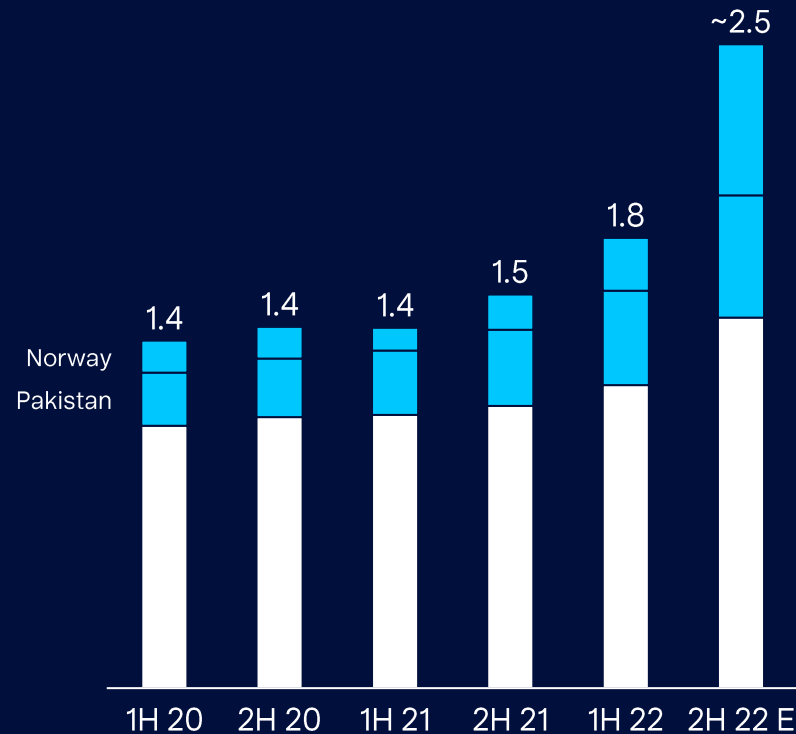


Energy prices increasing further

Energy spot prices in the Nordics



Energy cost development (NOK bn)



- Energy cost in 2H set to increase by ~1bn NOK year-on-year at current prices
- Increasingly difficult to reach guiding of flat EBITDA in 2022



Financial priorities 2023-2025

- 1 Profitable growth, reduced capex intensity and continued modernisation in the Nordics
- 2 Strengthen cash flow from Asia
- 3 Unlock value of infrastructure
- 4 Disciplined approach in Adjacent Businesses

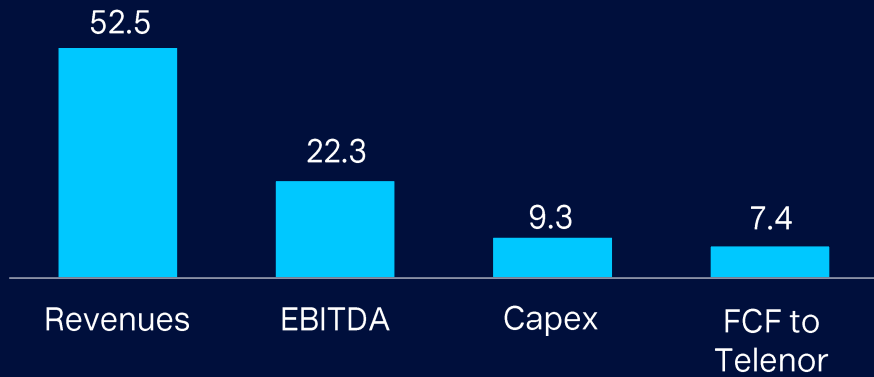


Unchanged dividend policy
supported by cash flow growth

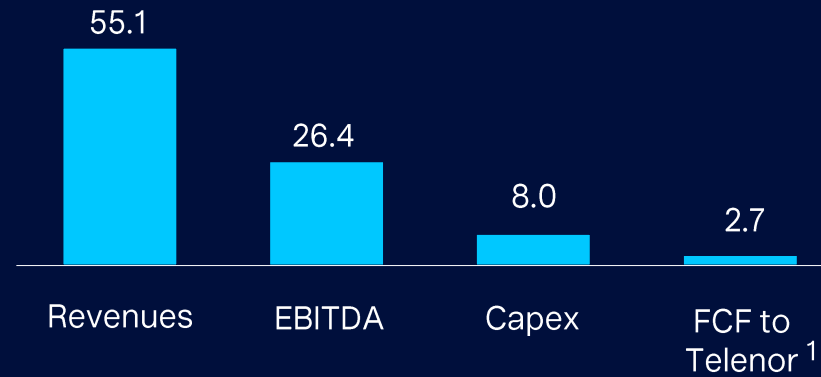


Starting lineup for the new Business Areas

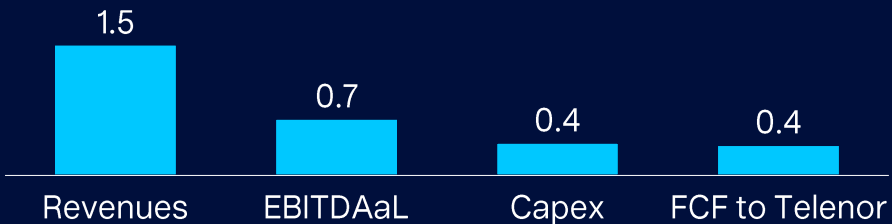
Nordics 2021



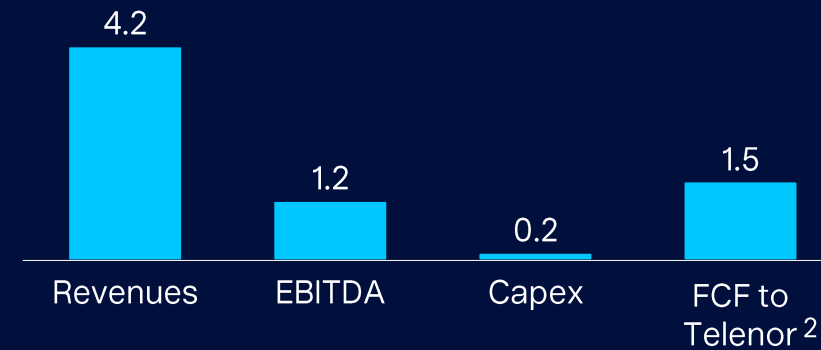
Asia 2021



Infrastructure (Towers 1H 2022)



Adjacent Business 2021



Note: All figures in NOK bn

1. After minority interests in Asia
2. Including JV and associated companies' contribution

Strategy creating optionality

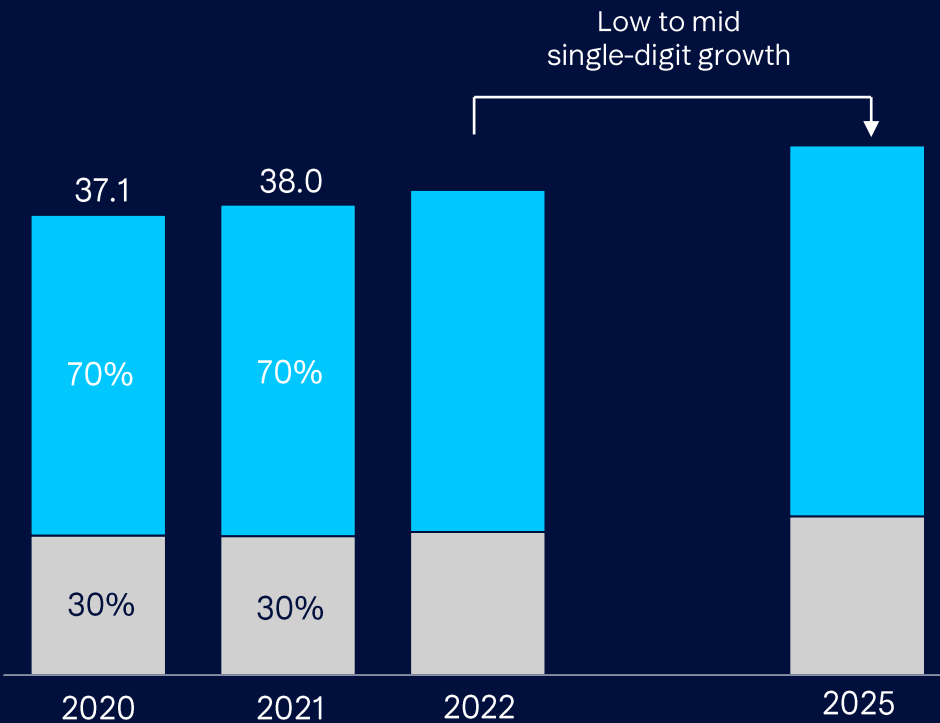
Asset	Telenor Nordics	Telenor Asia	Infrastructure	Adjacent Businesses
Ownership strategy	Fully owned	Partnerships / Minority	Majority ownership	Partnerships
Value creation strategy	Profitable growth ↓	Cash flow focus ↓	Value crystallisation ↓	Asset by asset ↓
2025 ambition	<ul style="list-style-type: none">• Low- to mid single-digit service revenue growth• Mid single-digit EBITDA growth	<ul style="list-style-type: none">• NOK ~12bn in Free Cash Flow 2023-2025	<ul style="list-style-type: none">• Maintain operational control• Explore sale of minority share	<ul style="list-style-type: none">• Develop IoT and Security• Monetise non-core assets



Profitable growth in the Nordics

Service revenues NOK bn (ex. copper)

■ B2C ■ B2B



Consumer

- Drive core service revenues through ARPU improvements
- Proven track record of offering related services to drive ARPU; e.g security and insurance

Business

- 5G opportunities
- Private networks
- Security services
- IoT



Strengthen cash flow and reducing risk exposure in Asia

- 1 Realise synergies from mergers in Thailand and Malaysia
- 2 Safeguard cash flow through operational execution
- 3 Prepare for further value accretive structural opportunities, and enable optionality for cash repatriation through partnerships or IPOs

NOK 20-25bn

NPV of synergies to Telenor shareholders

NOK 12bn free cash flow

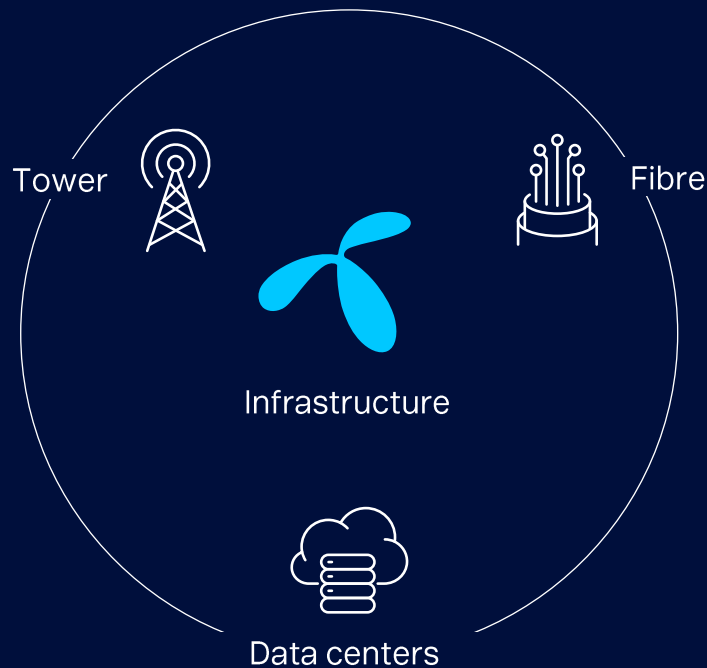
Targeting accumulated NOK 12bn the next three years with around 5bn in 2025

Telenor share of cash flow from Asia 2023-2025 before M&A, assuming merger completion



Unlock infrastructure values

Setting up infrastructure as a separate asset class...



... to unlock values through operational performance and monetisation



In process regarding a potential Norwegian fibre transaction



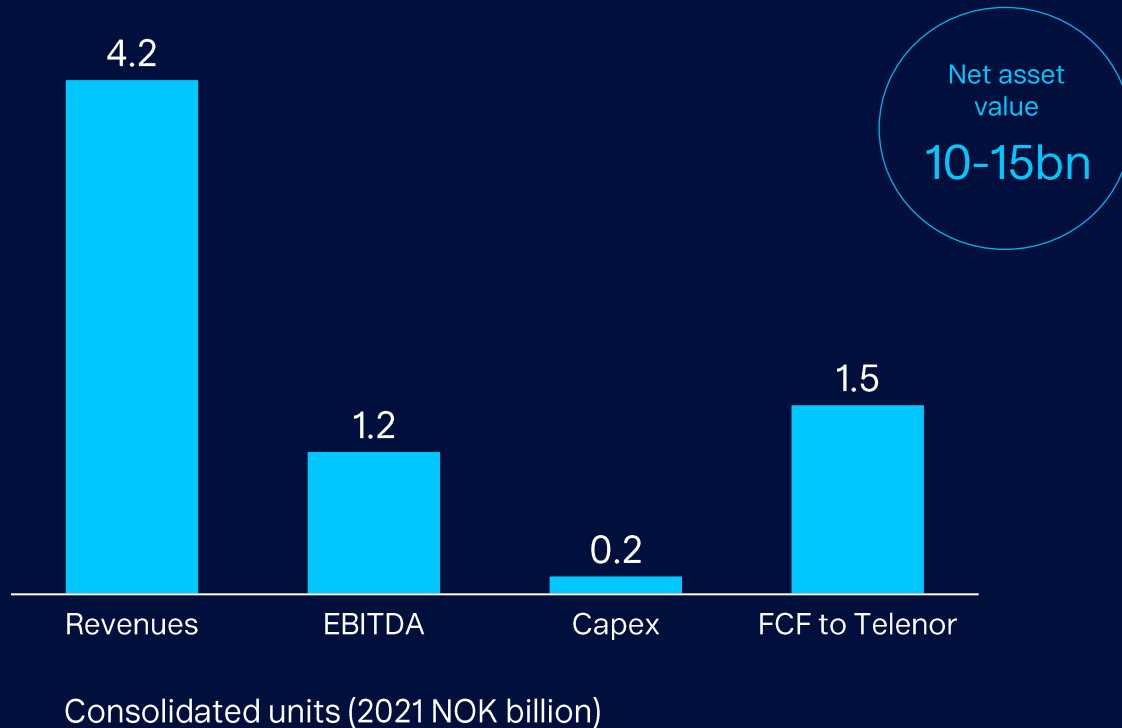
Parts of proceeds to be used for share buybacks



Structural transactions in Towers



Disciplined approach to value creation in adjacent portfolio



Portfolio strategy

- Value driven approach, develop or divest within portfolio
- Recycling of proceeds to develop assets or fund innovation
- Focus on growing IoT and security
- Partnership approach



Value creation plan going forward



Carve-outs and modernisation

Next 12 months

- Closing of mergers in Malaysia and Thailand and start of integration
- Shut down copper network
- Nordic modernisation agenda
- In process regarding a potential Norwegian fibre transaction



Cash flow boost

Next 12-36 months

- EBITDA growth and reduced capex intensity in the Nordics
- Realising synergies in Asia
- Value creation through operational excellence in Towers
- Potential monetisation and strategic transactions in towers



Cash repatriation

Next 36+ months

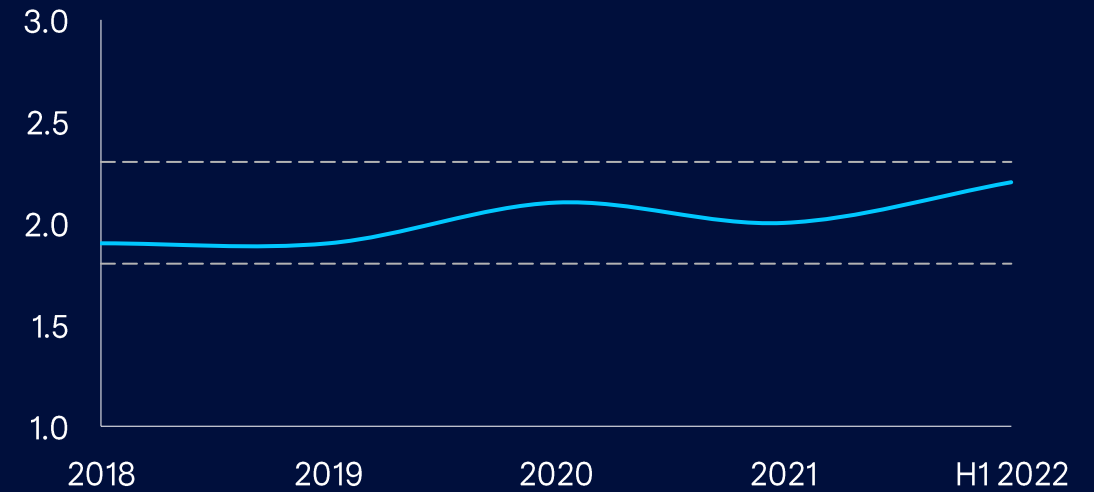
- Growth in Nordic services
- Continued synergy realisation and cash repatriation from partnerships / IPOs
- Increase in "Adjacent Businesses" value – IoT and security



Strong financial fundament – financial policy unchanged

- Good access to debt capital markets, supported by strong credit ratings from S&P and Moody's
- Balanced maturity profile with average maturity of 5 years
- ~60% of debt¹ fixed at average rates of 1.3%
- Undrawn EUR 1.8bn Revolving Credit Facility maturing 2025, with ESG features
- Sustainability linked Bonds framework established

Net debt/EBITDA 2018-2022



High standard in extensiveness and transparency of reporting

Reporting Frameworks

<p>Existing Reporting Initiative (GR)</p> 	<p>UN Global Compact (UNGC)</p> 	<p>Carbon Based Targets initiative (CDP)</p> 	<p>Science Based Targets initiative (SBTi)</p> 
<p>ISS-oekom</p> 	<p>FTSE4Good</p> 	<p>Ranking Digital Rights</p> 	<p>EU Taxonomy</p> 
<p>Global Network Initiative (GNI)</p> 	<p>Sus Accounting Standards Board (SASB)</p> 	<p>Task Force on Climate related Financial Disclosures (TCFD)</p> 	



Free cash flow to cover dividend in 2025

Nordic growth in EBITDA

- Top line growth and continued modernisation

Asian M&A impacting cash flow in 2023

- Synergy realisation picking up towards end of period

Illustrative free cash flow 2022-2025

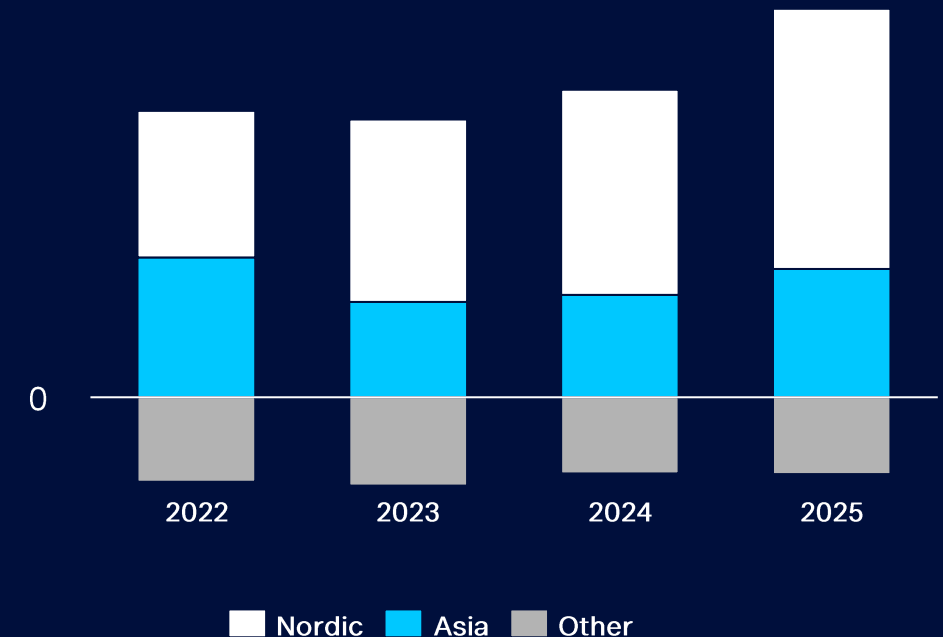


Illustration including committed spectrum and before M&A.

Assuming closing of transactions in Thailand and Malaysia (deconsolidation) 01.01.2023. Assuming 33% ownership after VTO in Thailand. FX-rates as of 31.08.22

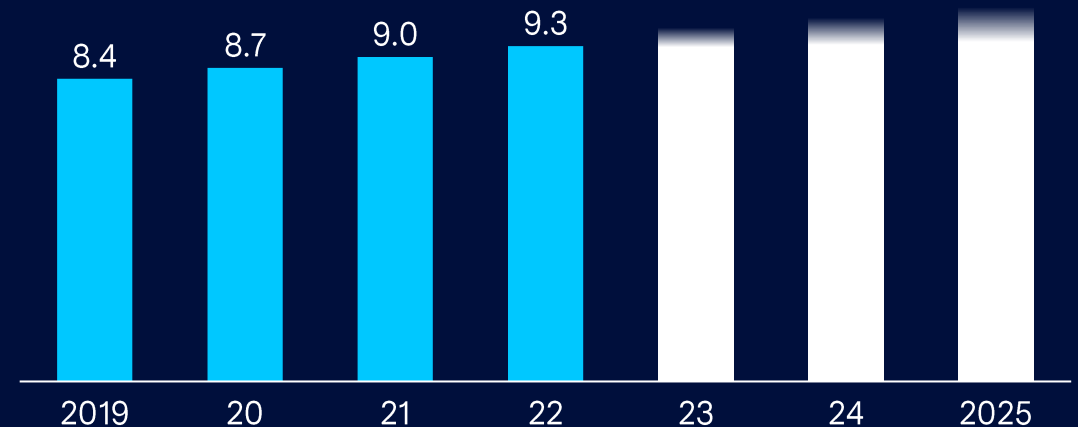


Consistent dividend policy yielding annual increase in dividend per share

- Nordic EBITDA growth
- Asia improved cash flow from synergy realization
- M&A and asset monetisation together with financial capacity to cover periodic cash flow shortfall

Dividend policy remains unchanged:
YoY growth in ordinary dividends per share

NOK per share



Mid-term ambitions 2023-2025

Group

Dividend policy



YoY growth in DPS

Free cash flow



FCF before M&A to cover dividend in 2025

Net debt/EBITDA



1.8-2.3x

Nordics

Service revenues



Low to mid single-digit growth

EBITDA



Mid single-digit growth



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Telenor drives positive impact through connectivity



Environmental

Environmental enabler for
our partners and customers



Social

Drive social and digital
inclusion



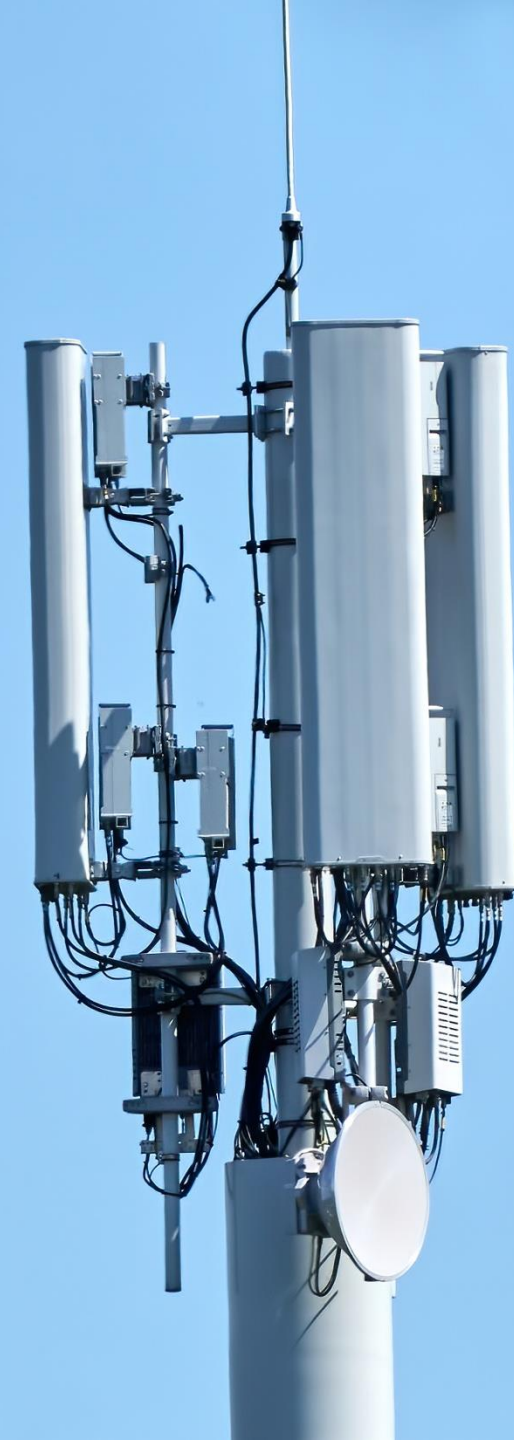
Governance

Raising standards



Solid value drivers supporting attractive shareholder returns

- 1 A leading Nordic telco with profitable growth from efficient connectivity and services
- 2 A strong Asian entity focused on synergies and cash flow
- 3 Crystallise value as a leading Nordic Infrastructure company
- 4 Focused approach to Adjacent Business





Thank you



Q&A

To ask questions, please dial:

+46 (0)8 5664 2765 (Sweden)

+44 (0)330 165 4012 (UK)

+1 646-828-8143 (US)

Please state confirmation
code **5318271** your name and company to
the operator.

To queue up for questions please **press *1**