



Q2 2023

Sigve Brekke, CEO

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The comments in the presentation are related to Telenor's development in 2023 compared to the same quarter of 2022, unless otherwise stated.

Q2 2023: Operational execution in line with plan



Groupwide momentum

Mid-single digit service revenue growth across BAs, double-digit in Amp



EBITDA and capex in line with plan

Solid Nordics growth, strength in Asia amid tough macro backdrop



Transformational agenda focus

Legacy wind-down, operational transformation and structural optionalities



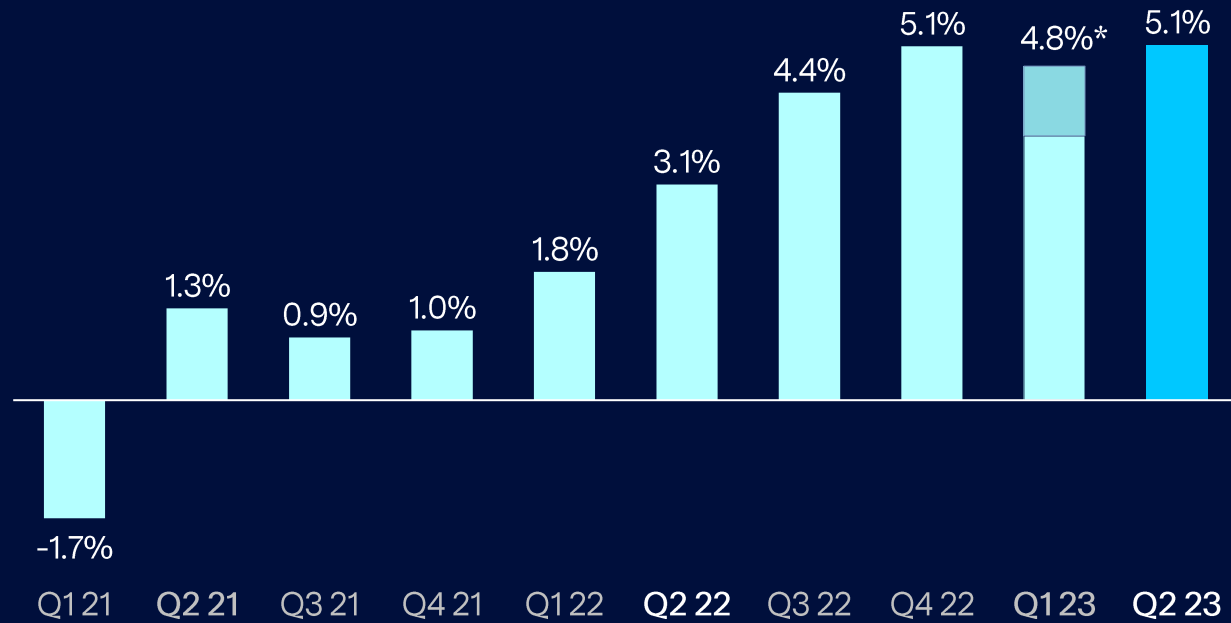
FCF and leverage

High investments, spectrum payments, tax dispute resolution and FX effects

Nordic growth confirmed

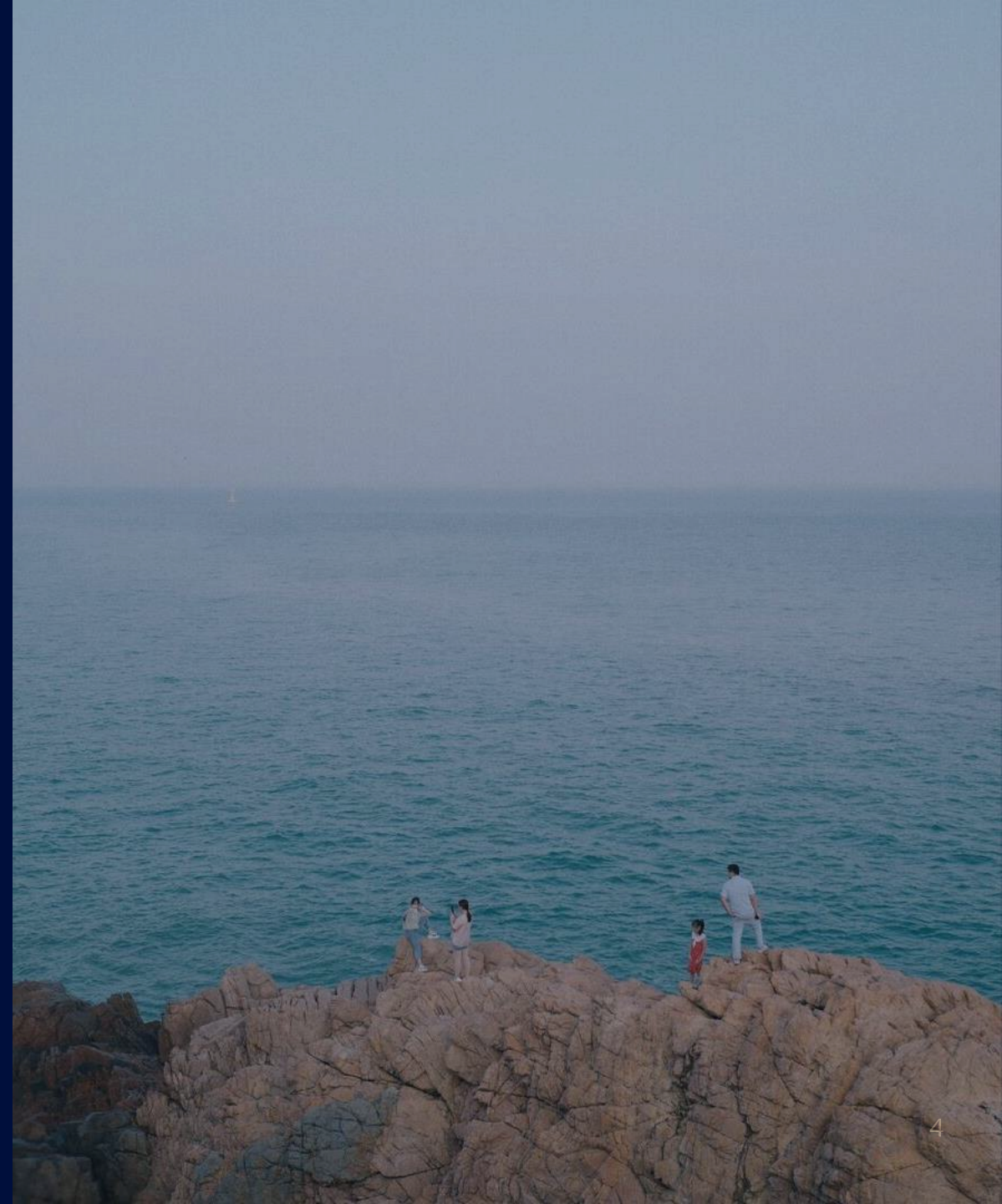
Nordic mobile service revenues

Year-on-year growth (%)



Q2 2023

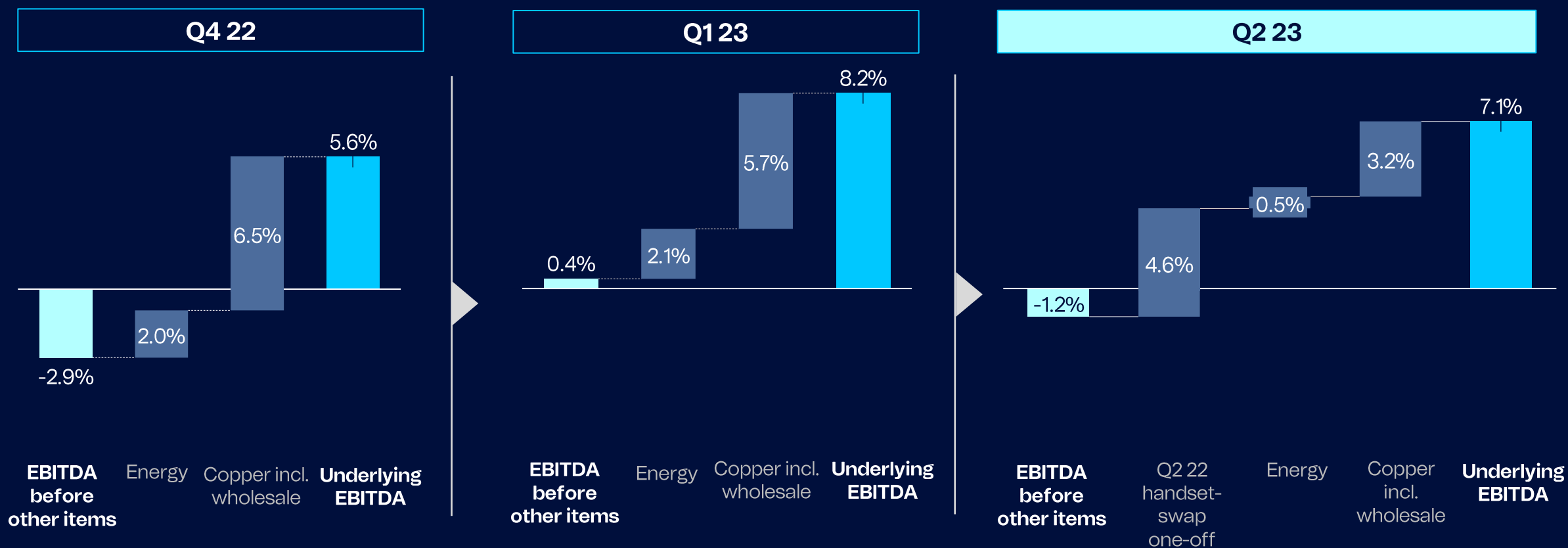
*3.8% including reversal of revenues of NOK 66m in Telenor Denmark, relating to 2018-2019 accounts



Continued underlying EBITDA growth in Norway

Telenor Norway EBITDA growth

Year-on-year



Nordic: Solid momentum into H2

SERVICE REVENUE

Trend expected to be maintained



- Healthy subscriber and pricing development
- Negligible legacy headwinds in H2 vs to H1
- VAS trends sustained

EBITDA

Organic growth rate to approach service revenue growth



- Gross margin improvement from falling electricity price and decommissioning
- Operational efficiency improvements

CAPEX AND WORKING CAPITAL DISCIPLINE

Supporting free cash flow growth



- H1: capex ~18%
- H2: capex tracking towards ~16%
- Working capital optimisation

Nordic transformation to drive further efficiencies

Nordic synergy areas



Tech and IT

New operating model



Commercial

Common solutions & platforms for new services



Support Functions

Shared services, standardized processes & step-change in automation







Enhanced working capital management

Joint analytics & expertise

Accelerating cost efficiencies to deliver on 2022- 2025 opex reduction of 1-3%

Continued progress in Asia

	Company	Market Position	Key Highlights
Consolidated companies	 Grameenphone	# 1	<ul style="list-style-type: none"> Subscriber growth Growth in data usage Voice monetization
	 Telenor Pakistan	# 3	<ul style="list-style-type: none"> Data growth and multiple price-ups. Firm cost control despite high-inflation macro context
Associated companies	 True Corporation	# 1	<ul style="list-style-type: none"> Encouraging economic/market developments. Integration program started
	 Celcom Digi	# 1	<ul style="list-style-type: none"> Full focus on merger integration and execution





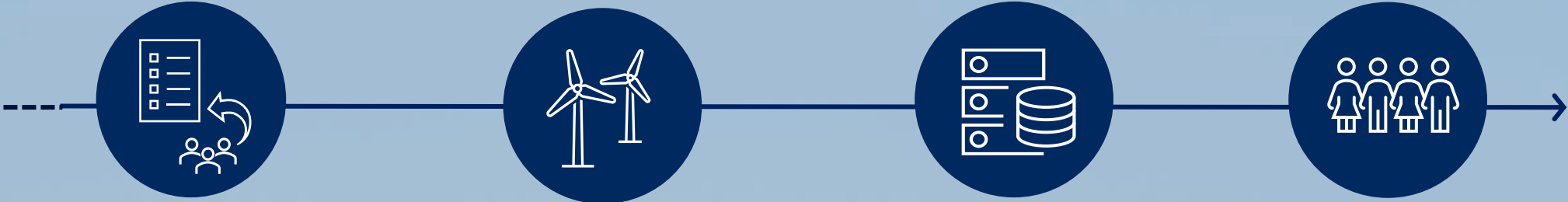
Telenor Infrastructure



Telenor Amp

Advancing the digital world to be green, safe - and for all

Q2 milestones:



Science-Based climate targets (SBTs) for suppliers

Introducing stricter requirements on biggest suppliers to set SBTs and goals to reduce carbon footprint

Power Purchasing Agreement in Finland

A 10-year PPA with Statkraft to bring additional renewable energy to the market and hedge against price volatility

Green and secure datacentres

Partnering with Hafslund and HitecVision to build secure and energy-efficient data centers in the Oslo area

Telenor Sweden partnering with Plan International

To build skills and engagement to prevent violations against children and youth online. In Q2, 300 000 people were trained

Q2: Operational momentum in focus





Q2 2023

Tone Hegland Bachke, CFO

Group Financial Highlights of Q2 2023



4.4%

Service revenue growth
year-over-year



4.1%

EBITDA growth
year-over-year



17%

Capex/sales



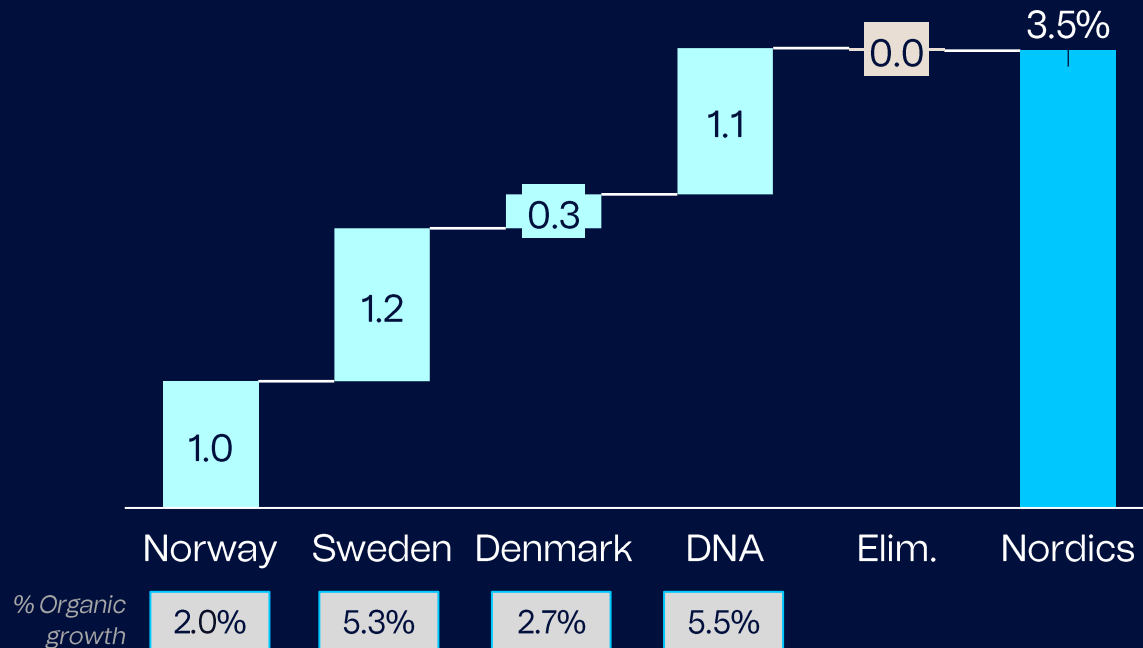
-0.2bn

Free cash flow
before M&A (NOK)

Telenor Nordic in line with Outlook

Organic service revenue growth

Percentage-point contribution to YoY %-growth



Service revenues of 3.5%
EBITDA growth of 2%



Opex growth of 2%
despite inflation



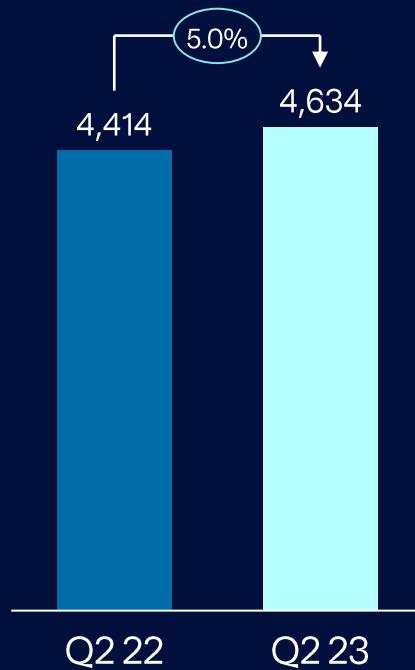
Capex/sales of 17%, in
line with FY outlook

Telenor Asia – good underlying Revenue and EBITDA

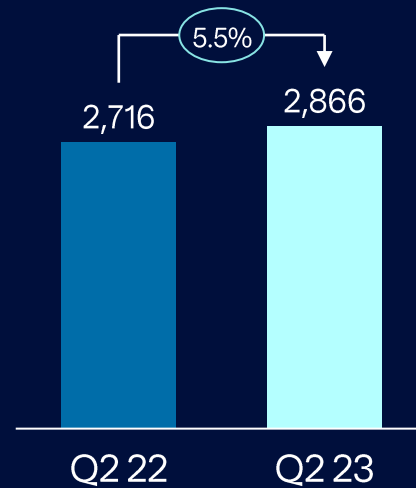
Grameenphone and Telenor Pakistan

NOK million

Organic service revenues:



Organic EBITDA:



Data revenue growth and price actions driving service revenues



Dispute-related resolutions Grameenphone



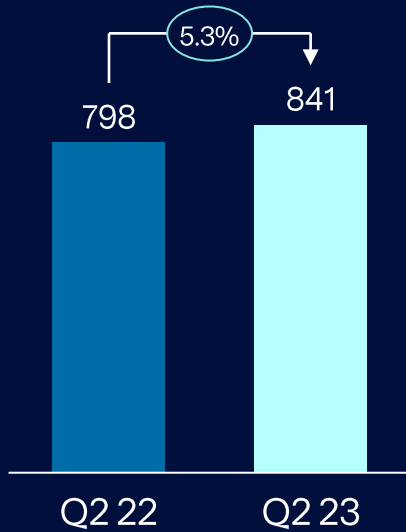
CelcomDigi: quarterly dividend of NOK 0.3bn received

Telenor Infrastructure

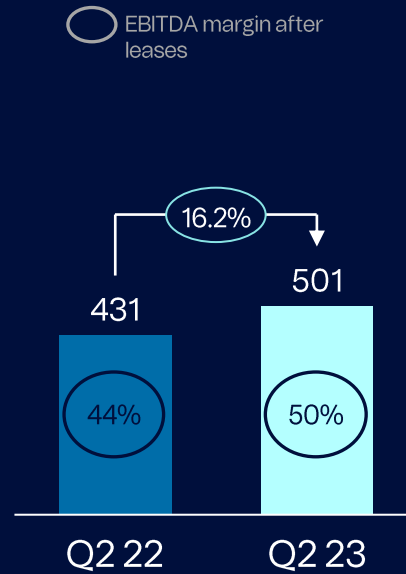
NOK million



Organic total revenues:



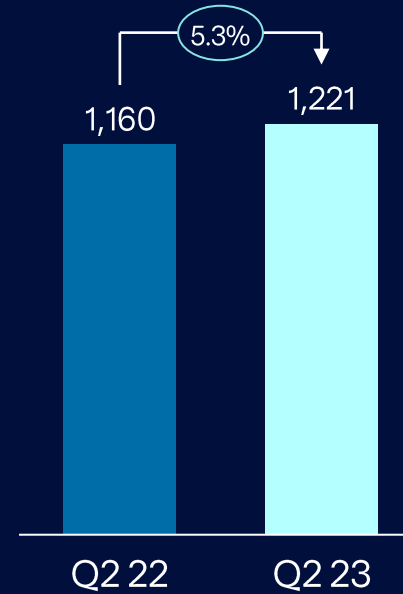
Organic EBITDA:



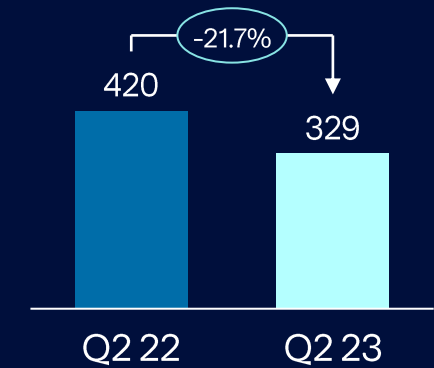
Telenor AMP



Organic total revenues:



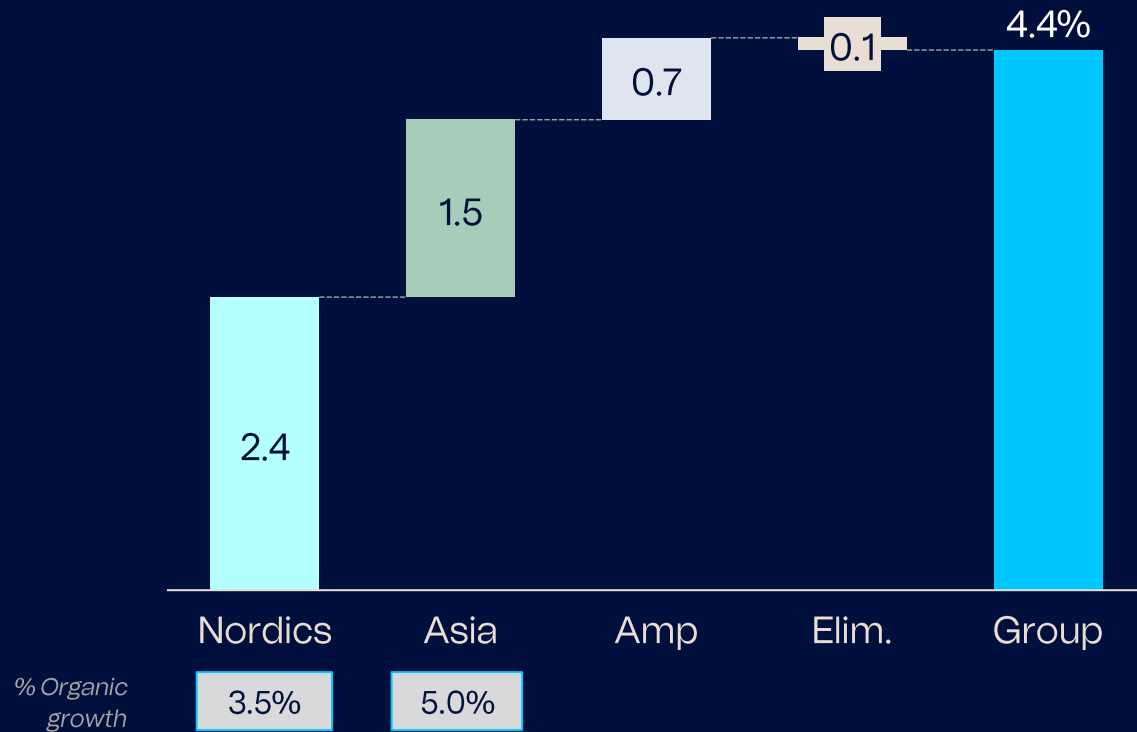
Organic EBITDA:



Service revenue growth across business areas

Group organic service revenue growth

Percentage-point contribution to YoY %-growth



Q2 2023

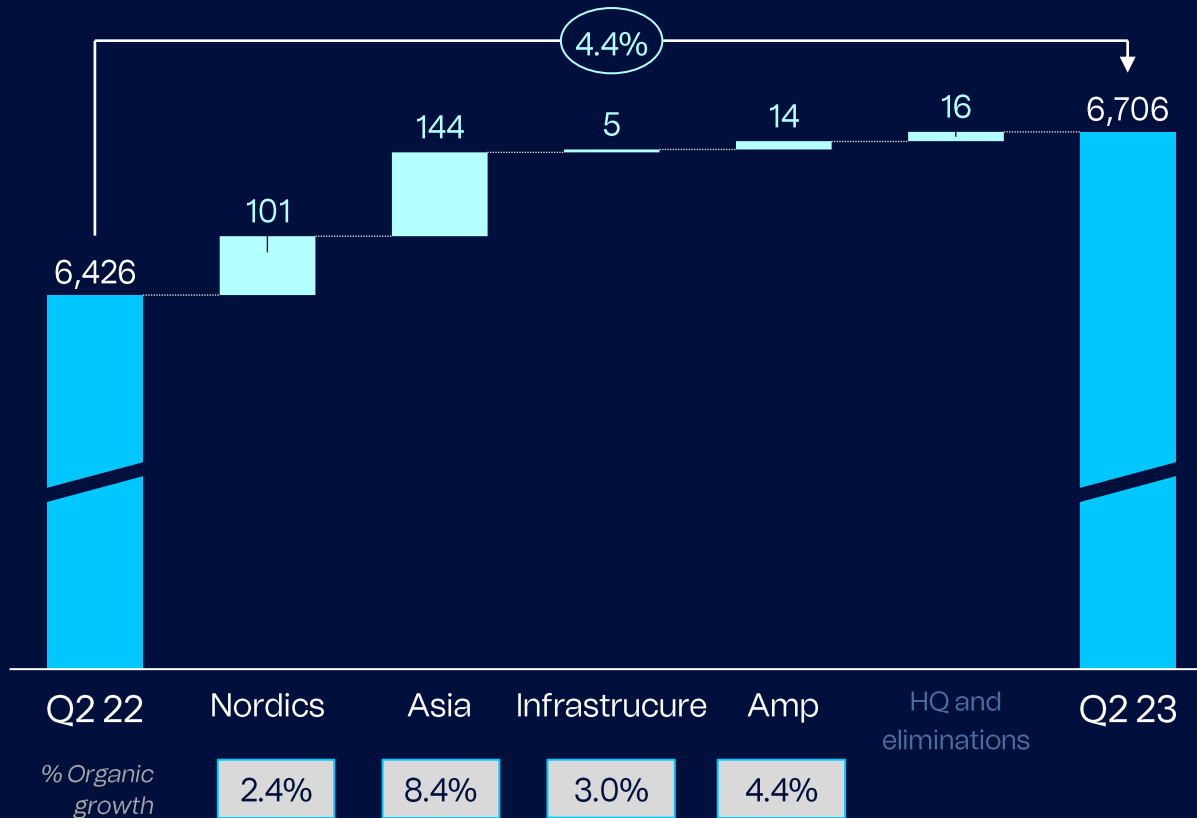
Note: Telenor Infrastructure has a total revenue growth of 5.3%, however this is not included in the definition of service revenues



OPEX increased by 4%

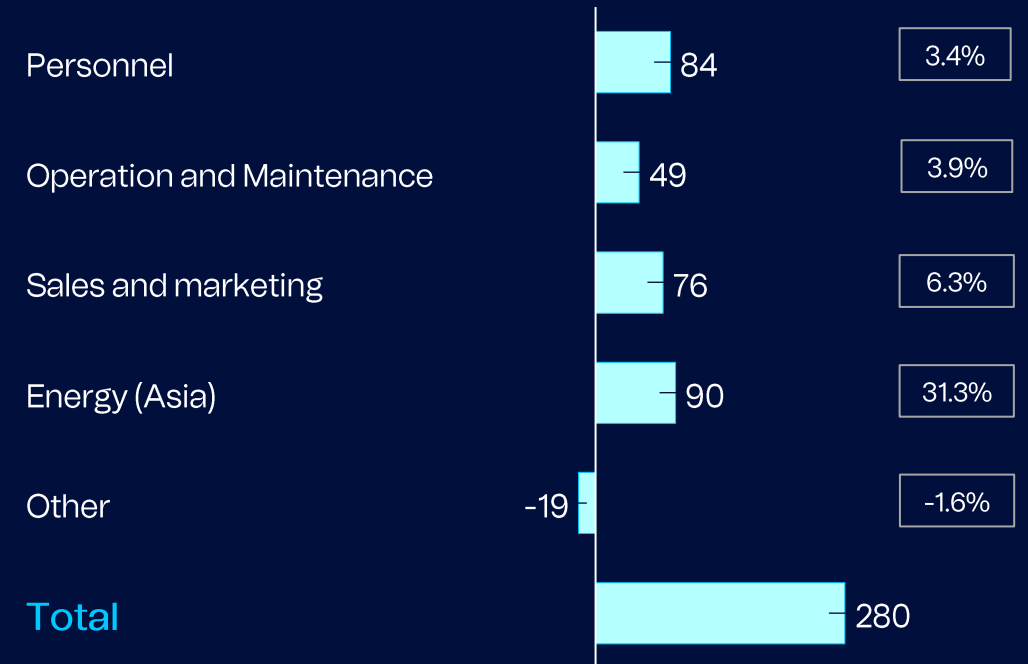
Quarterly OPEX (NOK million)

Q2 YoY organic change



YoY OPEX change by category (NOK million)

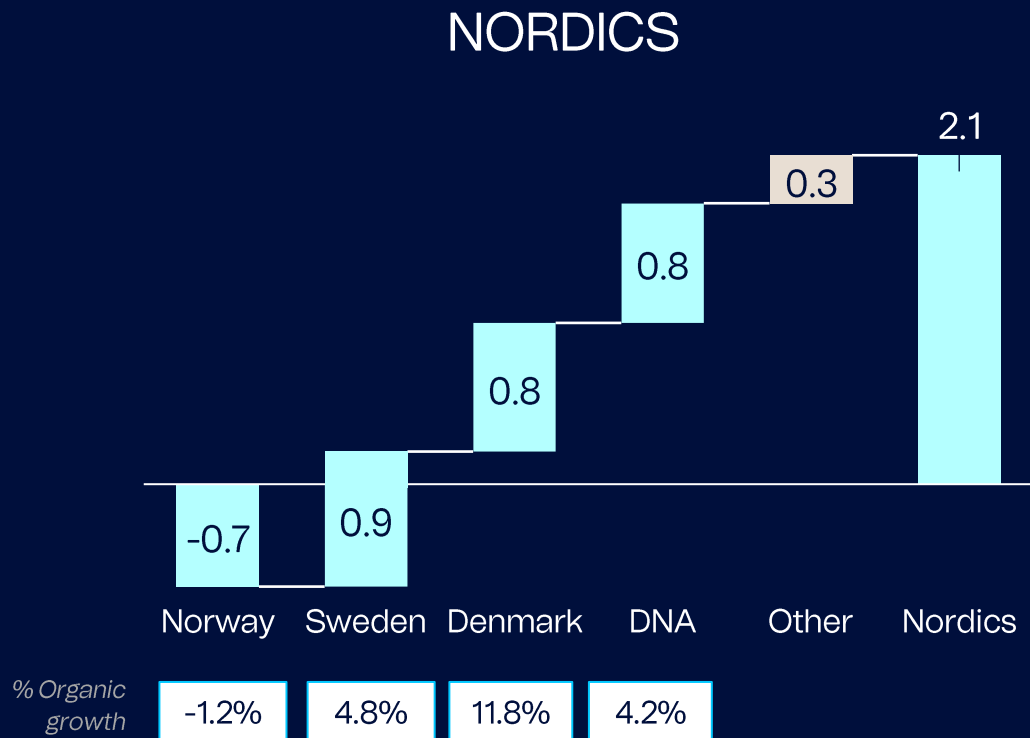
Q2 YoY change, %



Group EBITDA growth of 4%

Organic EBITDA growth

Percentage-point contribution to YoY %-growth



Free cash flow before M&A negatively affected by special items in Grameenphone and timing effects

In Q2, NOK 1.7 bn of FCF relates to disputes in GP

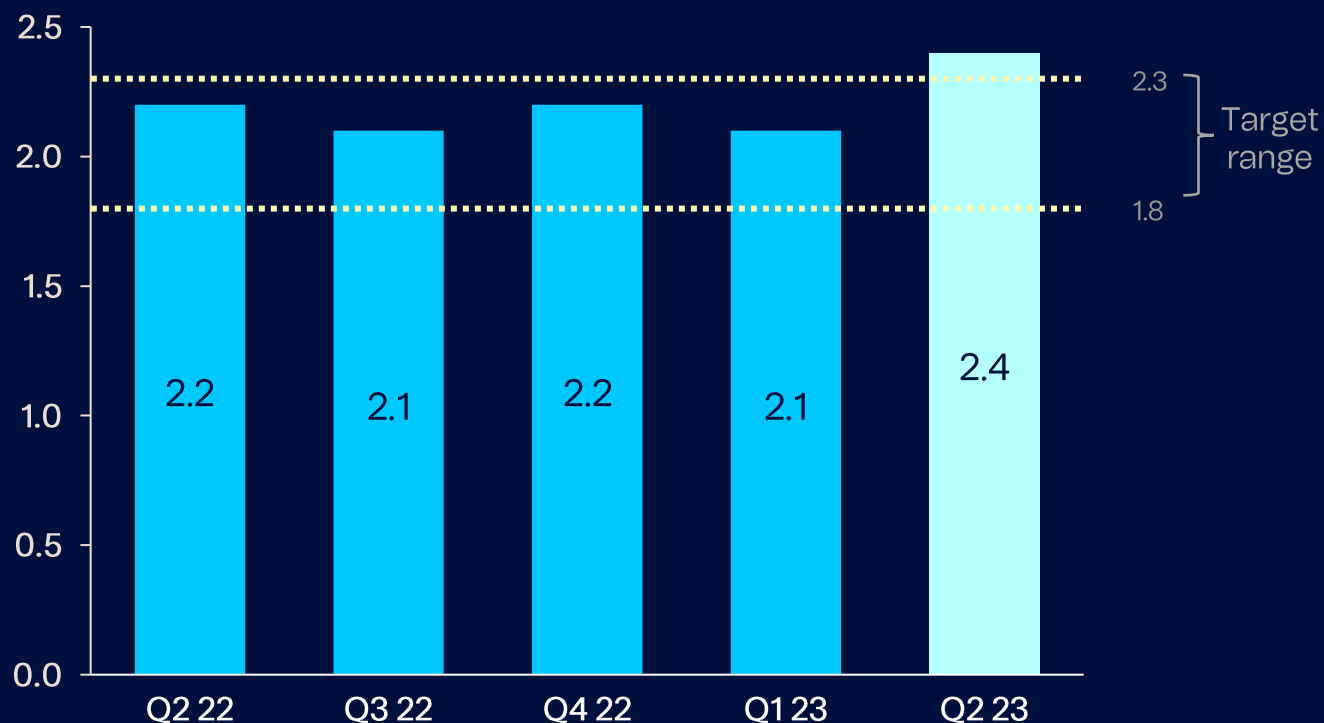
...while other major items also impacted reported FCF



We expect significantly improved FCF in second half of 2023

Leverage affected by currency and Asia items

Leverage Ratio*



- Net leverage is above our target range as of Q2
- Affected by the combination of Asia FCF items, adverse currency movements and dividend payments
- We expect leverage to return to the targeted range as we execute on our strategy in 2023-2025

Outlook reaffirmed

TELENOR NORDICS

	Q1 23	Q2 23	2023	Mid-term 2023-2025
Organic Service Revenues growth	2%	3.5%	Low to mid single-digit	Low to mid single-digit
Organic EBITDA growth	0%	2%	Low to mid single-digit	Mid single-digit
Capex/sales	19%	17%	Around 17%	Nordic capex ~NOK 2 bn lower in 2025 vs 2022

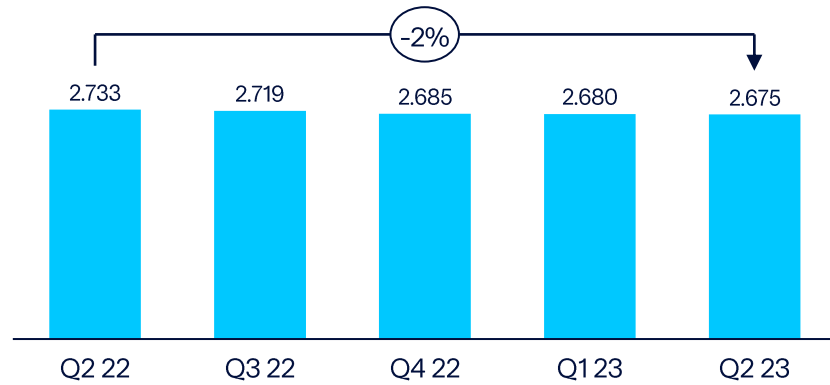
Q2 2023

Organic service revenue growth in fixed functional currency, adjusted for acquisitions and disposals. EBITDA before other items. Capex excluding lease.

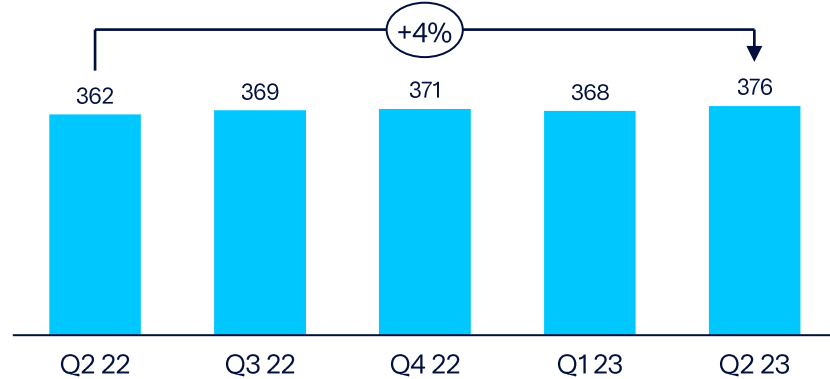
Appendix

Norway

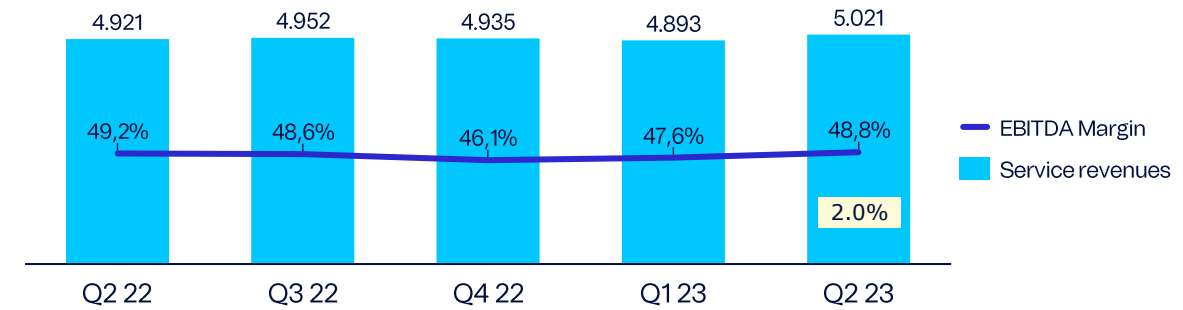
Mobile subscribers ('000)



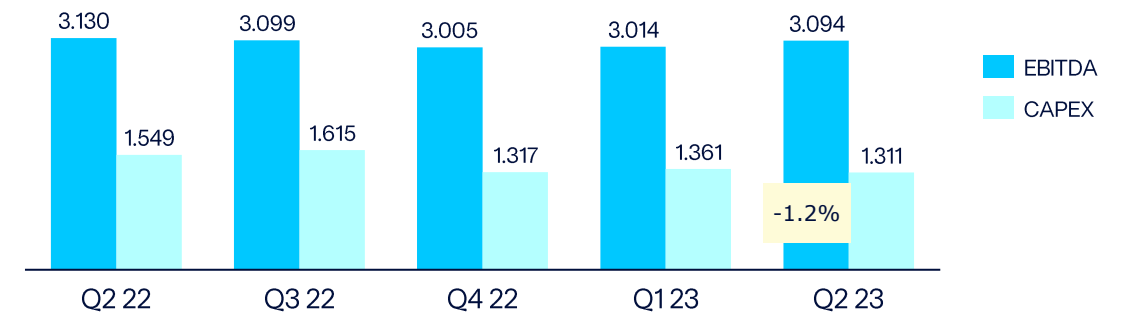
Mobile ARPU (NOK/month)



Service revenues (NOK m) and EBITDA margin

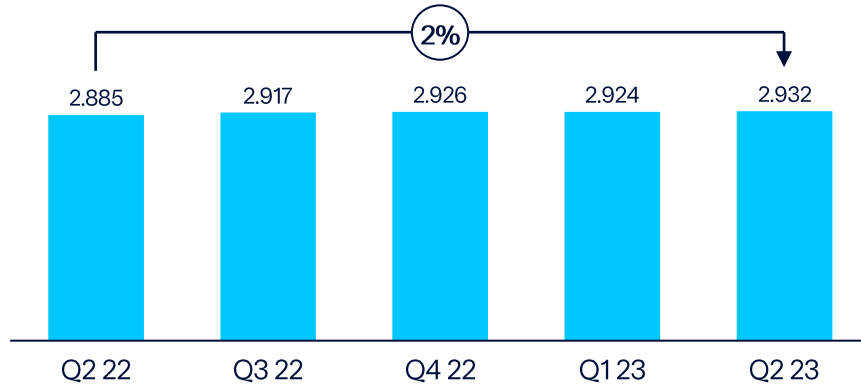


EBITDA and capex (NOK m)

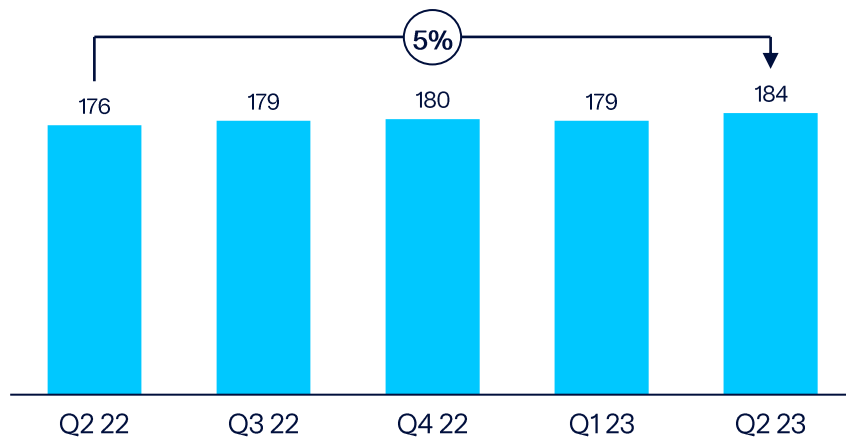


Sweden

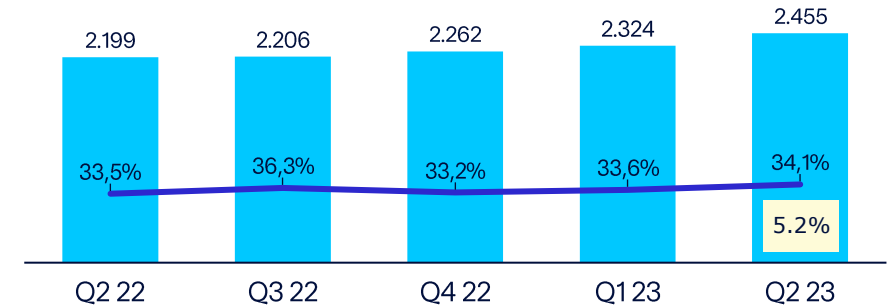
Mobile subscribers ('000)



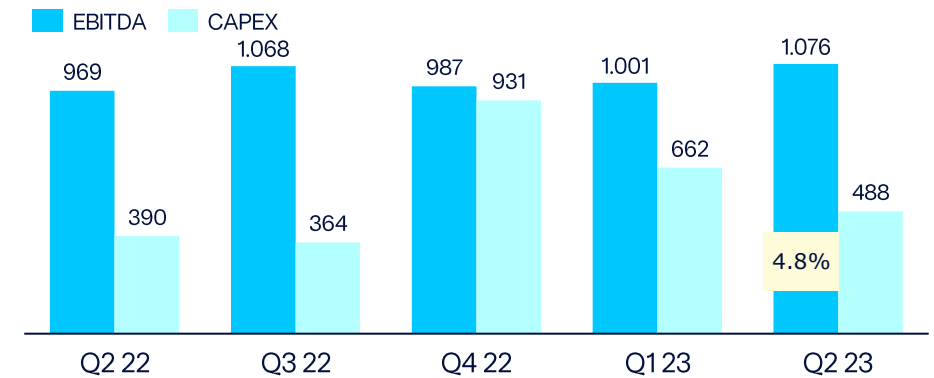
Mobile ARPU (SEK/month)



Service revenues (NOK m) and EBITDA margin



EBITDA and capex (NOK m)

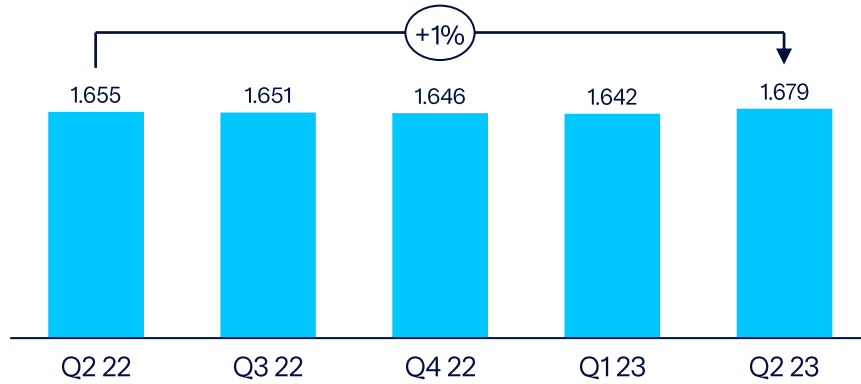


Organic growth assuming fixed currency, adjusted for acquisitions and disposals. EBITDA before other items. Capex excl. lease

Organic growth

Denmark

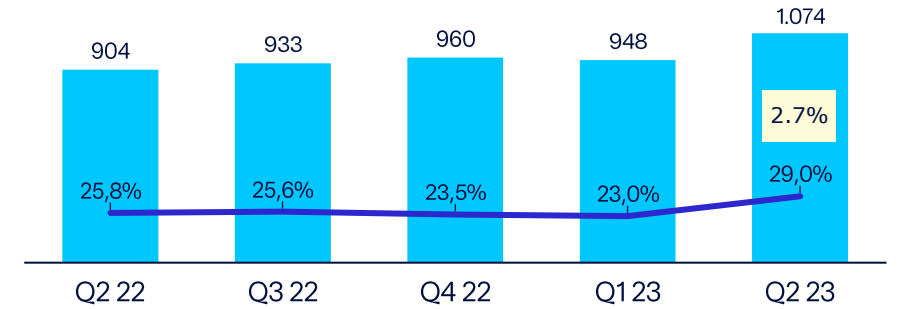
Mobile subscribers ('000)



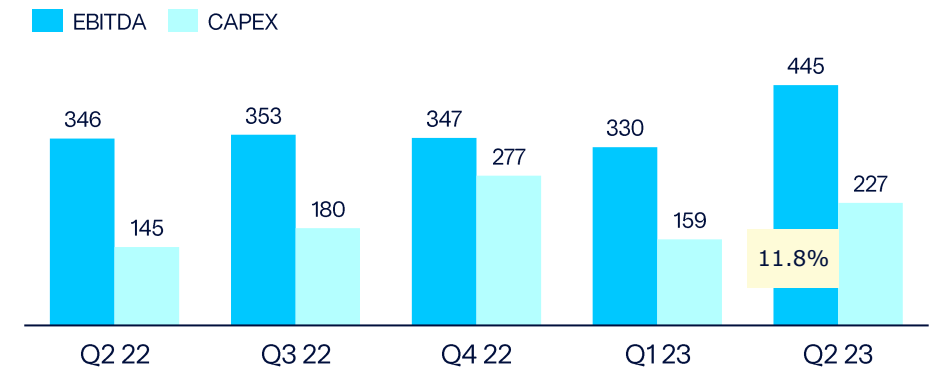
Mobile ARPU (DKK/month)



Service revenues (NOK m) and EBITDA margin



EBITDA and capex (NOK m)

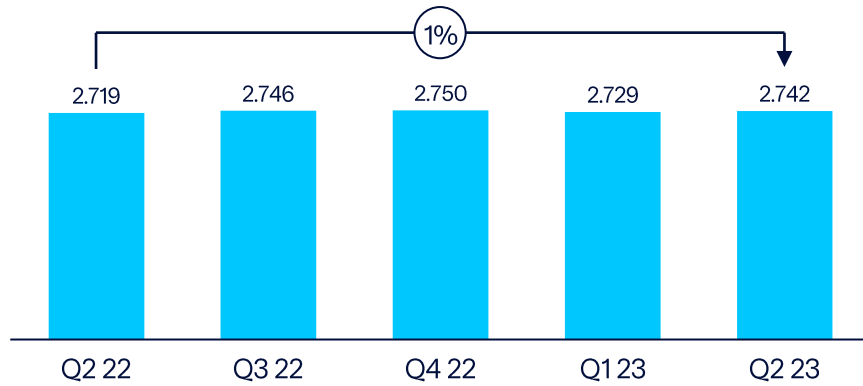


Organic growth assuming fixed currency, adjusted for acquisitions and disposals. EBITDA before other items. Capex excl. lease

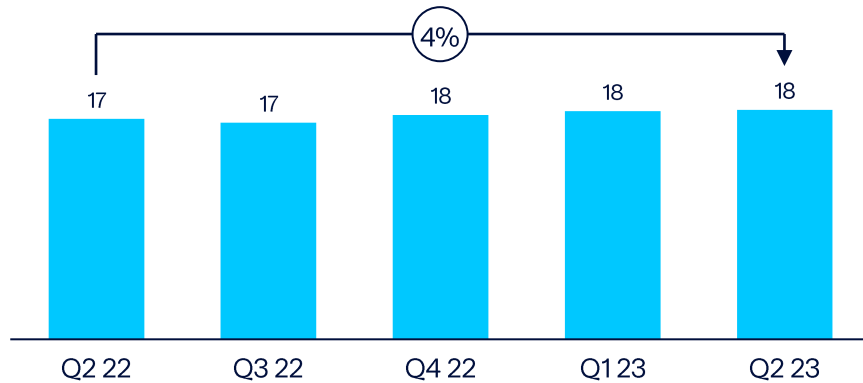
Organic growth

Finland

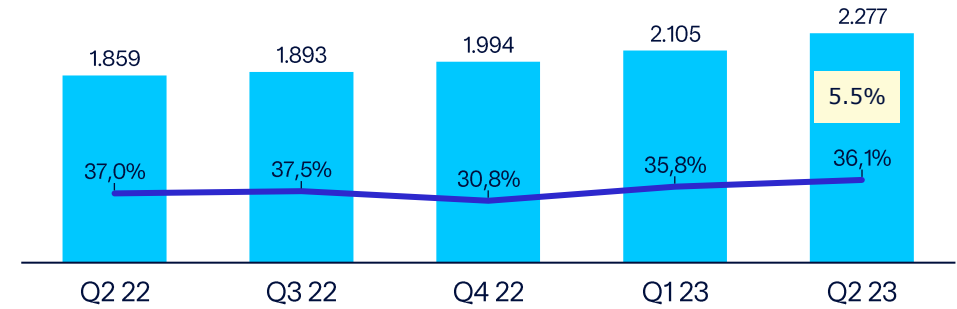
Mobile subscribers ('000)



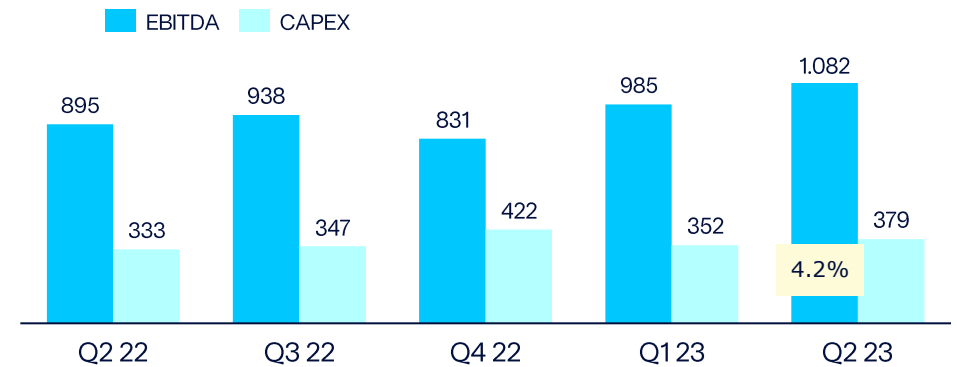
Mobile ARPU (EUR/month)



Service revenues (NOK m) and EBITDA margin



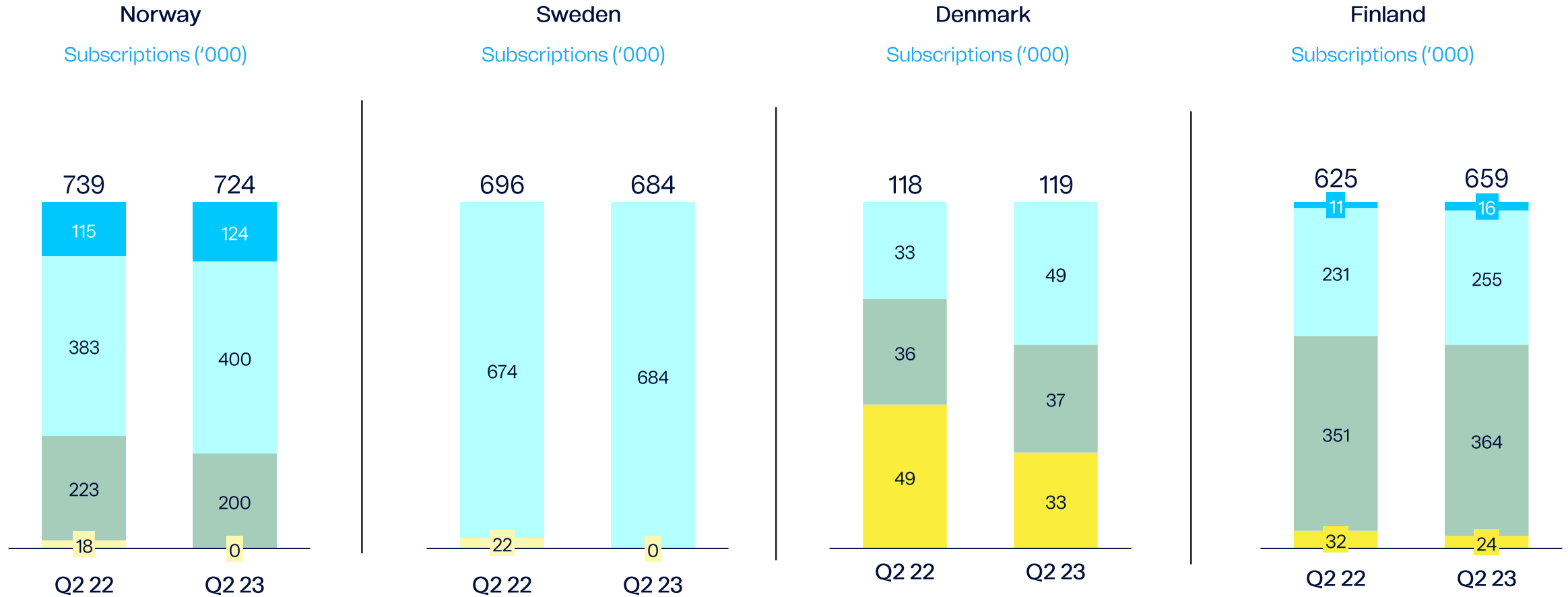
EBITDA and capex (NOK m)



Organic growth assuming fixed currency, adjusted for acquisitions and disposals. EBITDA before other items. Capex excl. lease

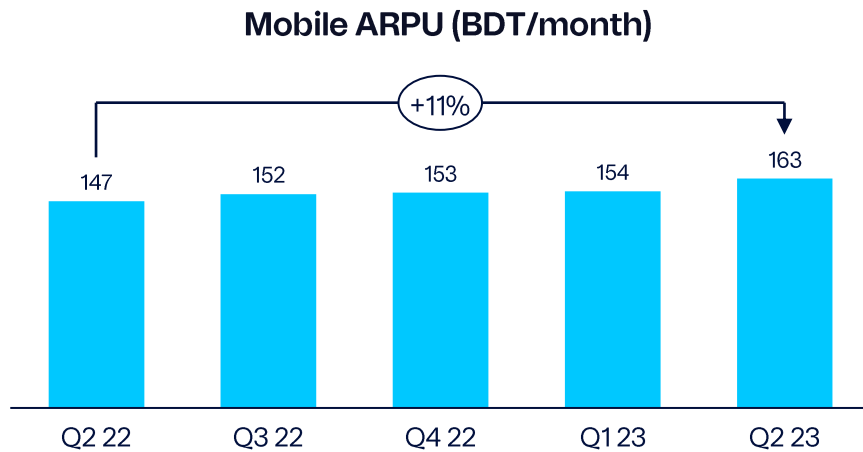
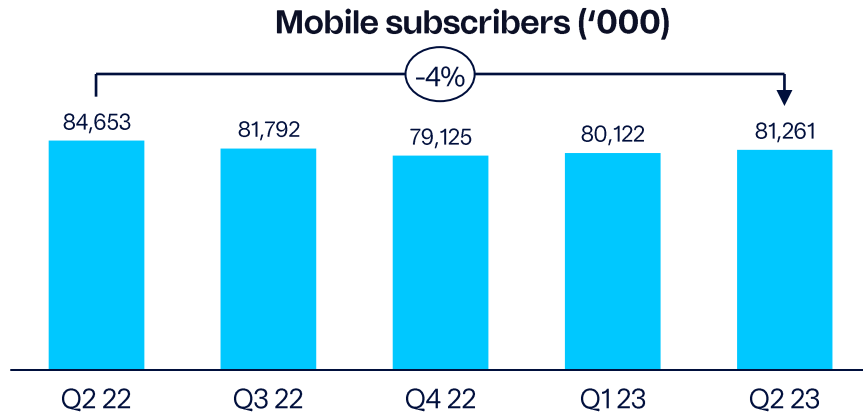
Organic growth

Additional information – Nordics fixed broadband

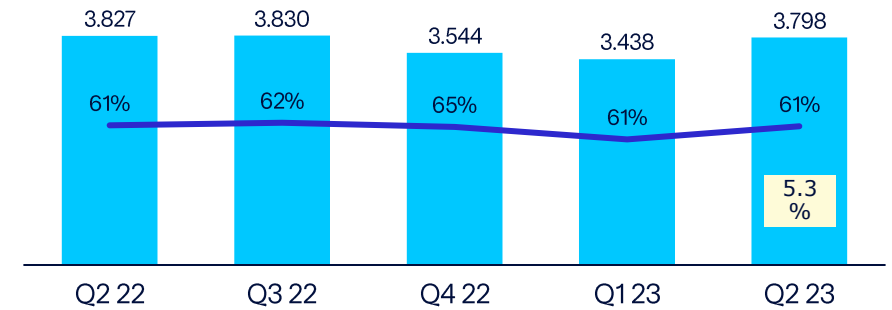


■ FWA
 ■ Fibre
 ■ Cable
 ■ DSL

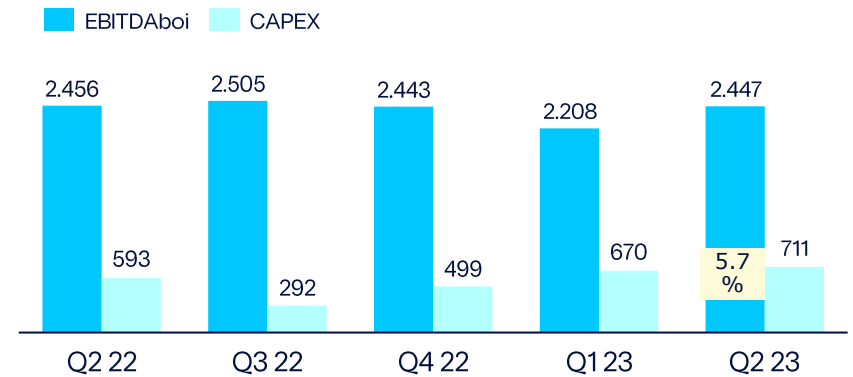
Bangladesh



Service revenues (NOK m) and EBITDA margin



EBITDA_{boi} and capex (NOK m)

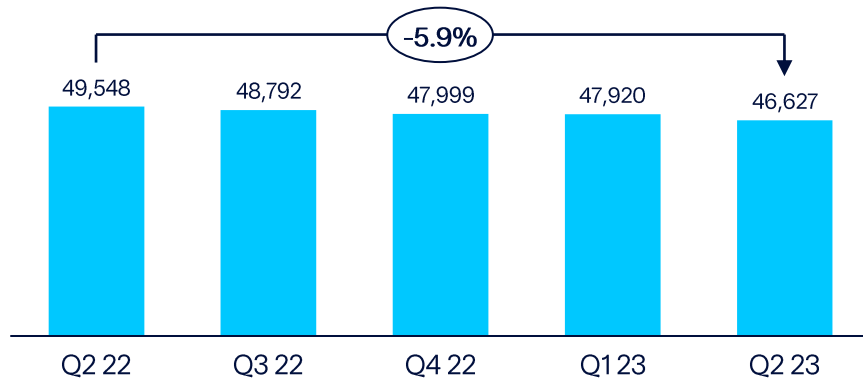


Organic growth assuming fixed currency, adjusted for acquisitions and disposals. EBITDA before other items. Capex excl. lease

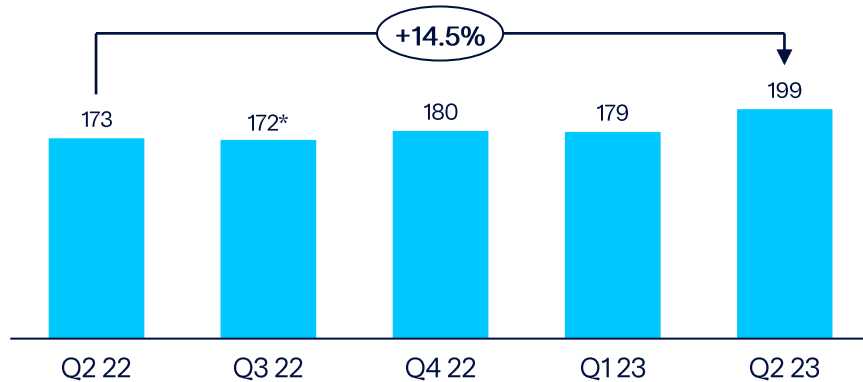
Organic growth

Pakistan

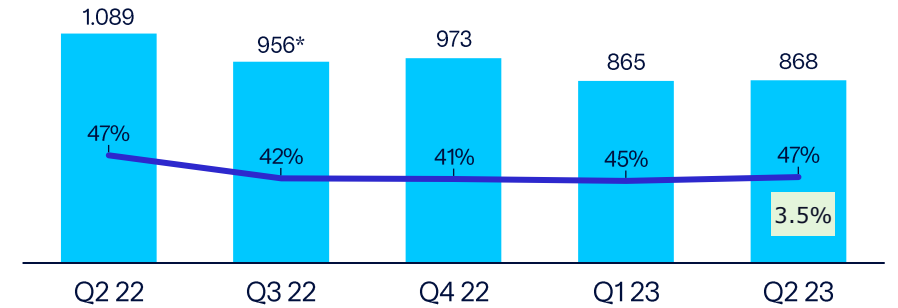
Mobile subscribers ('000)



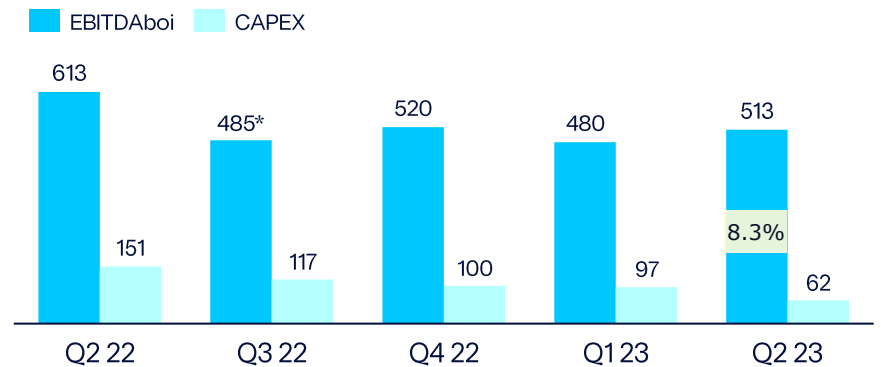
Mobile ARPU (PKR/month)



Service revenues (NOK m) and EBITDA margin



EBITDAboi and capex (NOK m)



* Underlying - Excluding reversal of SIM tax (NOK 0.6 billion EBITDA)
Organic growth assuming fixed currency, adjusted for acquisitions and disposals. EBITDA before other items.
Capex excl. lease

 Organic growth

Q2 growth in Service Revenues and EBITDA

COUNTRY	SERVICE REVENUES		EBITDA before other items	
	Reported %	Organic %	Reported %	Organic %
Norway	2%	2%	-1%	-1%
Sweden	12%	5%	11%	5%
Denmark	19%	3%	29%	12%
Finland	22%	6%	21%	4%
Nordic	10%	4%	7%	2%
Bangladesh	-1%	5%	0%	6%
Pakistan	-20%	4%	-16%	8%
Asia	-5%	5%	-5%	6%
Infrastructure	n/a	n/a	20%	16%
Connexion	26%	19%	60%	51%
Maritime	54%	54%	52%	52%
Linx	n/a	n/a	-82%	-82%
Satellite	n/a	n/a	8%	8%
Amp	36%	31%	-21%	-22%
Telenor Group	5.3%	4.4%	3.7%	4.1%

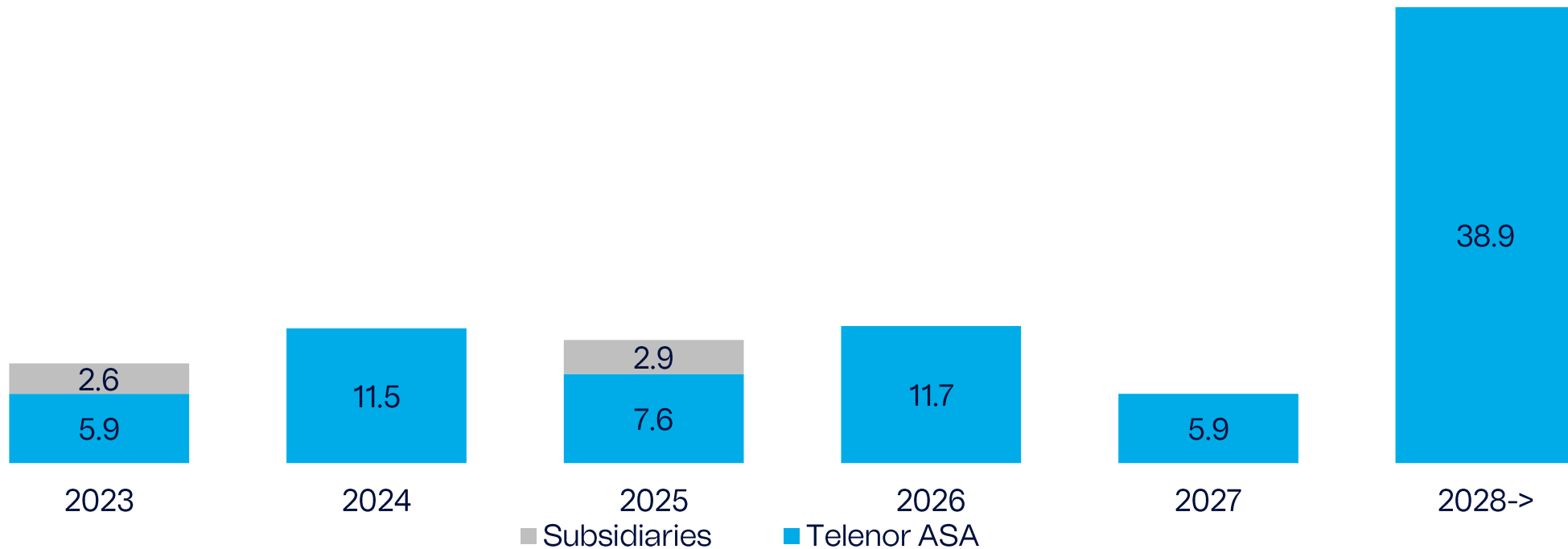


Note: No service revenues in Telenor Infrastructure, Linx, and Satellite

Debt maturity profile (NOK bn)

Net debt* in partly-owned subsidiaries:

NOK bn	Q2 2023	Q2 2022
Grameenphone	3.7	3.0



Net debt reconciliation

NOK bn	Q2 2023	Q2 2022
Non-current interest-bearing liabilities	74.9	90.3
Non-current lease liabilities	13.9	29.1
Current interest-bearing liabilities	13.1	5.6
Current lease liabilities	4.2	7.5
Cash and cash equivalents	(12.5)	(9.4)
Fair value hedge instruments	0.0	(0.1)
Financial instruments	(0.3)	(0.3)
Non-current license obligations	(4.2)	(13.6)
Current license obligations	(1.3)	(2.7)
Net interest-bearing debt excl. license obligations	87.8	106.3



Additional information

QoQ FX impact on net debt, NOKb

Q2 2023	Q1 2023
-2.3	-6.7

Minority ownership in listed entities

	Direct and indirect shares owned by Telenor (June 30)	Share price (June 30)	Market Value to Telenor NOK	Equity share %
TrueCorp	10,404,766,243	6.55 THB	20.7 bn	30.2
CelcomDigi	3,883,129,144	4.11 MYR	36.9 bn	33.1



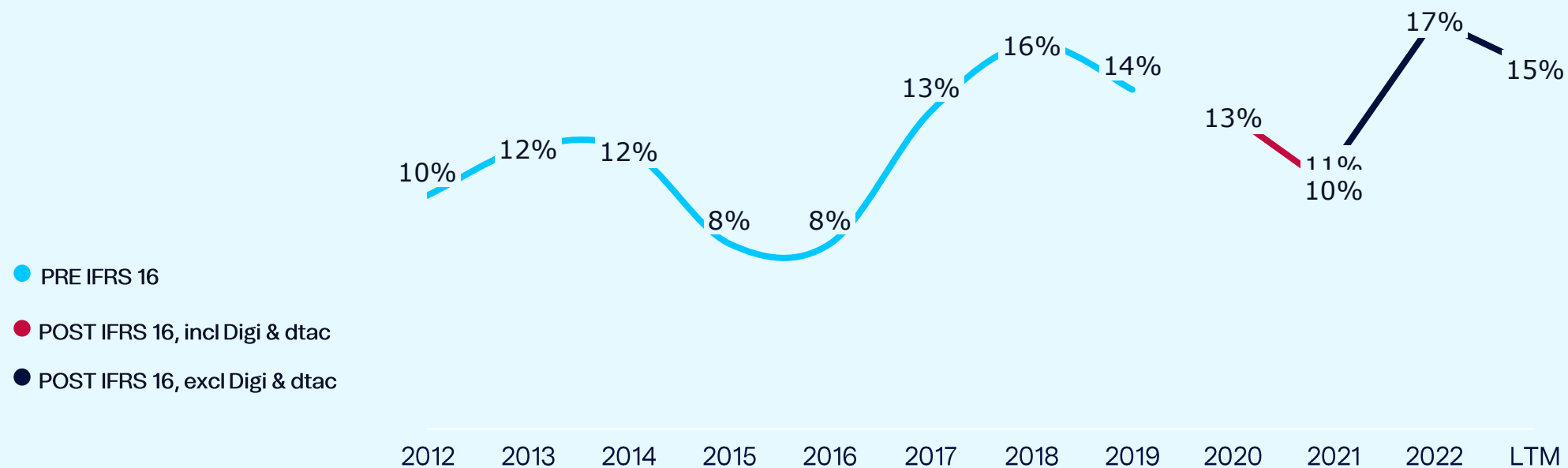
*) Gross debt = current interest-bearing liabilities + non-current interest-bearing liabilities + current and non-current lease liabilities

**) 12 months rolling EBITDA; Leverage= Net Debt / (EBITDA before other items + Dividends from Associates and Joint Ventures)

***) Calculated based on an after-tax basis of the last twelve months return on average capital employed

Return on capital employed

Return on capital employed*



*) See APM section in quarterly report for ROCE calculation and definition
 **) 2012-2019 numbers including Myanmar