



Telenor Q3 2023 results

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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.

Unless otherwise stated, growth metrics are expressed in "organic" terms, i.e. adjusted for effects of acquisition and disposal of operations and currency effects.



CEO

Sigve Brekke

Q3 2023 highlights



4% top-line growth
and solid earnings
progress



Active management
of portfolio, cash
focus in Asia



Ongoing
transformation



Free cash flow
of NOK 4.3bn

Nordics



2022 – CMD message:
“Leading telco with profitable growth”



2023 - Q3

- Fourth consecutive quarter of 5% mobile service revenue growth
- EBITDA growth of 7.8%
- Norway: Closed gap to underlying EBITDA



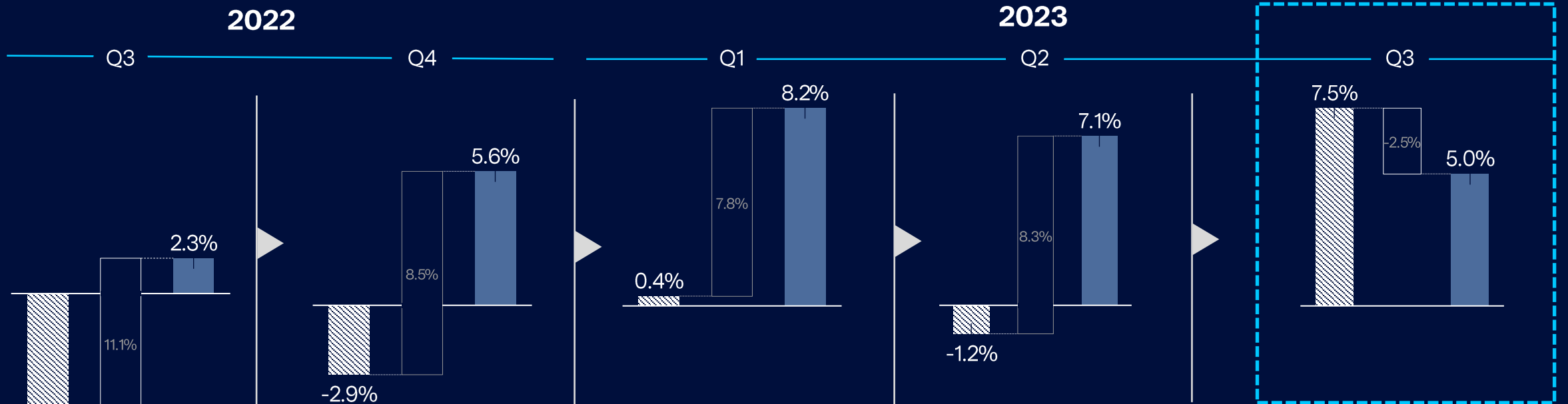
Next focus areas



- Sustaining mobile growth
- Managing fibre competition
- Continuing the transformation



Solid EBITDA growth of 7.5% in Norway

Telenor Norway EBITDA growth
% YoY change



-  Reported EBITDA
-  Underlying EBITDA
-  Energy and copper effects (and Swap one-off in Q2)

Asia



2022 – CMD message:

“Strong Asian telco with market-leading position and cash flow focus”



2023 - Q3

- No. 1 positions in 3 of 4 markets
- CelcomDigi: Solid dividends
- True: Raised synergy targets



Next focus areas

- Conclude strategic review in Pakistan
- Work actively to drive dividends from CelcomDigi and True
- Drive growth in Bangladesh



Further value creation from associated companies in Asia

At the Capital Markets Day, we indicated the size of merger synergies in Asia...

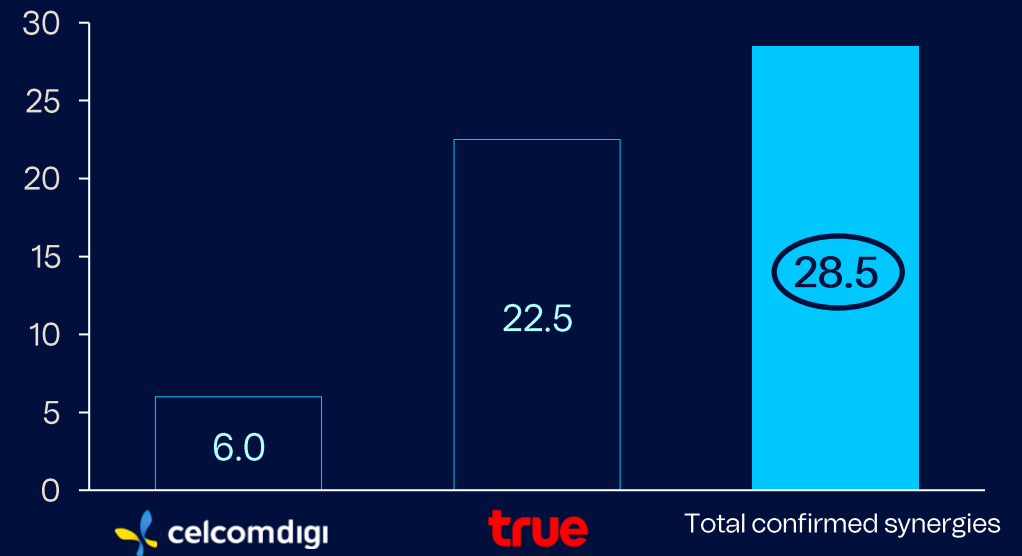
... which have now been further qualified to an even higher level

CMD 20/22
Capital Markets Day

Telenor's share of synergy NPV:
NOK 20-25bn



Telenor's share of synergy NPV
NOK billion



AMP



2022 – CMD message:
“Develop or divest assets in the portfolio”



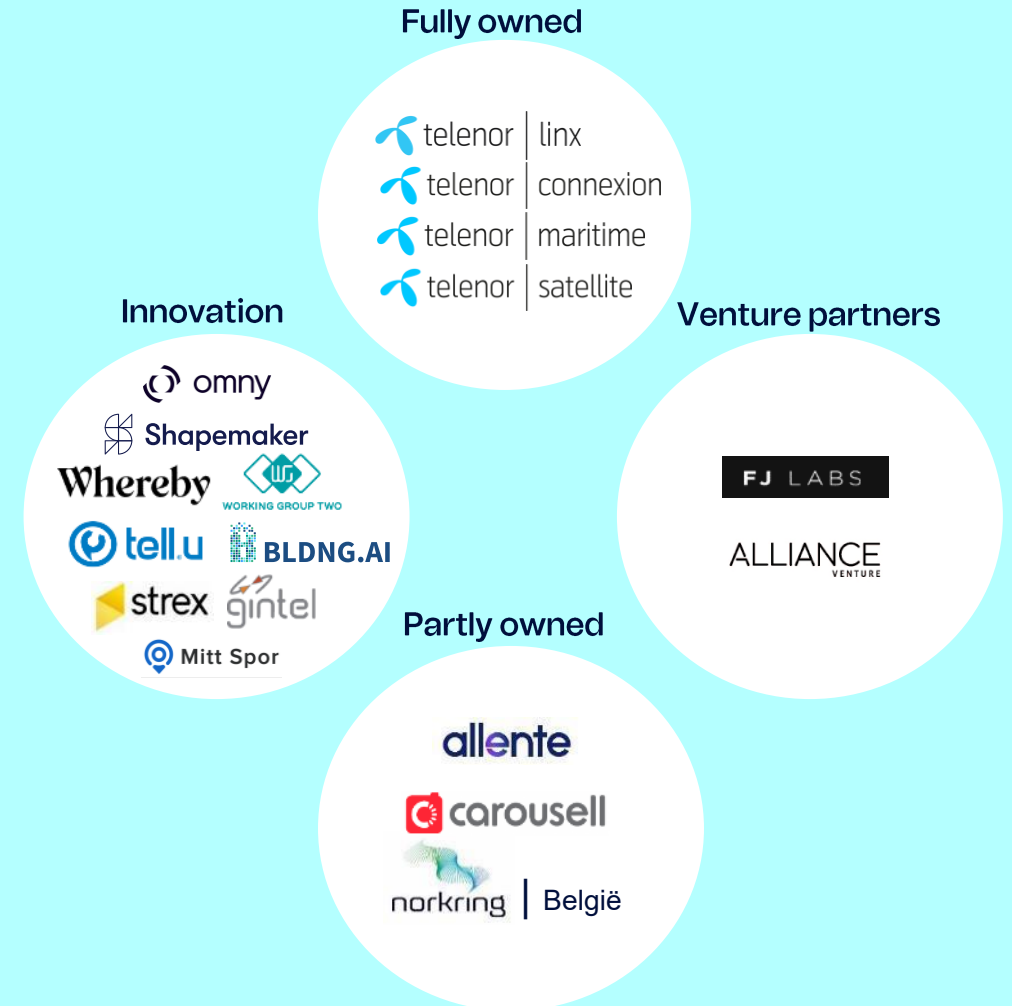
2023 - Q3

- Sale of “Working Group Two” closed
- EV of USD 150m (45% stake)



Next focus areas

- Develop IoT and security
- Shape portfolio to optimise growth and value creation
- Exit mature assets





CFO

Tone Hegland Bachke

Q3 2023: Group Financial Highlights



Service revenue growth

3.6%

Organic
excl. Q3 22
reversal*

4.4%



EBITDA growth

1.5%

Organic
excl. Q3 22
reversal*

7.3%



Capex/sales

13.3%



Free cash flow (NOK)

4.3 bn

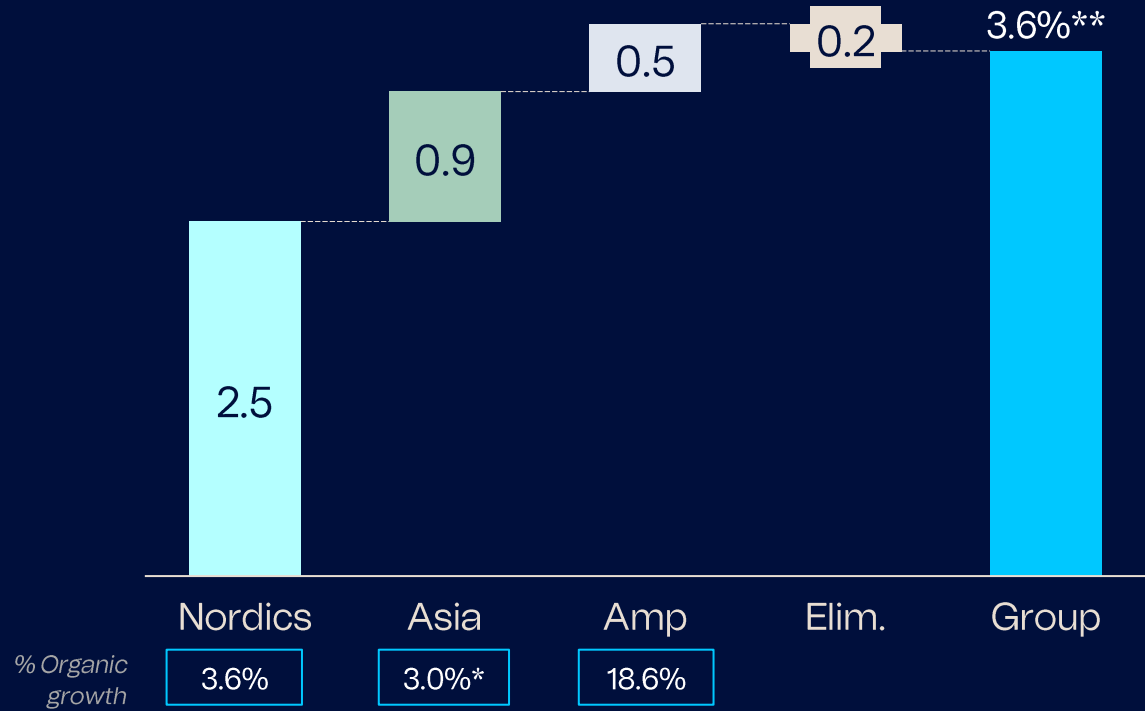


* NOK0.1bn service revenue-level and NOK0.5bn EBITDA-level reversal of SIM tax provisions in Telenor Pakistan in Q3 2022, updated to Q3 2023 FX

Steady Group service revenue growth

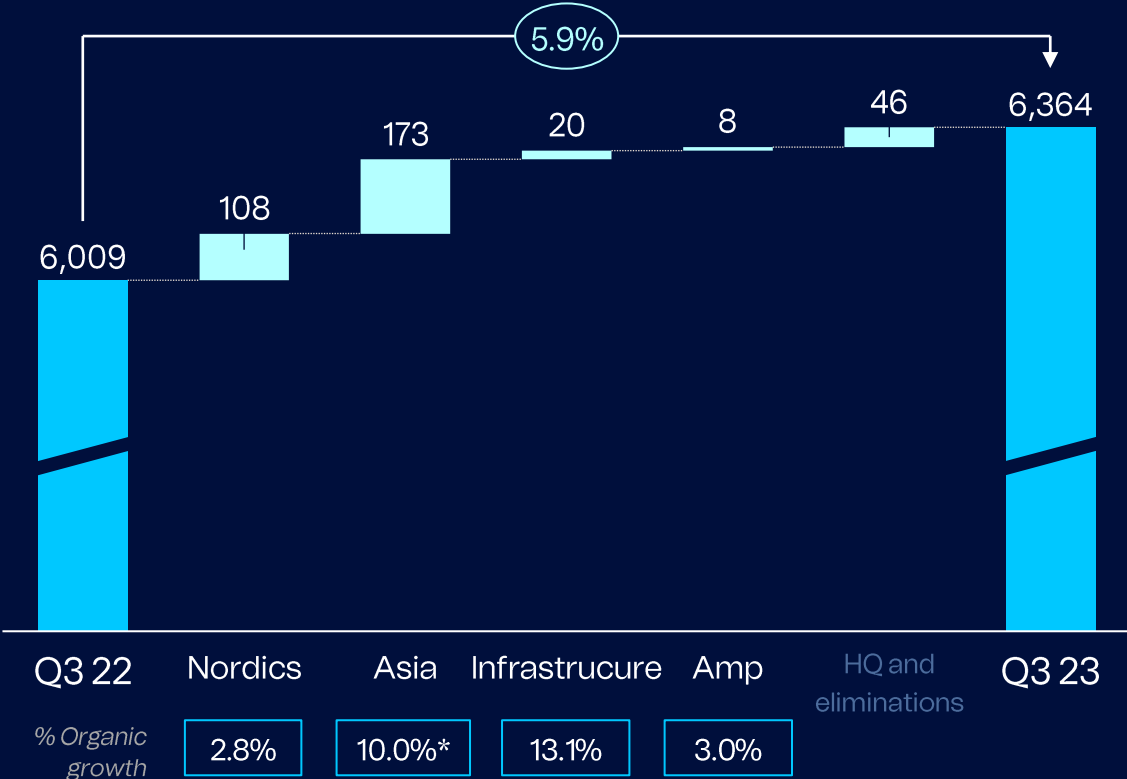
Group organic service revenue growth

Percentage-point contribution to YoY %-growth



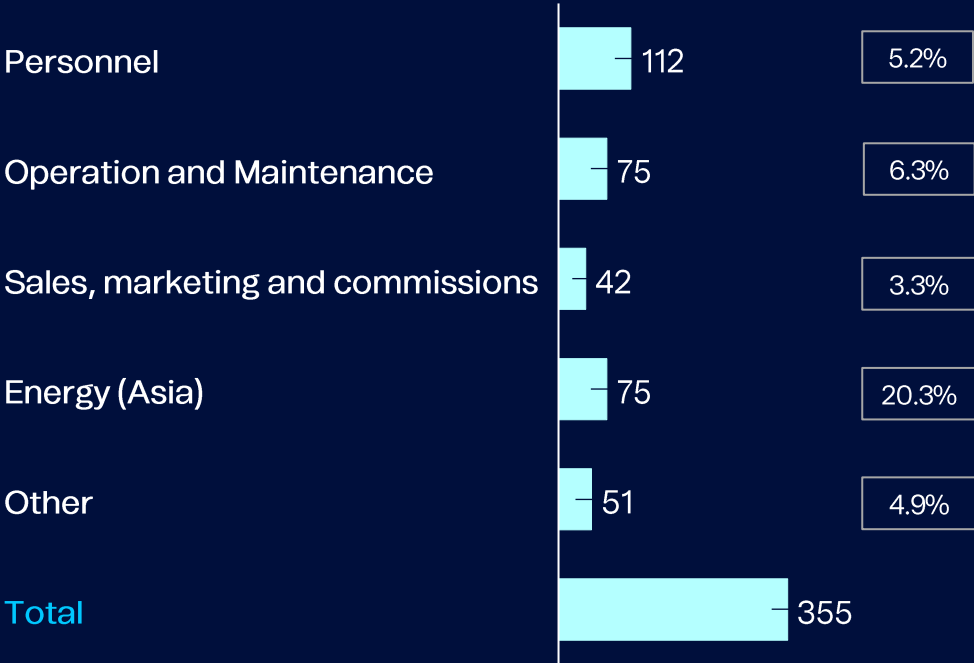
Opex increase of 5.9% driven by salary inflation, energy costs, and network expansion in Asia

Organic YoY OPEX (NOK million)



OPEX YoY-change by category (NOK million)

□ % YoY change

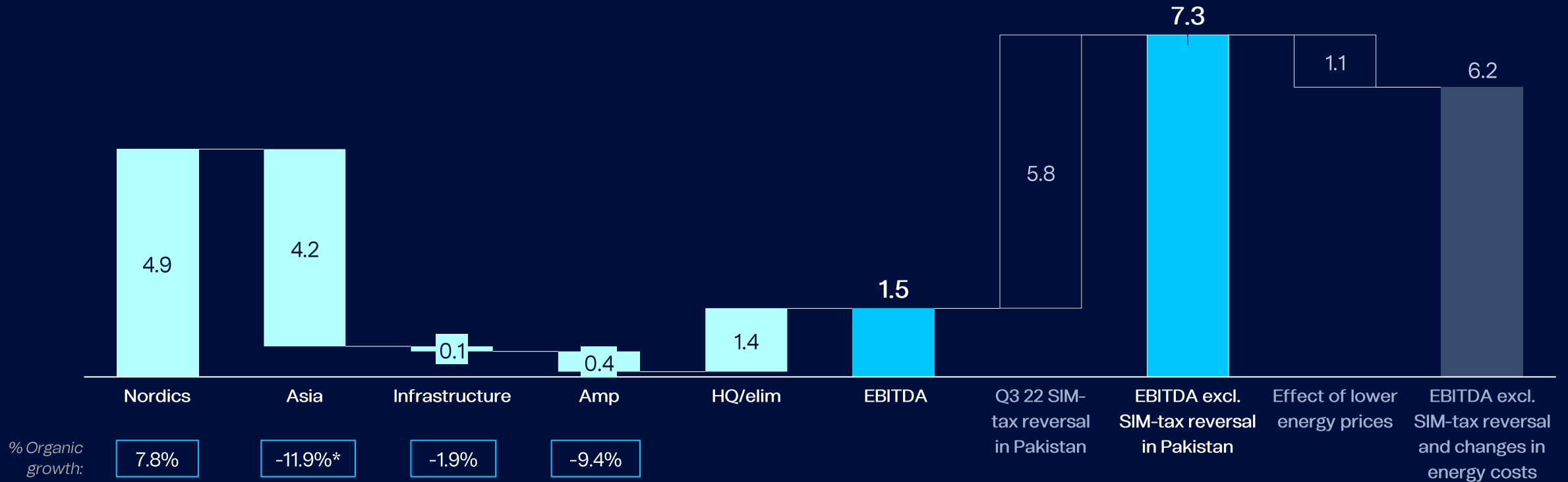


* 9.4% excluding SIM-tax reversal in Pakistan in Q3 22

Group EBITDA grew 7.3 % YoY, adjusted for the reversal in Pakistan last year

Organic EBITDA growth

Percentage-point contribution to YoY %-growth



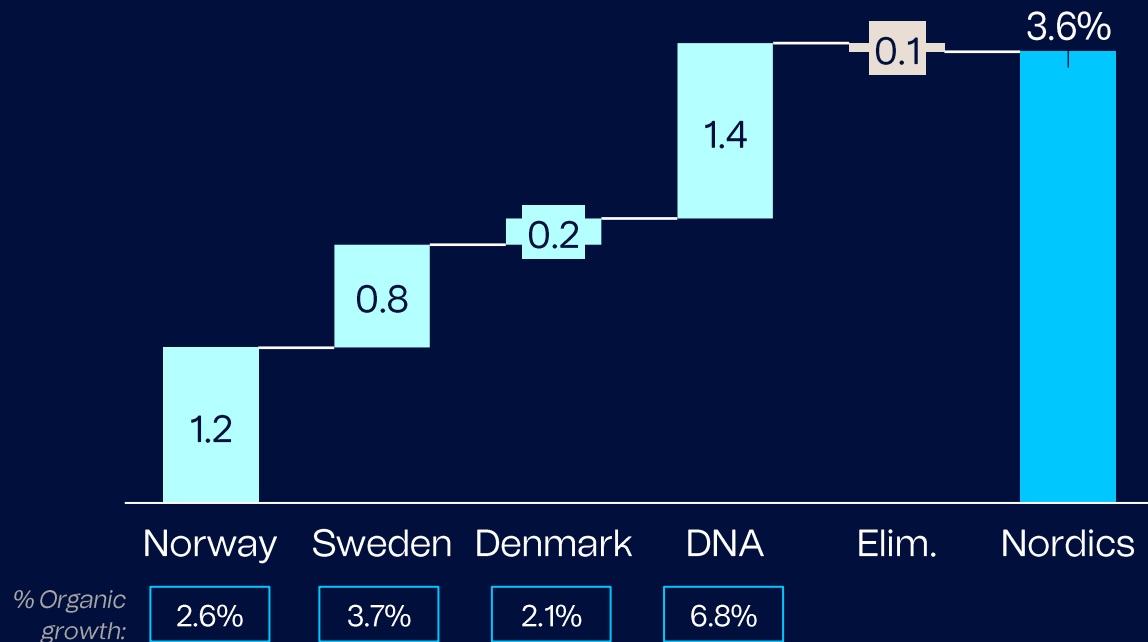
Q3 2023

* 4.1% excluding SIM-tax reversal in Pakistan in Q3 22

Nordics: Steady top-line growth

Organic service revenue growth

Percentage-point contribution to YoY %-growth



4th straight quarter with mobile service revenue growth of 5%



Fixed Norway: Legacy drag fading, ARPU growth held back by competition

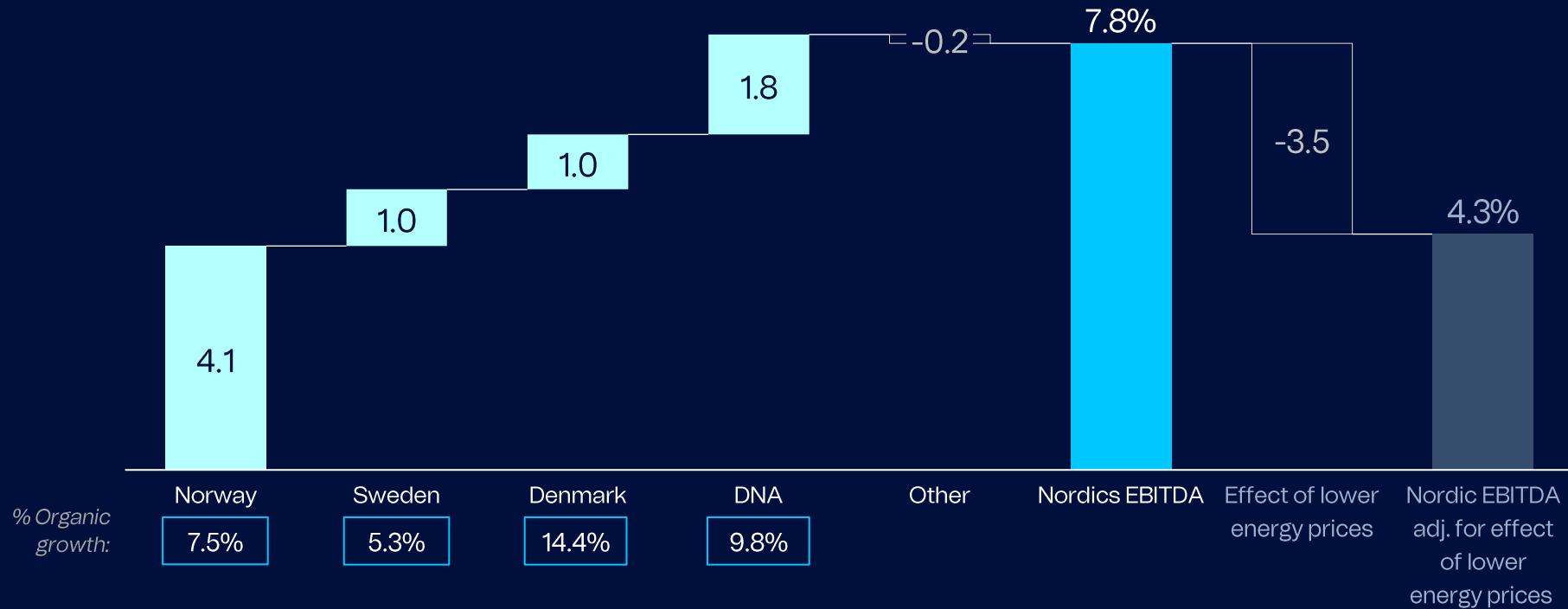


Swedish spectrum renewed

Nordics: EBITDA 7.8%, supported by lower energy prices

Organic EBITDA growth

Percentage-point contribution to YoY %-growth

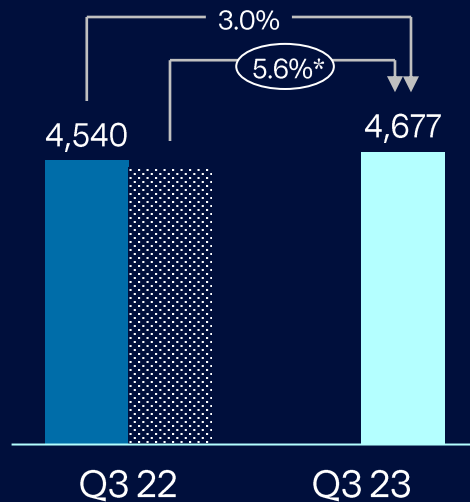


Asia: Solid execution

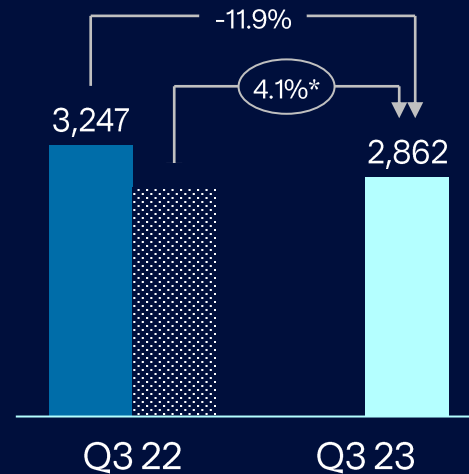
Grameenphone and Telenor Pakistan, incl. Asia HQ

NOK million

Organic service revenues:



Organic EBITDA:



*Excluding SIM-tax reversal in Pakistan in Q3 22



Grameenphone: Growth in subs and data usage, managing voice decline



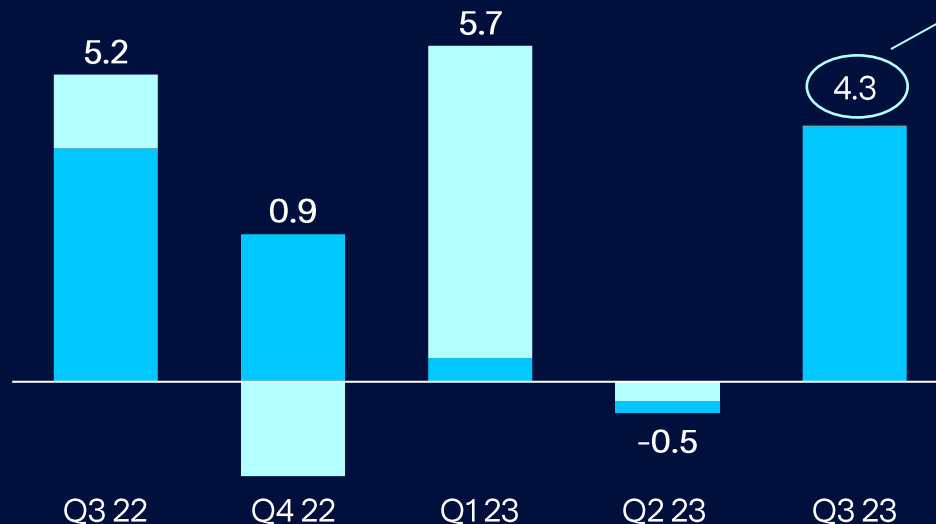
True CMD targeted synergy NPV of NOK 75bn
(Telenor share: NOK 22.5bn)



CelcomDigi: steady dividend, NOK 0.9 bn received YTD

FCF of 4.3 billion in seasonally strong quarter

Free cash flow
NOK billion



FCF excl. M&A and disposals M&A and disposals

Main FCF drivers QOQ

Improved EBITDA (+0.5bn)

Improved NWC (+0.4bn vs -0.3bn in Q2)

Lower interests, licence and tax payments (+2.7bn)



Potential Q4 and/or Q1 items



Closing of WG2 (Q4)



Spectrum instalments in Sweden and Bangladesh (Q4)



Cash flow items in Bangladesh still pending



Supreme court tax decision in Norway

Leverage ratio back within target range – continued volatile macro environment



2023: factors causing fluctuations



FX Volatility

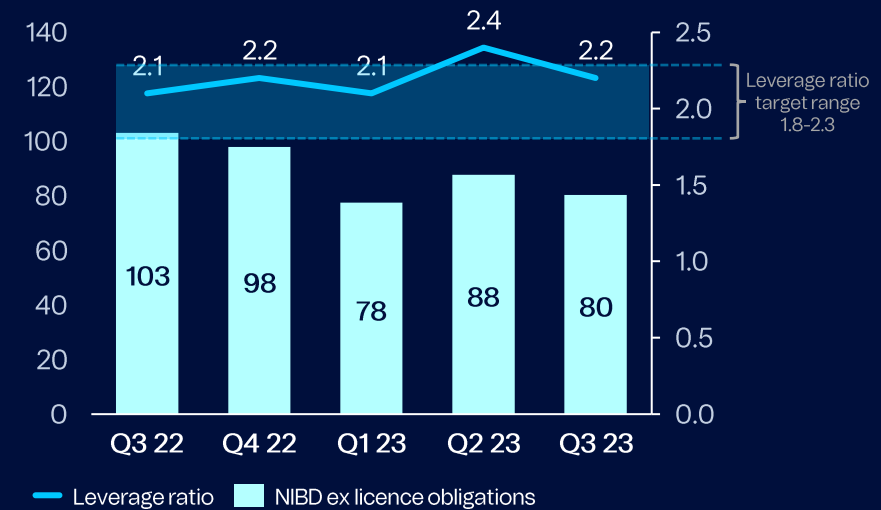


Energy prices



Inflation and increasing interest rates

Leverage ratio within target range



Updated outlook for 2023

TELENOR NORDICS

	Q3 23	YTD	2023 original	2023 updated	Mid-term '23-'25
Organic Service Revenues growth	3.6%	3.2%	Low-to-mid single-digit	Above 3%	Low-to-mid single-digit
Organic EBITDA growth	7.8%	3.3%	Low-to-mid single-digit	3-4%	Mid single-digit
Capex/sales	15.3%	17.0%	Around 17%	Around 17%	~NOK 2 bn lower in 2025 vs 2022



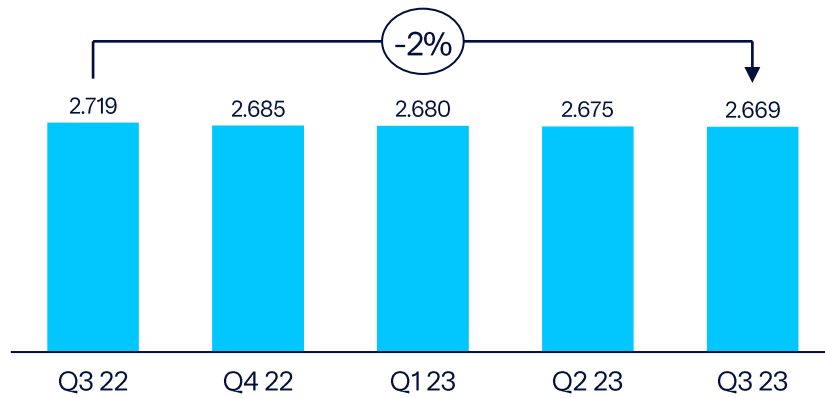
Q&A

A person with short brown hair, wearing a plaid jacket and blue jeans, stands on a rocky shore, holding a smartphone to take a photo of the ocean. The ocean is a deep blue-green color with gentle waves. In the background, a large, dark rock formation juts out into the water. The foreground is filled with large, textured, brownish-grey rocks.

Appendix

Norway

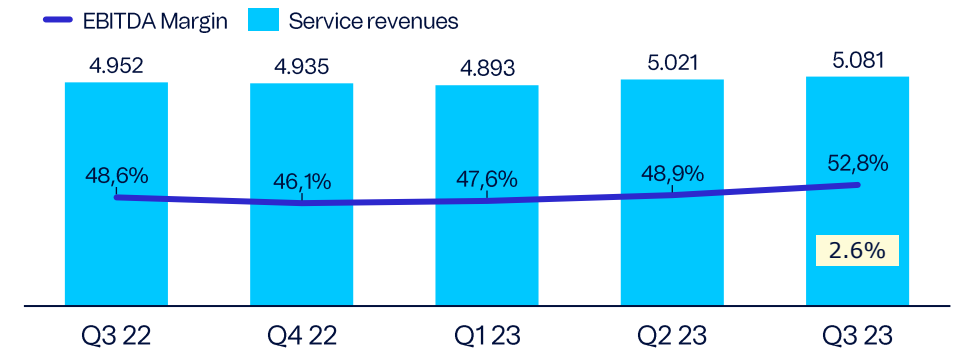
Mobile subscribers ('000)



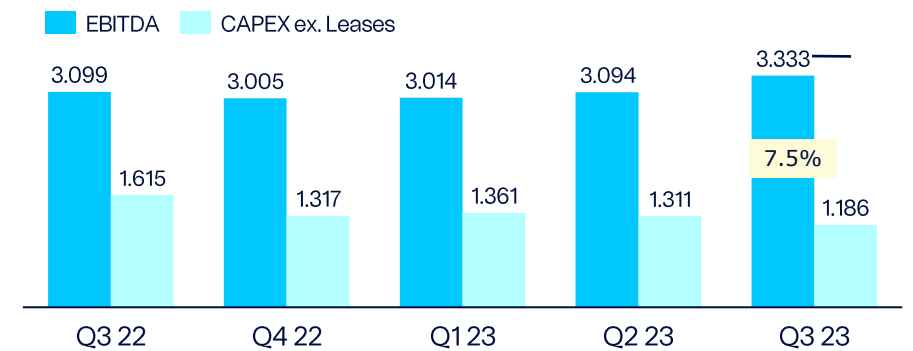
Mobile ARPU (NOK/month)



Service revenues (NOK m) and EBITDA margin



EBITDA and capex (NOK m)

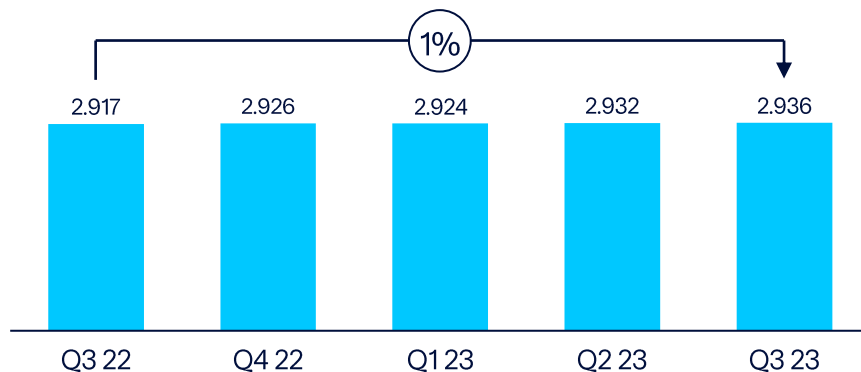


Organic growth

Organic growth assuming fixed currency, adjusted for acquisitions and disposals.

Sweden

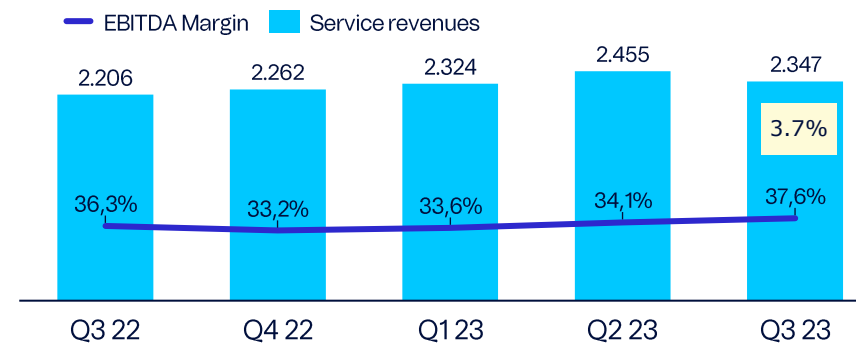
Mobile subscribers ('000)



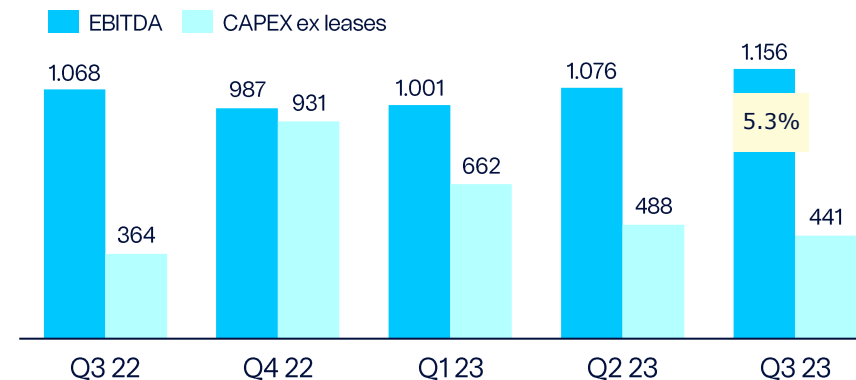
Mobile ARPU (SEK/month)



Service revenues (NOK m) and EBITDA margin



EBITDA and capex (NOK m)

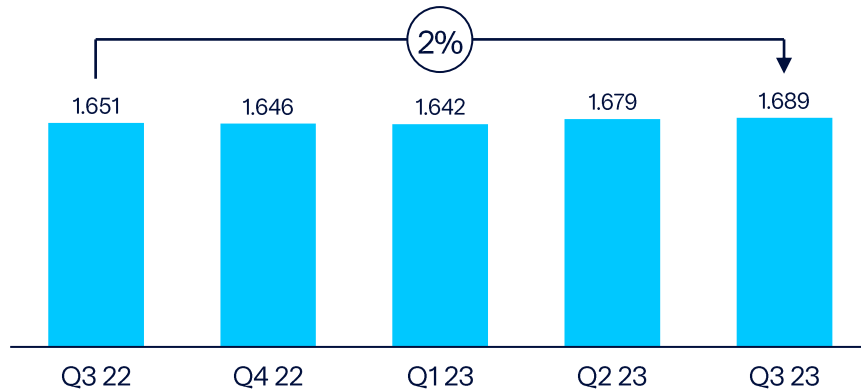


Organic growth

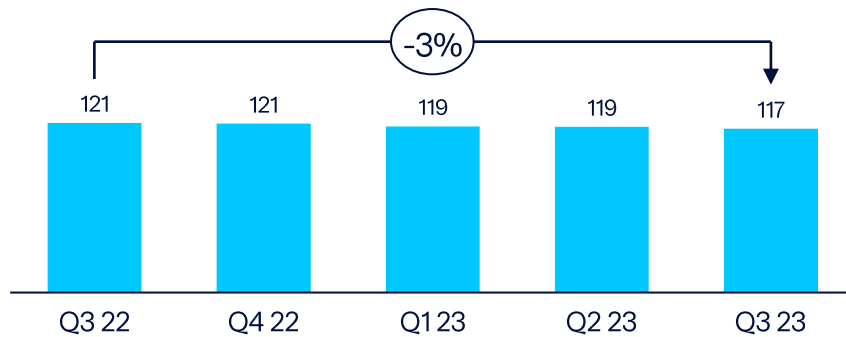
Organic growth assuming fixed currency, adjusted for acquisitions and disposals

Denmark

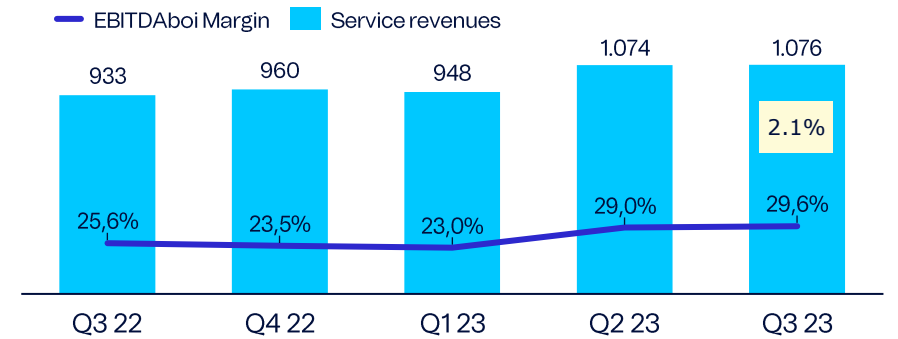
Mobile subscribers ('000)



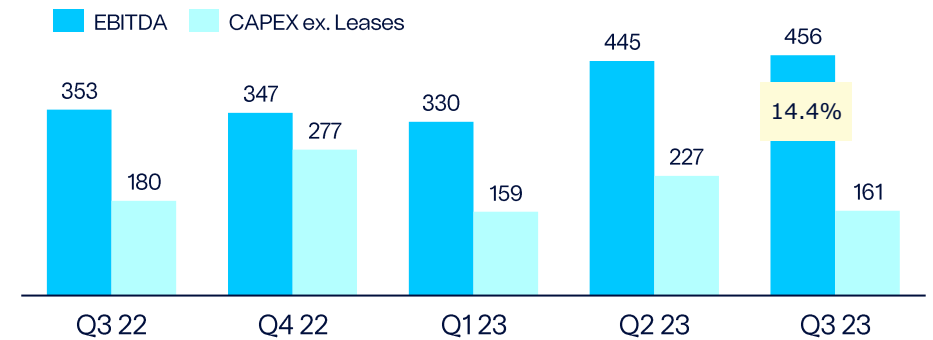
Mobile ARPU (DKK/month)



Service revenues (NOK m) and EBITDA margin



EBITDA and capex (NOK m)

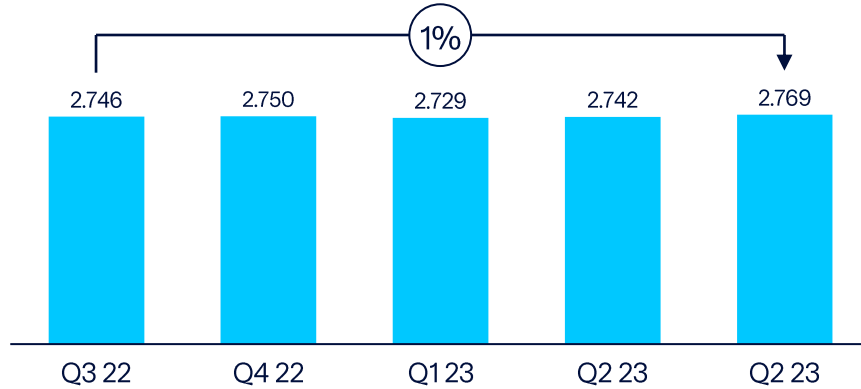


Organic growth

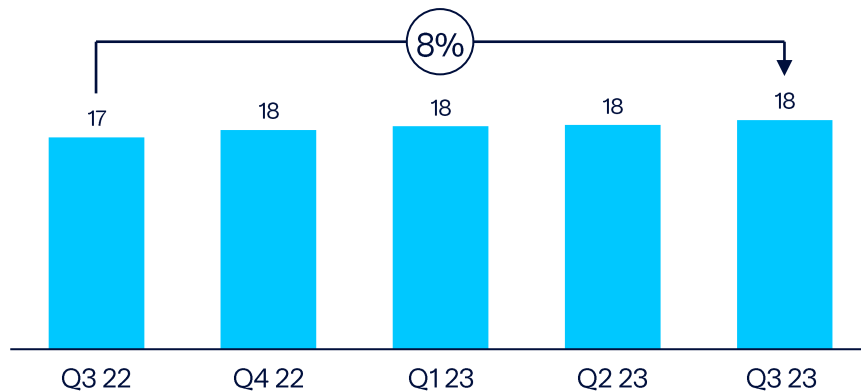
Organic growth assuming fixed currency, adjusted for acquisitions and disposals.

Finland

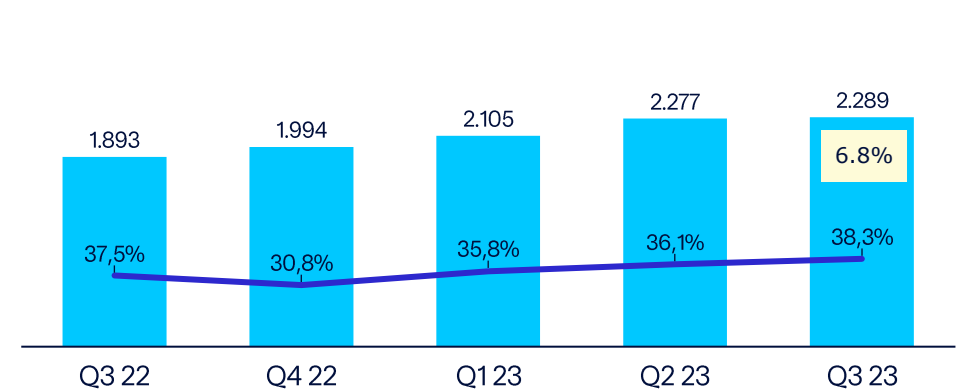
Mobile subscribers ('000)



Mobile ARPU (EUR/month)



Service revenues (NOK m) and EBITDA margin



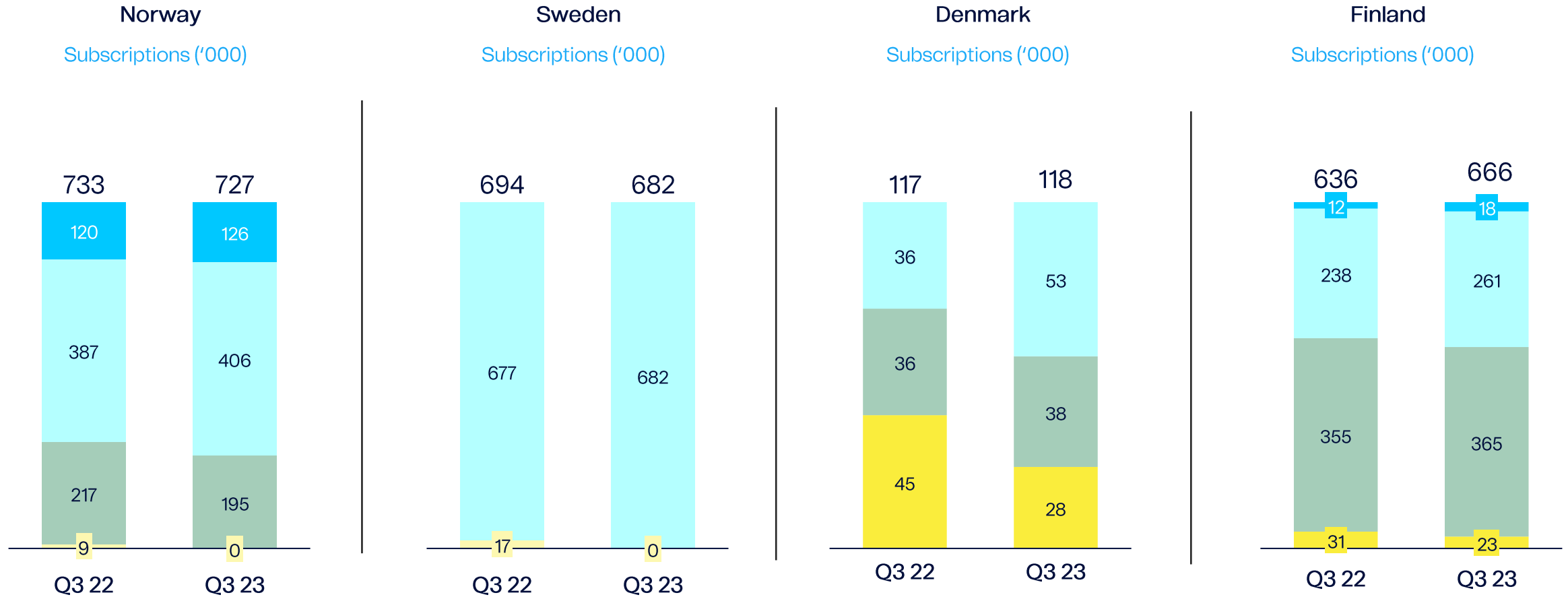
EBITDA and capex (NOK m)



Organic growth

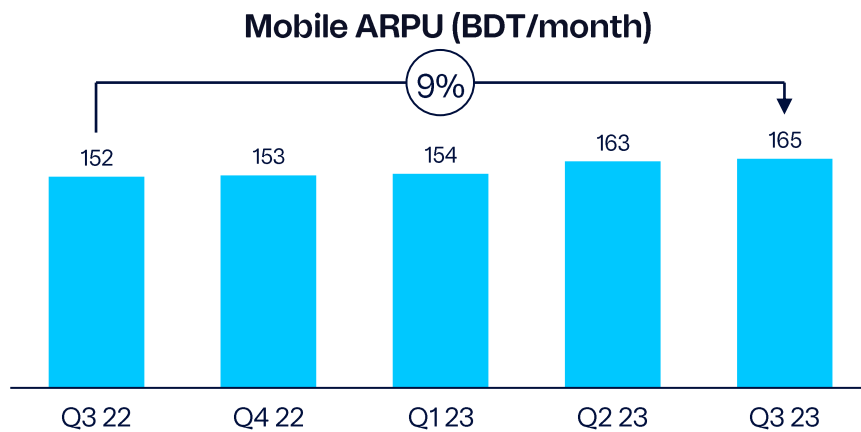
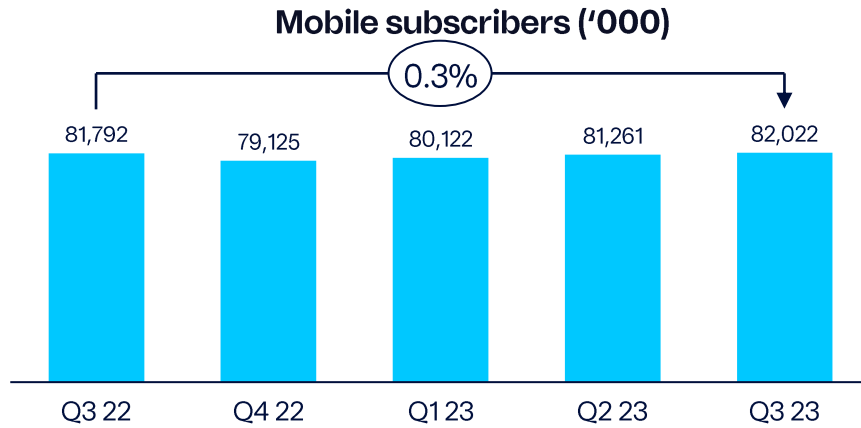
Organic growth assuming fixed currency, adjusted for acquisitions and disposals.

Additional information – Nordics fixed broadband

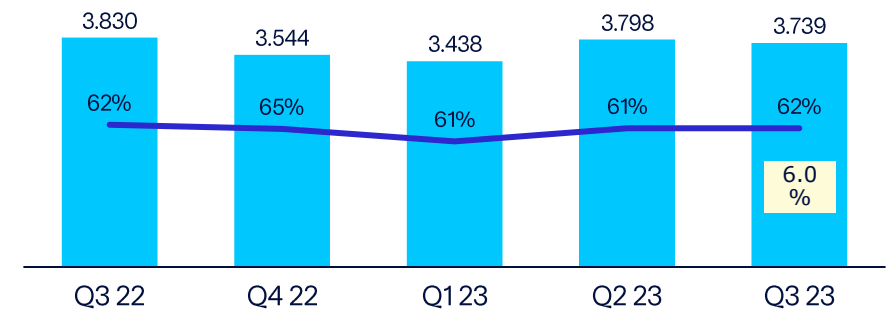


FWA Fibre Cable DSL

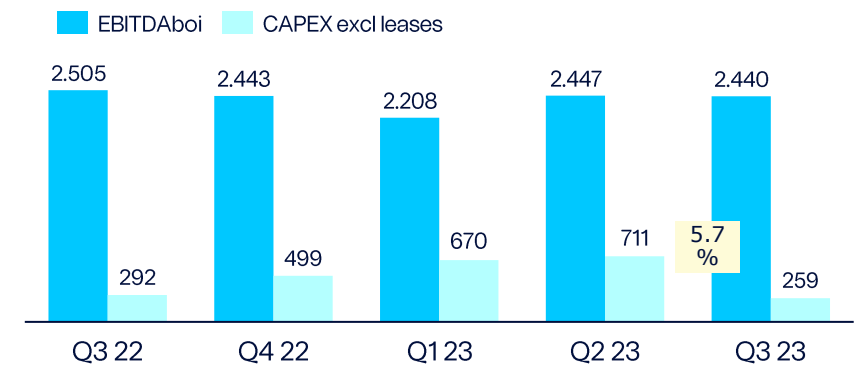
Bangladesh



Service revenues (NOK m) and EBITDA margin



EBITDA_{boi} and capex (NOK m)

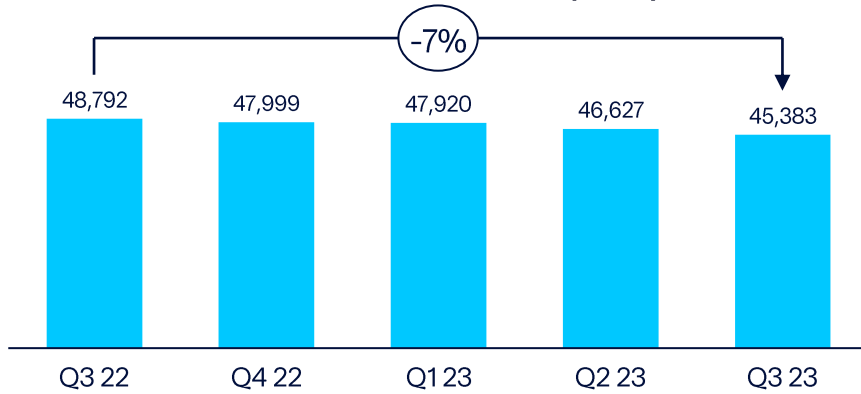


Organic growth

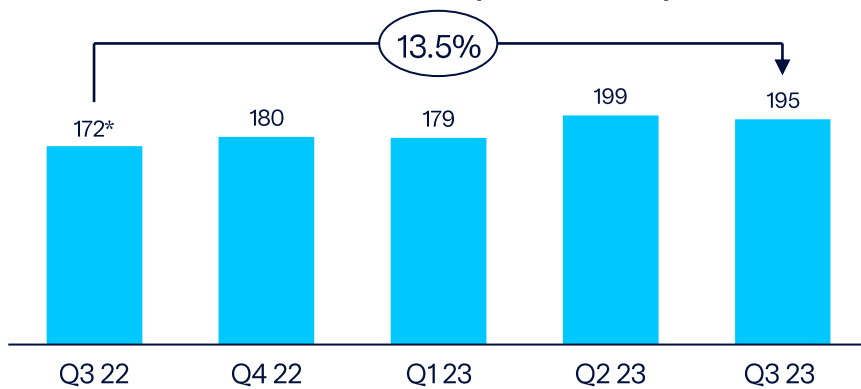
Organic growth assuming fixed currency, adjusted for acquisitions and disposals.

Pakistan

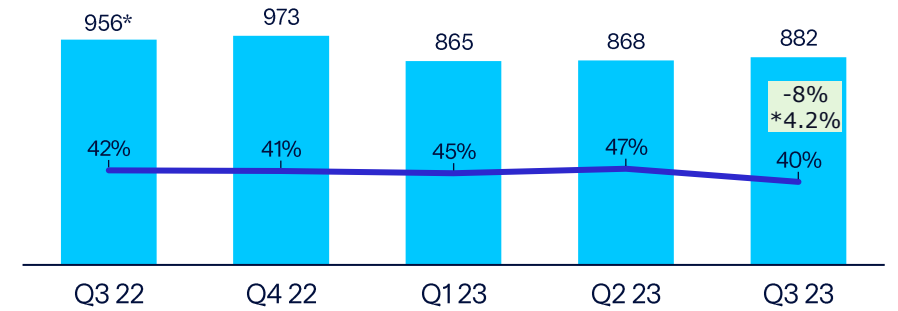
Mobile subscribers ('000)



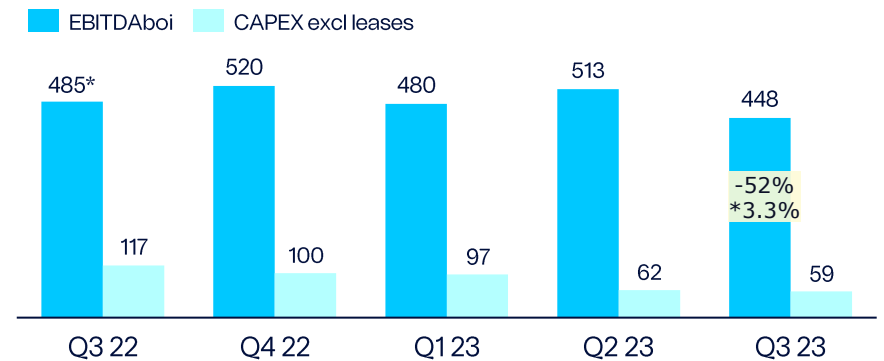
Mobile ARPU (PKR/month)



Service revenues (NOK m) and EBITDA margin



EBITDA_{boi} and capex (NOK m)



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

Q3 growth in **Service Revenues** and **EBITDA**

COUNTRY	SERVICE REVENUES		EBITDA before other items	
	Reported %	Organic %	Reported %	Organic %
Norway	3%	3%	8%	8%
Sweden	6%	4%	8%	5%
Denmark	15%	2%	29%	14%
Finland	21%	7%	24%	10%
Nordic	8%	4%	12%	8%
Bangladesh	-2%	6%	-3%	6%
Pakistan	-19%	-8%	-59%	-52%
Asia	-6%	3%	-21%	-12%
Infrastructure	n/a	n/a	0%	-2%
Connexion	22%	19%	25%	22%
Maritime	20%	20%	4%	-4%
Linx	n/a	n/a	-49%	-49%
Satellite	n/a	n/a	1%	-1%
Amp	20%	19%	-9%	-9%
Telenor Group	4%	4%	1%	1%

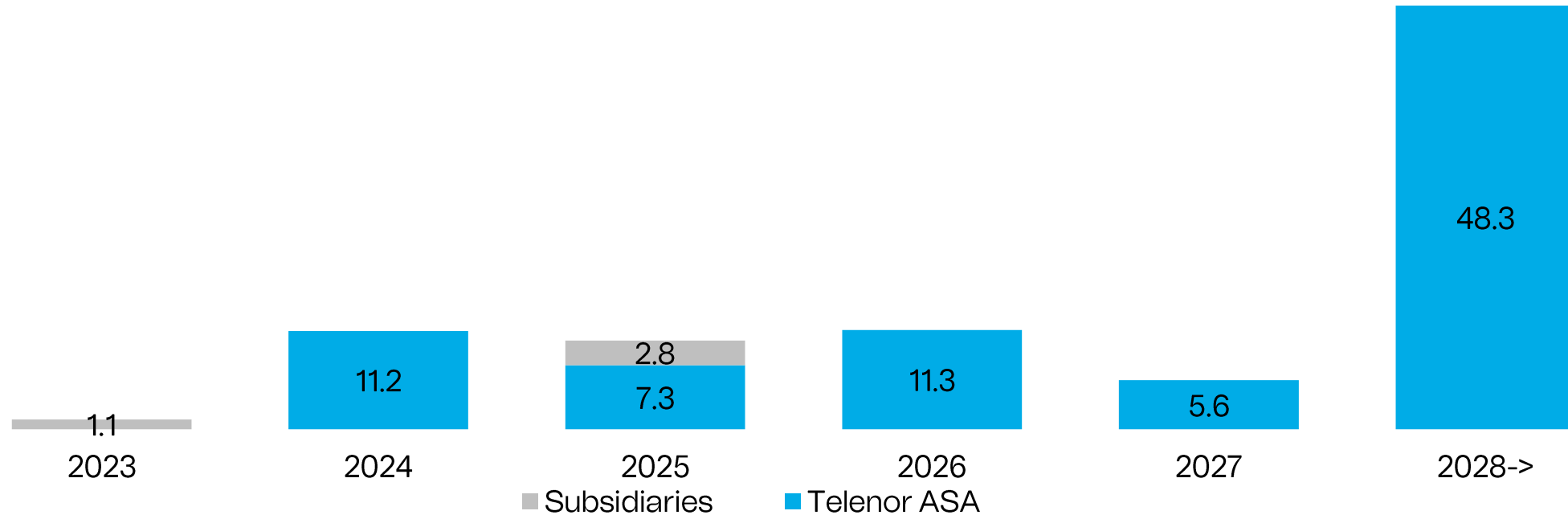


Note: No service revenues in Telenor Infrastructure, Linx, and Satellite

Debt maturity profile (NOK bn)

Net debt* in partly-owned subsidiaries:

NOK bn	Q3 2023	Q3 2022
Grameenphone	2.6	3.6



Net debt reconciliation

NOK bn	Q3 2023	Q3 2022
Non-current interest-bearing liabilities	72.3	89.4
Non-current lease liabilities	13.6	29.6
Current interest-bearing liabilities	5.7	9.9
Current lease liabilities	4.3	7.8
Cash and cash equivalents	(9.7)	(16.2)
Fair value hedge instruments	0.0	(0.0)
Financial instruments	(0.3)	(0.3)
Non-current license obligations	(4.3)	(14.2)
Current license obligations	(1.3)	(2.9)
Net interest-bearing debt excl. license obligations	80.4	103.1



Additional information

QoQ FX impact on net debt, NOKb

Q2 2023	Q3 2023
+2.3	-3.1

Ownership in listed associated companies

	Direct and indirect shares owned by Telenor (Sept 30)	Share price (Sept 30)	Market Value to Telenor NOK	Ownership share %
TrueCorp	10,404,766,243	7.1 THB	21.5 bn	30.2
CelcomDigi	3,883,129,144	4.37 MYR	38.5 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