



First quarter 2024

Interim report
January – March 2024

telenor group

Contents

Highlights	3
CEO letter	4
Strategy and outlook	5
Sustainability	7
Risk and uncertainties	8
Group financial overview	10
Performance in the business areas	15
Interim condensed financial information	22
Notes to the interim consolidated financial statements	29
Definitions and Alternative Performance Measures	40

Highlights - First quarter ¹⁾

- Service revenues were NOK 15.8 billion, which is an increase of NOK 1.0 billion or 6.4%, compared to the same period last year. The organic growth in service revenues was 5.6%.
- EBITDA before other items was NOK 8.5 billion and increased by NOK 0.4 billion. On organic basis, EBITDA before other items increased by 6.9%.
- Net income attributable to equity holders of Telenor ASA was NOK 11.6 billion. This includes reversal of NOK 8.0 billion of the impairment and fair value adjustment of shareholder loan related to True Corporation recorded in 2023.
- Total free cash flow for the Group was NOK 5.4 billion. On 4 January 2024, Telenor Group closed the agreement for the sale of its subsidiary Telenor Satellite to Space Norway, with a cash effect of NOK 2.1 billion. Free cash flow before M&A was NOK 3.3 billion.
- Net debt stood at NOK 79.0 billion at the end of the first quarter, resulting in a leverage ratio of 2.2x, which is at the same level as at the end of 2023.
- Business area Nordics delivered organic service revenue growth of 5.3%, organic EBITDA growth of 8.3%, and a capex to sales ratio of 15.7%.

Key figures Telenor Group

NOK in million	First quarter		Year
	2024	2023	2023
Service revenues	15 773	14 823	62 567
Organic service revenue growth (%)	6%	3%	4%
Total Revenues	19 457	19 187	80 452
Organic revenue growth (%)	2%	4%	3%
Operating expenses	(6 704)	(6 441)	(26 832)
EBITDA before other income and other expenses	8 505	8 078	34 564
Organic EBITDA growth (%)	7%	2%	3%
Operating profit	5 631	3 834	16 964
Net income from associated companies and joint ventures	7 295	(191)	(8 466)
Net income attributable to equity holders of Telenor ASA	11 560	18 146	13 734
Capex excl. lease	3 137	3 535	12 731
Free cash flow before M&A	3 288	431	9 490
Total Free cash flow	5 412	5 666	15 003
Leverage	2.2	2.1	2.2

¹⁾ Please refer to page 40 for Definitions and descriptions of Alternative Performance Measures.



Sigve Brekke

Strong start to the year

I am happy to report that the first quarter represented a strong start to the year for Telenor. Sustained growth momentum and cost discipline in the Nordics, continued progress in Asia and disciplined cash-flow management leave us well on track with our full-year and mid-term financial ambitions.

We continued to execute on the strategy we communicated in 2022; our wind-power agreement for Norway came on stream, we closed the divestment of the Satellite business, and announced the go-ahead for a green data centre, which will also host Telenor's sovereign AI cloud offering built on technology from Nvidia. Looking into the latter half of this decade, I believe cloud-native technologies and an AI-first approach will be key drivers of not only Telenor's own transformation but also for the digitalisation of society. With our ownership structure, customer base and trusted security competence, we believe we have a competitive advantage to take a leadership role in this part of the digital infrastructure market.

In the first quarter we grew organic service revenues by 6% and generated free cash flows before M&A of NOK 3.3 billion as we continued to drive our investment monetisation and efficiency agendas in the Nordics and Asia, while rolling out networks that ensure a superior network connectivity experience for our customers.

I am particularly pleased that our Nordic business area grew organic service revenues by 5% while keeping operational expenses flat. This resulted in a very solid EBITDA growth of 8% in the Nordics. DNA in Finland showed once again that it has been a good investment for us over the last five years, posting 9% top-line growth in the first quarter and keeping operational expenses stable. Telenor Sweden continued to improve its growth profile, supported by solid progress in the business segment. In Norway, we continued to strengthen the premium value of our mobile product portfolio, while responding to increased consumer demand for unlimited offerings.

In Asia, the 5% EBITDA growth was held back by 28% rise in energy costs. We expect energy to remain a headwind for the remainder of 2024. While Grameenphone grew in the quarter, I believe it is currently punching below its weight and expect growth to pick up after the January elections. Telenor Pakistan continued to perform impressively despite highly challenging macro conditions. In Thailand, True Corporation's latest earnings announcement demonstrated a clear pick-up in revenue growth and profitability. True Corporation guided for 2024 EBITDA growth of 9-11% on the back of improving growth and solid synergy realisation and announced a net zero emissions target for 2050 with ambitious short-term and medium-term milestones. Our Malaysian asset CelcomDigi also continued to deliver on its progressive dividend commitment, as we received more than NOK 0.3 billion in dividends in the first quarter.

Growing our cash flow is a key element in our financial ambitions. Free cashflow and leverage will vary between quarters, but I am pleased to report a total free cash flow of NOK 5.4 billion in the first quarter. In conclusion, after a robust beginning to the year I am confident that we are on course for the full year and well poised to meet our 2025 financial ambitions.

Best regards,

Sigve Brekke, President & CEO Telenor Group

¹⁾ Please refer to page 40 for Definitions and descriptions of Alternative Performance Measures.



Strategy and Outlook: 2024 – a year for focused execution

Telenor Group is a leading technology-driven communication services provider with presence in the Nordics and Asia. Our strategy is to deliver profitable growth in the Nordics, capture synergies from the mergers in Asia, refine and extract values in Infrastructure, and develop the values in the Amp portfolio on an asset-by-asset basis. In doing so we aim to support long-term dividend growth and sustain healthy return on capital.

How we create value

Telenor has a differentiated value-creation logic across our four business areas: Nordics, Asia, Infrastructure and Amp, and a governance set-up providing flexibility to navigate an increasingly complex environment. The structure also provides strategic optionality in line with our strategic ambitions.

Our **responsible business conduct** is a differentiator. We attract partners who appreciate our high governance standards, earning trust as a positive contributor to societies, with inclusion and online safety as our strongest proof-points. Our commitment to reach our climate targets has impact throughout our value chain.

The value-creation strategy of **Telenor Nordics** is to capture revenue growth potential profitably. To differentiate our value proposition and drive ARPU in a region with demanding customers, we combine high-quality connectivity with innovative add-on services. Through our modern networks and increasingly through a common Nordic approach we enable a more efficient, flexible and at-scale delivery model.

In **Telenor Asia**, we have three market-leading positions, supported by a strong transparency and governance set-up. The strategic focus is de-risking the business over time while driving cash flows through profitable growth and synergies from the completed mergers in Thailand and Malaysia. We continue to develop strategic alternatives for Telenor in Asia.

We believe the communication infrastructure assets carved out in **Telenor Infrastructure** are well positioned to support the digitalisation of the Nordic region. We offer customers resilience, robustness, efficient operations, and green energy supply across tower, fibre and datacentre assets. We aim to

unlock values through focused operations and minority-stake divestments, when appropriate.

The strategic focus for **Telenor Amp** is to unlock the value potential of our adjacent asset portfolio, which is a mix of mature companies and growth businesses. We manage this portfolio with a develop-or-divest approach, monetising non-core assets while seeking to develop leading Nordic service positions in IoT and security.

Our financial ambitions and outlook

At the Capital Markets Day in September 2022, we set out our **mid-term** (2023-2025) financial ambitions.

For **Telenor Nordics**, our ambitions are:

- Low-to-mid single-digit organic growth in service revenues;
- Mid-single-digit organic growth in Nordic EBITDA;
- In February 2023, we added an ambition to reduce capex (excluding leases) by NOK 2 billion between 2022-2025.

For the **Telenor Group** our ambitions are:

- Year-on-year growth in dividend per share;
- Covering the dividend with free cash flow before M&A in 2025;
- Target leverage ratio of 1.8x – 2.3x.

For 2024, we provide the following outlook and market commentary:

In the Nordics, we continue to expect low single-digit organic growth in Nordic service revenues. Nordic telecom markets are broadly rational, and we had a solid opening quarter of the year. However, the extent to which our more-for-more price adjustments will continue to be absorbed by customers

¹⁾ Please refer to page 40 for Definitions and descriptions of Alternative Performance Measures.

in a lower-inflation environment remains uncertain. We expect continued growth in Sweden and Finland. The Norwegian market environment remains healthy, although with brisk competition. In Denmark the market remains tough.

We continue to expect mid-single digit organic growth in Nordic EBITDA and a Nordic capex to sales ratio of around 17%. The EBITDA outlook is supported by an ambition of flat opex for the Nordics in 2024 amid a sustained inflationary environment, and a nominal slight decrease in opex in 2025. The effect of the planned transformation measures will likely be somewhat back-end-loaded in the year. While energy provided a tailwind in the Nordics in the first quarter, we see a neutral energy outlook for the remainder of the year.

For the Group, we continue to expect mid-single digit organic EBITDA growth in 2024. We believe this will be supported by the Nordic outlook and firm operating trends in Asia tempered by relative energy headwinds in line with those of the first quarter.

The underlying tax rate for the year 2024 is estimated to be around 30%.

We expect to deliver a free cash flow before M&A of NOK 9-10 billion in 2024, based on year-end 2023 foreign exchange rates. This said, there could be variations between the individual quarters. For example, in the second quarter, there will be periodic payments relating to bond interest, spectrum in Pakistan and dividends to non-controlling shareholders in Grameenphone. The full year range assumes the inclusion of Pakistan and does not factor in potential items related to prior years' activities (e.g. claims-related payments, tax refunds and similar). Also note that Satellite was sold in the beginning of January 2024.

Finally, based on the buy-back programme for 2023 and the agreement with the Norwegian state through the Ministry of Trade and Industry, we expect to complete the NOK 1.9 billion buy-back of the Government's proportionate portion during this summer, leading to the planned cancelling of 31.1 million Telenor shares in total.

¹⁾ Please refer to page 40 for Definitions and descriptions of Alternative Performance Measures.



Sustainability and responsible business conduct is an integrated part of Telenor’s strategy and performance management, and a key foundation for sustainable value creation. Guided by international standards and our operational experience, we work systematically to address risks and to drive the positive impact of our business across our markets.

		Year	YTD	Target 2025
		2023	Q1	
Environmental	Climate change mitigation:			
	Scope 1&2: Reduction of absolute GHG emissions from global operations*	-6%	N/A	-64% (2030)
	Scope 3: Share of supplier spend covered by science-based targets*	51%	52%	66%
	Circularity:			
	Take-back rate of mobile phones (Nordic)	12%	12%	30% (2030)
Social	Digital Skills, Inclusion & Online Safety:			
	Number of people trained in digital skills (in million)**	4.1	4.7	6
	Mobile internet users (% active data users)	58%	57%	68%
	Diversity, Equity & Inclusion:			
	Women in senior leadership positions	34%	35%	40%
Governance	Responsible supply chain:			
	Share of supply chain sustainability non-conformities resolved	61%	84%	90%

*Revised targets following portfolio changes validated by SBTi in first quarter 2024. Scope 1&2 baseline year is 2019, progress in measured on annual basis.

**Accumulated from 2021.

Environmental

Telenor has set near-term science-based targets and submitted a net-zero target to reach a 90% reduction across all scopes by 2045. In March 2024 our first climate transition plan was published, describing the principles and plans for reaching the climate targets.

Telenor addresses circularity of the devices we offer to customers primarily through take-back programmes, re-use and recycling. Telenor has joined the GSMA’s circular economy ambition for mobile devices. Our target for the Nordics is that the number of mobile devices collected through take-back schemes in 2030 shall amount to 30% of the number of new mobile devices distributed to customers. The take-back rate for the first quarter 2024 was 12%.

Emissions from our associated companies in Thailand and Malaysia are included in our scope 3 emissions. Both companies have publicly committed to setting science-based emissions reduction targets to be validated by SBTi.

Social

Digital skills and online safety remain key pillars in our commitment to responsible business conduct. During the

first quarter, Telenor trained around 600 thousand people in digital skills and online safety, mainly through ongoing projects in Bangladesh and Sweden together with our partner Plan International. In Bangladesh, almost 500 thousand people from the most marginalised communities were trained in basic digital skills and literacy, most of them as part of an educational community radio training programme.

In March, a new iteration of the sustainability partnership was signed between Telenor and Cisco, which re-emphasises the companies’ commitment towards creating an inclusive and sustainable future for all.

Governance

Our ambition to uphold high governance standards is strongly linked to a responsible supply chain. A finding of a non-conformity is a breach of Telenor’s supplier conduct principles and will be systematically addressed and corrected. During first quarter the closure rate improved due to focus on resolving open non-conformities from fourth quarter last year both in Nordic and Bangladesh.

¹⁾ Please refer to page 40 for Definitions and descriptions of Alternative Performance Measures.

Risks and uncertainties



When operating across multiple markets, Telenor is exposed to a range of risks that may affect business. Risks are prioritised based on materiality and risk management is crucial to reduce exposure to acceptable levels in a way that supports Telenor to achieve the ambitions and goals.

Geopolitical risks

Telenor operates in markets that are subject to geopolitical risks with potential negative impacts. Several risk areas such as, but not limited to, supply chain, security, political and economic situation in Telenor's markets is influenced by the external factors.

The recent conflict between Israel and Hamas including the Houthi attacks on shipping in the Red Sea is increasing the risk of potential disruption in transportation and the oil supply from the middle east region. If the conflict expands to oil producing countries in the region, it may aggravate the economic slowdown and inflation already caused by the war in Ukraine. The inflation in some of our markets is still high, particularly in Pakistan and Bangladesh.

The tension between China and Western countries continues to escalate where Western governments are ramping up pressure and restrictions against China's technology industry while China is trying to increase its influence and operations worldwide. This has a potential impact on supply chains and the telecom equipment Telenor is allowed to use.

In Pakistan and Bangladesh, we are observing deterioration of political and economic situation, which may increase the risk of civil unrest, security concerns and financial instability.

People safety

Employees and suppliers involved in Telenor's operations are exposed to a range of health and safety risks. Traffic, work at height, network rollout projects in remote locations, terrorism, natural disasters, social unrest, ergonomics, and stress remain risk areas that are relevant to Telenor, particularly in the Asian markets.

Supply chain risks

The risks associated with supply chain is heavily influenced by the current geopolitical situation. Telecom supply chains have grown in complexity due to technological advancement, the dynamic nature of the industry and the diverse array of supplies required from various global locations. Such risks can lead to increasing prices and

inventory holding costs due to supply volatility, economic fluctuations, and geopolitical tensions. Constraints and interruptions in supply chain may also affect product and service quality which may have reputational impact.

Security risks

Telenor is processing, storing, and transmitting significant volumes of confidential information that needs to be safeguarded. The continuously volatile geopolitical situation and rapidly evolving threat landscape has increased the risk of disruptive cyber-attacks (i.e. ransomware) and physical attacks (i.e. sabotage on physical critical infrastructure). This requires Telenor to maintain a heightened level of preparedness to ensure digital resilience.

The rapid development of Artificial Intelligence (AI) and Large Language Models (LLMs) offers vast opportunities but also come with additional challenges.

Privacy risks

The privacy risk relates to the compliance risks associated with personal data protection as regulated by relevant privacy laws and regulations. The impact on Telenor may be loss of license to operate, substantial fines, class actions, loss of business opportunities and loss of trust due to reputational damage. The risk may also impact the society and individuals.

Regulatory risks

Telenor's operations are subject to requirements through sector-specific laws, regulations, and national licences. Regulatory developments and uncertainty could affect Telenor's results and business prospects. The risk is particularly high in Asian markets with issues related to high spectrum prices, tax disputes, renewal of licenses and general unpredictability in the business and regulatory environment. In addition to sector specific regulation Telenor's operations are exposed to general regulations including but not limited to competition law. The risk of being alleged of abuse of dominant market position is higher in Bangladesh and Norway where Telenor has a number 1 market position.

¹⁾ Please refer to page 40 for Definitions and descriptions of Alternative Performance Measures.

Climate risks

Telenor is exposed to climate-related physical risks such as potential damage to vital infrastructure and utilities from the impact of more extreme weather events and rising sea levels. Climate-related regulatory risks include potentially higher operational costs due to increasing carbon taxes and energy/fuel taxes, as well as risks of higher capital expenditures due to a required transition towards the use of renewable energy solutions and energy efficient networks. Climate-related risks may affect future cash flow projections applied to determine the recoverable amount of cash-generating units for the purpose of impairment testing, as well as estimates of useful life and residual value of assets.

Financial risks

Currency fluctuations may also influence the reported figures in Norwegian kroner significantly. Telenor ASA seeks to allocate debt based on equity market values in local currencies, predominantly EUR, SEK, NOK and USD. Foreign currency debt in Telenor ASA that exceeds the recorded equity of investments in the same currency will not be part

of an effective net investment hedge relationship. Currency fluctuations related to this part of the debt will be recorded in the income statement. Currency fluctuations on internal loans might also significantly impact the income statement. Telenor has both fixed and floating rate debt, and changes in interest rates will impact the income statement. Further, in Bangladesh there is a shortage of US dollars (USD) making it difficult to convert Bangladesh Taka (BDT) to USD or other foreign currency.

Additional reference notes

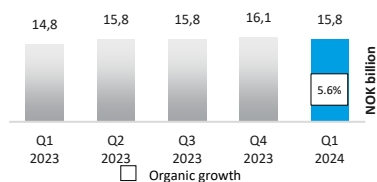
The above description of risks and uncertainties is not exhaustive. For additional explanations regarding risks and uncertainties, please refer to the following sections in Telenor's Annual Report 2023: Risk and risk management in the Board of Directors' Report, Note 10 *Income taxes*, Note 18 *Impairment of assets*, Note 23 *Legal disputes and contingencies* and Note 31 *Capital and financial risk management*.

¹⁾ Please refer to page 40 for Definitions and descriptions of Alternative Performance Measures.

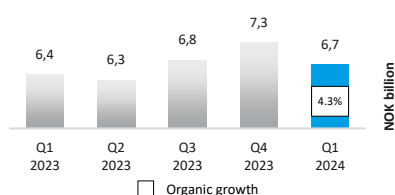
Group financial overview



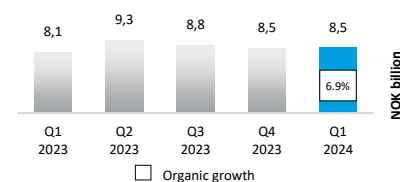
Service revenues



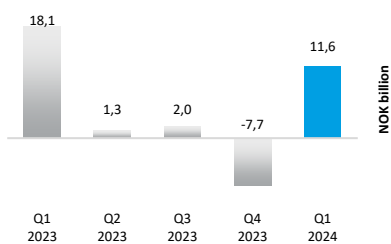
Opex



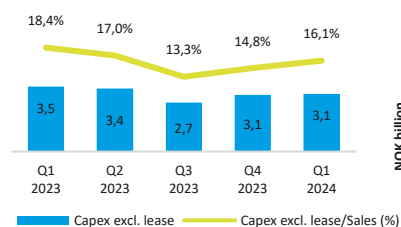
EBITDA before other items



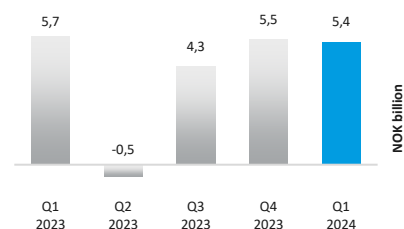
Net income



Capex excl. lease



Free cash flow



¹⁾ The comments are related to Telenor's development in the first quarter of 2024 compared to the first quarter of 2023 and are based on current Group structure unless otherwise stated. Please refer to page 40 for Definitions and descriptions of Alternative Performance Measures.

Service revenues

Service revenues increased by 5.6% on organic basis and 6.4% on reported basis this quarter.

In the Nordics, organic service revenues grew by 5.3%, supported by a 7.1% increase in mobile service revenues. The increase in mobile service revenues was driven by ARPU growth in all markets except Denmark, where the improvement came from increased subscriber base. In Asia, the growth in service revenues was driven by steady increase in Bangladesh, due to positive development in data usage and increase in data users, and by high growth in Pakistan due to rising ARPU. Furthermore, Amp continued to grow through Telenor Maritime and Connexion.

Operating expenses (Opex)

Reported opex increased by NOK 0.3 billion, which corresponds to 4.3% organic increase compared to the same period last year.

NOK in million	First quarter			Full Year
	2024	2023	Organic Change	2023
Salaries and personnel	2 536	2 453	4%	9 986
Operations and maintenance	1 290	1 275	1%	5 235
Sales, marketing and commission	1 305	1 269	2%	5 284
Energy	427	357	25%	1 598
Other opex	1 145	1 088	5%	4 730
Total	6 704	6 441	4%	26 832

The increase in salaries and personnel expenses was driven primarily by the Nordics, as inflationary pressure was only partially offset by FTE reductions. Furthermore, Nordics showed a decline in operations and maintenance expenses, leading to a flat opex for this business area.

The increase in sales and marketing expenses was driven by Asia, supporting the service revenue growth in this business area. Moreover, the increase in energy cost was entirely attributable to Asia due to increased energy tariffs and subsidy reductions. For the Group, the net EBITDA impact of increased energy cost was NOK 45 million.

EBITDA before other items

EBITDA before other items grew by 6.9% on organic basis and by 5.3% on reported basis. The organic growth was driven by strong service revenues in Nordics and Asia, partly offset by increased operational expenses.

Specification of other income and other expenses

NOK in million	First quarter		Year
	2024	2023	2023
EBITDA before other income and other expenses	8 505	8 078	34 564
Other income	-	-	1
Gains on disposals of property, plant and equipment (PPE) and operations	1 431	9	85
Total other income	1 431	9	85
Losses on disposals of property, plant and equipment (PPE) and operations	(60)	(50)	(312)
Workforce reductions, onerous (loss) contracts and other	(88)	(184)	(813)
Total other expenses	(148)	(233)	(1 125)
EBITDA	9 788	7 853	33 524

Total other income this quarter consisted mainly of the gain of NOK 1.4 billion related to the sale of Telenor Satellite to Space Norway. Total other expenses in the first quarter last year included workforce reductions of which NOK 131 million in Telenor Norway. Reported EBITDA increased by NOK 1.9 billion.

¹⁾ The comments are related to Telenor's development in the first quarter of 2024 compared to the first quarter of 2023 and are based on current Group structure unless otherwise stated. Please refer to page 40 for Definitions and descriptions of Alternative Performance Measures.

Operating profit

Operating profit was NOK 5.6 billion this quarter, which increased by NOK 1.8 billion compared to the same period last year. The positive development was driven by increase in EBITDA before other items and the sale of Telenor Satellite.

Associated companies and joint ventures

Telenor holds significant interests in CelcomDigi and True Corporation. These two associates are listed companies and report their quarterly results to the external market after Telenor publishes its quarterly results. Consequently, Telenor reports its share of net income from CelcomDigi and True Corporation with a one-quarter lag, adjusted for known, significant transactions. The CelcomDigi transaction was closed on 1 December 2022. Only share of CelcomDigi's net income for December 2022 has been included in Telenor's net income for first quarter 2023, while share of CelcomDigi's net income for fourth quarter 2023 has been included in Telenor's net income for first quarter of 2024. The True transaction was closed on 1 March 2023. Telenor's share of True Corporation's net income for fourth quarter 2023, adjusted for one-time cost of NOK 0.8 billion recognised by True Corporation in December 2023 and by Telenor in the annual report 2023, has been included in Telenor's net income for 2024. For further information about the transactions and significant associates, please see Note 4 *Associated companies and joint ventures* and Note 5 *Discontinued operations and assets held for sale*.

NOK in million	First quarter		Year
	2024	2023	2023
Telenor's share of profit (loss) after taxes as reported by companies	318	(175)	(459)
Adjustments for difference in accounting policies	(11)	(6)	(72)
Amortisation of Telenor's net excess values after taxes	(27)	(10)	(100)
Share of net income from associated companies and joint ventures	280	(191)	(631)
Impairment reversal (loss)	7 015	-	(8 505)
Gain (loss) on disposal of associated companies and joint ventures	-	-	670
Impairments and gain (loss) on disposal of associated companies and joint ventures	7 015	-	(7 835)
Total share of net income from associated companies and joint ventures	7 295	(191)	(8 466)

Net profit after tax from associated companies and joint ventures during the first quarter of 2024 was NOK 7.3 billion, mainly due to reversal of impairment recognised for True Corporation of NOK 7.0 billion and Telenor's NOK 0.3 billion share of net profit after tax in CelcomDigi. Please also see *Financial items* regarding the fair value adjustment of the shareholder loan to the joint ventures, part of the funding structure of the True investment. Net loss after tax from associated companies and joint ventures during the first quarter of 2023 was NOK 0.2 billion.

Financial items

NOK in million	First quarter		Year
	2024	2023	2023
Financial income	328	187	1 062
Financial expenses	(1 117)	(730)	(4 264)
Net currency gains (losses)	(409)	(3 118)	(3 049)
Net change in fair value of financial instruments	1 138	(32)	(1 149)
Net gains (losses and impairment) of financial assets and liabilities	(6)	-	(1)
Net financial income (expenses)	(67)	(3 693)	(7 400)
Gross interest expenses related to interest-bearing liabilities and lease liabilities	(993)	(609)	(3 410)

¹⁾ The comments are related to Telenor's development in the first quarter of 2024 compared to the first quarter of 2023 and are based on current Group structure unless otherwise stated. Please refer to page 40 for Definitions and descriptions of Alternative Performance Measures.

In the first quarter of the year, net financial items amounted to a marginal loss compared to a loss of NOK 3.7 billion in the same period last year. Net currency losses in the first quarter of 2024 were due to continued weakening of NOK, and mainly related to liabilities denominated in USD. Net currency losses in the first quarter of 2023, were mainly related to liabilities denominated in USD and intercompany loans in SGD.

Financial expenses in the first quarter increased by NOK 0.4 billion, primarily driven by higher interest rates and higher outstanding debt compared to the same period last year. A maturity of SEK 4.5 billion, which was pre-funded last year, was repaid in March 2024.

Financial income, driven by interest income, was NOK 0.3 billion. The increase of NOK 0.1 billion compared to the same period last year was driven by a combination of higher interest rates and higher deposits.

Change in fair value of financial instruments in the first quarter of NOK 1.1 billion was mainly related to the shareholder loans which are part of the funding of the investment in True and that are recognised on an ongoing basis at fair value. During 2023, a write-down of NOK 1.2 billion was recognised in relation to these shareholder loans.

Income tax

The effective tax rate of 4% this quarter was low mainly due to the reversal of impairment of NOK 7.0 billion related to True Corporation, gain of NOK 1.4 billion related to the sale of Telenor Satellite and gain of NOK 1.0 billion related to fair value adjustment of the shareholder loan for the funding of the investment in True Corporation. In addition, after receiving clarifications on certain tax provisions in the new Income Tax Act 2023, Grameenphone reversed NOK 0.5 billion in provisions. The underlying tax rate for the quarter was 36%.

The effective tax rate for the first quarter 2023 was negative, mainly because of low profit before tax due to high currency losses. The underlying tax rate for the year is estimated to be around 30%.

Net income

Net income for the quarter amounted to NOK 12.2 billion. Contribution from associated companies and joint ventures totaled NOK 7.3 billion due to reversal of previous impairments carried out in 2023. Net financial items and tax expenses amounted to negative NOK 67 million and negative NOK 0.5 billion respectively, leading to a profit after tax of NOK 12.3 billion from continued operations. Net income to non-controlling interests amounted to NOK 0.6 billion. This resulted in net income of NOK 11.6 billion to equity holders of Telenor. This compares to NOK 18.1 billion for the same period last year, which was driven by the gain from the merger in Thailand.

Capital expenditure excluding leases (Capex excl. leases)

Capex excluding leases was NOK 3.1 billion for the quarter, resulting in a capex to sales ratio of 16.1%, which is two percentage points lower than the same period last year. In the Nordics, capex excluding leases was NOK 2.2 billion, which corresponds to a capex to sales ratio of 15.7%. This was mainly driven by investments in mobile network modernisation across all business units and the ongoing fibre roll-out in Norway, which was impacted by harsh weather conditions.

Cash flow

The Group's total free cash flow in the first quarter was NOK 5.4 billion, including NOK 2.1 billion mainly related to the sale of Telenor Satellite. Free cash flow before M&A activities was NOK 3.3 billion, driven by strong operating cash flow across Nordics and Asia, as well as interim dividend from CelcomDigi of NOK 0.3 billion.

Cash and cash equivalents increased by NOK 1.1 billion during the quarter, as free cash flow of NOK 5.4 billion were partly offset by net repayments of borrowings of NOK 4.4 billion.

¹⁾ The comments are related to Telenor's development in the first quarter of 2024 compared to the first quarter of 2023 and are based on current Group structure unless otherwise stated. Please refer to page 40 for Definitions and descriptions of Alternative Performance Measures.

Financial position

During the first quarter of 2024, total assets increased by NOK 15.3 billion to NOK 233.7 billion. The increase was primarily caused by the reversal of NOK 7.0 billion out of the previously recorded impairment in the fourth quarter of 2023 related to investment in associate and a fair value adjustment of NOK 1.0 billion related to shareholder loan, both driven by True Corporation's share price increase in the first quarter of 2024, as well as a positive currency translation effect of approximately NOK 6 billion.

During the first quarter of 2024, net debt marginally decreased by NOK 0.8 billion to NOK 79 billion driven primarily by positive free cash flow of NOK 5.4 billion, partly offset by negative currency translation effects of NOK 4.0 billion. As a result, interest-bearing liabilities excluding license obligations increased by NOK 0.5 billion, and cash and cash equivalents increased by NOK 1.3 billion.

During the first quarter of 2024, total equity increased by NOK 14.8 billion to NOK 85.3 billion. The increase was mainly due to positive net income from total operations of NOK 12.2 billion, including the reversal of the aforementioned impairment recorded in 2023. Equity further increased by pension remeasurement gains (net of taxes) of NOK 0.6 billion, due to higher long term interest rates, and by positive net translation differences of NOK 3.3 billion in other comprehensive income.

Currency exchange rates

Telenor has significant operations abroad and fluctuation of NOK against relevant Telenor currencies impacts net assets. For the first quarter, the impact on translating the net assets to NOK resulted in a gain of NOK 3.4 billion recognised in other comprehensive income, driven by NOK 6.2 billion gain related to the assets and NOK 2.8 billion loss related to the liabilities.

In addition, Telenor has significant debt in foreign currencies, which, to some extent, impacts the income statement when the currencies fluctuate. Telenor uses part of its borrowings in foreign currencies to hedge its foreign investments, called net investment hedges, and this either fully or partly offsets the currency impact from debt in the income statement. The currency effects of borrowings and placements in foreign currencies, mainly coming from borrowings in EUR and USD, impacted the income statement with a loss of NOK 0.4 billion. The net investment hedges impacted the Other Comprehensive Income statement with a loss of NOK 1.5 billion.

The overall net effect before tax related to currency on total equity during the first quarter was a gain of NOK 1.5 billion.

¹⁾ The comments are related to Telenor's development in the first quarter of 2024 compared to the first quarter of 2023 and are based on current Group structure unless otherwise stated. Please refer to page 40 for Definitions and descriptions of Alternative Performance Measures.

Performance in the business areas



Telenor Group has four business areas; Nordics, Asia, Infrastructure and Amp, which also constitute the Group's operating and reportable segments. The Infrastructure segment consists of certain passive infrastructure in the Nordic countries, and Amp includes the portfolio of adjacent businesses and companies.

Basis for reporting

The comments on the financial development in the business areas are made on an organic basis in the first quarter of 2024 compared to the first quarter of 2023, unless otherwise stated. Please refer to Definitions on page 40 for descriptions and calculations of alternative performance measures. All comments on EBITDA are made on development in EBITDA before other income and other expenses. Please refer to page 11 for specification of other income and other expenses. Additional information is available at: www.telenor.com/ir.

Nordics

Business area Nordics includes the fully owned business units Telenor Norway, Telenor Sweden, Telenor Denmark, and DNA in Finland, in addition to Telenor Shared Services. The passive fibre infrastructure company Telenor Fiber AS (70% ownership) is reported as part of Telenor Norway.

NOK in million	First quarter		YoY change		Year
	2024	2023	Reported	Organic	2023
Norway	5 024	4 893	3%	3%	20 062
Sweden	2 491	2 308	8%	5%	9 655
Denmark	1 086	948	15%	10%	4 197
Finland	2 378	2 093	14%	9%	9 066
Other/eliminations	(23)	(29)	-20%	n.m.	(97)
Service revenues	10 957	10 214	7%	5%	42 884
Total revenues	13 725	13 512	2%	0%	56 321
Opex	(4 225)	(4 156)	2%	0%	(16 942)
Norway	3 127	3 014	4%	4%	12 443
Sweden	1 080	1 001	8%	5%	4 364
Denmark	467	330	42%	37%	1 649
Finland	1 190	985	21%	16%	4 325
Other/eliminations	(3)	2	-218%	n.m.	31
EBITDA before other items	5 862	5 333	10%	8%	22 812
Operating profit	2 492	1 970	26%	n.m.	9 197
Capex excl. lease	2 155	2 536	-15%	n.m.	9 387

Telenor Nordics opened the year strongly, supporting the full-year outlook of low- and mid-single digit growth in service revenues and EBITDA, respectively, and a capex to sales ratio around 17%.

Total service revenues increased by 5%, driven by 7% in the mobile segment from solid growth in all operations, while fixed service revenues increased by 2%. Postpaid subscriptions decreased by 23 000 in Nordics in the quarter, impacted by consequences of credit regulations in Denmark on mobile handset sales and competitive pressure in Norway. Fibre subscriptions this quarter grew by 9 000 in total, despite fibre rollout in Norway being impacted negatively by weather conditions. Combined with stable operating expenses and lower energy costs, EBITDA increased by 8%, or by 7% adjusted for a reversal in Denmark last year.

The positive effects from our continued investments into mobile network modernisation was underlined by the results from OpenSignal based on measurements of mobile network performance in the second half of 2023, where Telenor Norway was announced as the Global Winner in four out of seven categories. Also DNA, Telenor Sweden and Telenor Denmark achieved strong results in several of the categories.

In Norway, total service revenues increased by 3%, driven by pricing initiatives and value-added services, such as security products, which resulted in a 6% increase in mobile ARPU. In March, the mobile service offering was further strengthened by the launch of a new consumer mobile portfolio in which four out of seven price plans are with unlimited data. Fixed service revenues remained stable as growth in fibre and fixed wireless access offset reductions in other fixed services. Operating expenses decreased by 2%, mainly due to a more robust network reducing fault handling costs and lower sales and marketing costs. Together with lower energy costs this offset reductions in wholesale revenues and resulted in a 4% increase in EBITDA. Investments into the mobile network continued, explaining most of the capex in the quarter together with fibre rollout. In April, the Norwegian telecommunication regulator Nkom, again designated Telenor as having significant market power in the mobile market, extending the main remedies for another three years. The regulation was eased through abolishing price controls on national roaming, introducing pricing flexibility for wholesale agreements, and potentially introducing reciprocity pricing on site rental, whereas price regulation via margin testing is further tightened in the large business segments.

Performance in Telenor Sweden remained solid with service revenues and EBITDA growing by 5%. Both mobile and fixed service revenues grew by 5%, mainly from pricing initiatives, but also from a larger mobile subscription base. Operating expenses increased by 2% from higher sales and marketing costs, partly offset by positive effects of transformation initiatives. Investments were primarily driven by mobile network modernisation related to 5G rollout and due to 3G decommissioning.

Reported results in Denmark were positively impacted by a reversal last year of NOK 66 million. Excluding this, service revenues increased by 3% through positive contributions from both mobile and fixed, supported by larger subscription bases. Lower energy costs and stable operating expenses resulted in underlying increase in EBITDA by 13% adjusted for the reversal last year. Investments into mobile network modernisation continued to be the main capex driver.

DNA delivered strong results with service revenues increasing by 9% and EBITDA by 16%. Mobile service revenues increased by 12%, mainly driven by pricing initiatives, whereas fixed service revenues increased by 3%. Together with lower energy costs and stable operating expenses, this resulted in strong EBITDA. This quarter saw further investments into 5G and network modernisation, and 5G already covers over 96% of the Finnish population. Moreover, DNA's 3G network was shut down in January, and the 3G network of the Finnish Shared Network in Northern and Eastern Finland will be deactivated during this year when the 5G network in these regions is completed.

Asia

Business area Asia consists of Grameenphone in Bangladesh (55.8% ownership) and the associated companies True Corporation (True) in Thailand (30.2% ownership), CelcomDigi in Malaysia (33.1% ownership), and Telenor Microfinance Bank in Pakistan (55% ownership).

On 14 December 2023, Telenor concluded the strategic review of Telenor Pakistan and entered into an agreement to sell 100% of Telenor Pakistan to Pakistan Telecommunications Company Ltd. The transaction values Telenor Pakistan at NOK 5.3 billion on a cash-and-debt-free basis. Completion of the transaction, which is subject to regulatory approvals and other customary terms and conditions, is expected to take place in 2024. The company remains part of business area Asia until the necessary approvals are secured to close the transaction.

CelcomDigi is Malaysia's largest mobile network operator, with a market capitalisation of NOK 113 billion on 100% basis, of which NOK 37 billion for Telenor's economic interest. True is Thailand's largest mobile network operator, with a market capitalisation of NOK 78 billion on 100% basis, of which NOK 24 billion for Telenor's economic interest. As CelcomDigi and True are listed companies and will publish their quarterly results after Telenor, the share of profits from these companies is included in Telenor's reporting with one quarter lag. See note 4 for more information.

NOK in million	First quarter		YoY change		Year
	2024	2023	Reported	Organic	2023
Bangladesh	3 572	3 438	4%	5%	14 733
Pakistan	894	865	3%	9%	3 506
Service revenues	4 466	4 303	4%	6%	18 239
Total revenues	4 914	4 712	4%	7%	20 199
Opex	(1 864)	(1 727)	8%	10%	(7 404)
Bangladesh	2 290	2 208	4%	5%	9 523
Pakistan	474	480	-1%	4%	1 904
Other/eliminations	(58)	(65)	-11%	n.m.	(74)
EBITDA before other items	2 706	2 623	3%	5%	11 354
Operating profit	1 653	1 622	2%	n.m.	7 134
Capex excl. lease	739	770	-4%	n.m.	2 307
CelcomDigi	342	(64)	406	n.m.	647
True Corp	6 972	-	6 972	n.m.	(8 321)
Others	11	(79)	90	n.m.	(364)
Net income from associates and JVs	7 325	(143)	7 468	n.m.	(8 038)
Dividends from associates and JVs	310	271	39	n.m.	1 136

First quarter organic service revenues improved by 6%, driven by high growth in Telenor Pakistan and continued steady growth in Grameenphone. The challenging macroeconomic environment, including higher energy prices, continues to impact our operations and customers in Pakistan and Bangladesh. Organic EBITDA increased by 5%, primarily explained by improved results in Grameenphone.

Grameenphone added 1 million new subscriptions during the quarter and the customer base is now 4% larger than one year ago. Service revenues increased by 5% due to the increased subscription base and 2% higher ARPU following higher data consumption. EBITDA improved by 5% as higher service revenues more than offset the impact of increased marketing spend, regulatory fees, as well as higher energy costs.

Both the top line and the EBITDA continued to strengthen in Telenor Pakistan this quarter. The customer base expanded by 290,000, however, the customer base ended 7% smaller than one year ago. Service revenues increased by 9% aided by better monetisation, increase in higher value subscriptions as well as seasonal positive effects from the cricket season leading to high activity. EBITDA improved by 4% due to better service revenues and higher incoming international messaging revenues that more than offset steep cost increases. Opex increased by 23% due to inflationary pressure, most notably higher energy prices, in addition to sales and marketing costs.

True and CelcomDigi reported their fourth quarter results on 22 and 20 February, respectively, and Telenor's proportionate share of their net income is included in this report.

True's fourth quarter results showed service revenue growth of 3% explained by the mobile and online segments. EBITDA improved by 28% as operating costs have declined significantly aided by synergy realisation. True's share price has increased by 50% from THB 5.05 at end of 2023 to THB 7.60 as of 31 March, likely impacted by True's upbeat communication of synergy realisation trending ahead of plan and increasing investor confidence in True's capital markets day message. Consequently, Telenor has this quarter reversed parts of the impairment recorded in the fourth quarter of 2023.

CelcomDigi reported fourth quarter with 1% service revenue growth. Together with efficiency measures and integration synergies, this led to an EBITDA improvement of almost 3%. The Board of CelcomDigi declared an interim dividend of MYR 0.035 per share, of which Telenor's share is NOK 0.3 billion. The dividend was received in March.

Net income from associated companies and joint ventures was NOK 7.3 billion explained by a positive contribution of NOK 0.3 billion from CelcomDigi and the effect of reversal of impairment of Telenor's share in True.

Infrastructure

Business area Infrastructure includes the fully owned tower businesses in Norway, Sweden, and Finland. In addition, the business area includes the data centre company Skygard, that was established together with Hafslund, HitecVision, and AnalysysMason in 2023, in which Telenor has a minority stake of 31.7%.

NOK in million	First quarter		YoY change		Year
	2024	2023	Reported	Organic	2023
Service revenues	-	-	-	-	-
Towers Norway	627	649	-3%	-3%	2 554
Towers Sweden	60	79	-24%	-26%	283
Towers Finland	140	148	-5%	-9%	562
Total revenues	828	876	-5%	-6%	3 399
Opex	(182)	(167)	9%	8%	(704)
Towers Norway	354	355	0%	0%	1 469
Towers Sweden	36	55	-34%	-36%	210
Towers Finland	87	101	-14%	-18%	355
Other/eliminations	(2)	(1)	27%	n.m.	(9)
EBITDA before other items	476	510	-7%	-8%	2 024
Towers Norway	289	290	0%	0%	1 211
Towers Sweden	22	39	-43%	-45%	150
Towers Finland	73	90	-18%	-21%	302
Other/eliminations	11	13	-19%	n.m.	48
EBITDA before other items and after lease depreciation	395	432	-8%	-10%	1 711
Operating profit	241	273	-12%	n.m.	1 119
Capex excl. lease	188	183	3%	n.m.	834

Decline in power revenues in all three markets and legacy revenues in Norway and Sweden led to a 6% drop in total revenues. Revenues and gross profit excluding energy were stable despite declining revenues from fixed legacy in Norway and 3G Sunset in Sweden. The growth in external revenues was 14%, driven by customer projects and tenancy growth in Norway. Decrease in energy costs only partially compensated for the lower power revenues, contributing to a 4% decline in gross profit.

The opex increase was driven by higher activity related to moving equipment and reducing the area used by Telenor in buildings that were sold and leased back in 2020. EBITDA declined by 8%, and the EBITDA after lease margin was 48%. The mobile tenancy ratio at the end of the quarter was 1.6, which is stable compared to previous quarters.

The 10-year power purchase agreement for the supply of renewable energy to Telenor's Norwegian operations came into force 1 March, securing predictability for the majority of Telenor Norway's energy cost as well as contributing to the Group's climate ambitions.

The data centre company that was established last year together with Hafslund, HitecVision, and AnalysysMason, called Skygard, started the construction of its first data centre in the Oslo region in March. The data centre will launch operations during the first half of 2025. Telenor Norway is the anchor customer in this project, and Skygard is in dialogue with several potential other customers. Skygard will stand out in the data centre market by having Norwegian owners, a strong focus on energy-efficient operations, and meeting the needs of customers with very high security requirements.

Amp

Telenor Amp is the Group's growth accelerator for service and software companies, connected to our core business. It consists of the fully owned companies Telenor Connexion, Telenor Maritime, Telenor Linx, BLDNG.AI, Telenor Tracking Solutions, as well as several non-controlled investments, including the TV distributor Allente (50% ownership) and the online classifieds company Carousell (29% ownership). On 4 January 2024, Telenor closed the sale of Telenor Satellite at an enterprise value of NOK 2.4 billion. On 15 January 2024, Telenor completed the sale of its 75% stake in Norkring België at an enterprise value of NOK 45 million.

NOK in million	First quarter		YoY change %		Year
	2024	2023	Reported	Organic	2023
Maritime	147	131	12%	12%	684
Connexion	268	242	11%	7%	1 028
Other/eliminations	3	(3)	199%	n.m.	(3)
Service revenues	418	370	13%	11%	1 710
Maritime	147	131	12%	12%	684
Connexion	268	242	11%	7%	1 028
Satellite	-	230	-100%	n.m.	938
Linx	492	552	-11%	-11%	2 032
Other/eliminations	4	10	62%	n.m.	52
Total revenues	911	1 165	-22%	-3%	4 734
Opex	(278)	(319)	-13%	8%	(1 284)
Maritime	(5)	12	-143%	-143%	96
Connexion	86	77	12%	8%	344
Satellite	-	157	-100%	n.m.	665
Linx	66	77	-14%	-14%	171
Other/eliminations	(23)	(1)	-2682%	n.m.	3
EBITDA before other items	124	323	-61%	-26%	1 279
Operating profit	1 460	204	615%	n.m.	732
Capex excl. lease	47	46	1%	n.m.	196
Allente	43	4	38	n.m.	(400)
Others	(71)	(47)	(23)	n.m.	4
Net income from associates and JVs	(28)	(43)	15	n.m.	(396)
Dividends from associates and JVs	102	-	102	n.m.	102

Amp started the year with 3% organic revenue decline and 26% organic EBITDA decline. The top line development was explained by continued decline in the traditional international voice business in Linx, more than offsetting growth in Connexion and Maritime. The EBITDA reduction was explained by weaker results in Linx and Maritime.

The IoT provider Connexion's trends from 2023 continued into the new year with high volume of SIM cards shipped to customers. The active IoT SIM base is now 11% higher than one year ago. Revenues increased by 7% due to high traffic revenues, a growing active SIM base, and a positive underlying currency effect. EBITDA improved by 8% explained by the improved top line that more than offset higher costs to IT and resources.

Maritime saw revenues increasing by 12% mainly from the cruise segment. The ferry segment had a tough start to the year due to low season as well as bad weather leading to cancellations for several ships. Maritime's EBITDA was negative by 5 million this period due to a planned digitalisation project and traffic costs.

In Linx, which provides global connectivity services, traditional voice services are declining as customers turn to over-the-top services. EBITDA declined by 14% mainly due to the decline in international voice traffic.

Disclaimer

This report contains statements regarding the future in connection with Telenor's growth initiatives, profit figures, outlook, risks and opportunities, strategies and objectives. All statements regarding the future are subject to inherent risks and uncertainties, and many factors can lead to actual profits and developments deviating substantially from what has been expressed or implied in such statements.

Fornebu, 29 April 2024
The Board of Directors of Telenor ASA

Interim Condensed Financial Statements



Interim condensed financial statements	Page
Income statement	23
Statement of other comprehensive income	24
Statement of financial position	25
Statement of cash flows	26
Statement of changes in equity	28
Notes	
Note 1 Company information and basis of preparation	29
Note 2 Segments	30
Note 3 Revenues	32
Note 4 Associated companies and joint ventures	35
Note 5 Held for sale and discontinued operations	38
Note 6 Interest-bearing liabilities	39
Note 7 Fair value of financial instruments	39

Consolidated income statement

Telenor Group

NOK in million	Note	First quarter		Year
		2024	2023	2023
Revenues	3	19 457	19 187	80 452
Cost of materials and traffic charges		(4 248)	(4 668)	(19 056)
Salaries and personnel costs		(2 536)	(2 453)	(9 986)
Other operating expenses		(4 167)	(3 988)	(16 846)
Other income		1 431	9	85
Other expenses		(148)	(233)	(1 125)
EBITDA		9 788	7 853	33 524
Depreciation and amortisation		(4 156)	(4 019)	(16 535)
Impairment losses		(1)	-	(25)
Operating profit (loss)		5 631	3 834	16 964
Share of net income from associated companies and joint ventures	4	280	(191)	(631)
Impairments and gain (loss) on disposal of associated companies and joint ventures	4	7 015	-	(7 835)
Net financial items		(67)	(3 693)	(7 400)
Profit (loss) before taxes		12 858	(50)	1 097
Income taxes		(517)	(189)	(4 332)
Profit (loss) from continuing operations		12 341	(240)	(3 235)
Profit (loss) from discontinued operations	5	(141)	18 764	18 615
Net income		12 201	18 524	15 380

Net income attributable to:

Non-controlling interests	641	378	1 646
Equity holders of Telenor ASA	11 560	18 146	13 734

Earnings per share in NOK

Basic/diluted from continuing operations	8.45	(0.46)	(3.53)
Basic/diluted from discontinued operations	(0.10)	13.47	13.43
Basic/diluted from total operations	8.35	13.01	9.90

The interim financial information has not been subject to audit or review.

Consolidated statement of comprehensive income

Telenor Group

NOK in million	First quarter		Year
	2024	2023	2023
Net income	12 201	18 524	15 380
Translation differences on net investment in foreign operations	3 407	6 545	2 367
Amount reclassified from other comprehensive income to income statement on disposal	(33)	(4 031)	(4 031)
Net gain (loss) on hedge of net investment	(1 502)	(3 114)	(2 444)
Income taxes	330	685	538
Amount reclassified from other comprehensive income to income statement on disposal	-	889	889
Share of other comprehensive income (loss) of associated companies and joint ventures	(80)	(79)	(95)
Items that may be reclassified subsequently to income statement	2 122	895	(2 776)
Net gain (loss) on equity investments	36	19	(2)
Remeasurement of defined benefit pension plans	822	860	534
Income taxes	(181)	(189)	(124)
Items that will not be reclassified to income statement	677	690	408
Other comprehensive income (loss), net of taxes	2 799	1 585	(2 368)
Total Comprehensive Income	15 000	20 109	13 012
Total comprehensive income attributable to:			
Non-controlling interests	847	520	1 641
Equity holders of Telenor ASA	14 153	19 589	11 372

The interim financial information has not been subject to audit or review.

Consolidated statement of financial position

Telenor Group

NOK in million	Note	31 March 2024	31 December 2023	31 March 2023
Deferred tax assets		4 226	4 306	5 310
Goodwill		26 133	25 232	25 529
Intangible assets		9 533	9 279	9 532
Right-of-use assets		27 232	25 831	27 843
Property, plant and equipment		53 101	51 631	52 524
Associated companies and joint ventures	4	59 455	50 942	60 140
Other non-current assets		14 580	11 400	20 006
Total non-current assets		194 260	178 621	200 885
Prepaid taxes		626	434	540
Inventories		1 024	955	1 283
Trade and other receivables		14 946	15 524	16 406
Other current financial assets		1 970	1 651	590
Assets classified as held for sale	5	-	1 635	-
Cash and cash equivalents		20 861	19 556	14 350
Total current assets		39 427	39 756	33 168
Total assets		233 687	218 376	234 052
Equity attributable to equity holders of Telenor ASA		78 625	64 483	85 788
Non-controlling interests		6 652	5 951	5 571
Total equity		85 277	70 434	91 359
Non-current lease liabilities		13 925	13 201	14 803
Non-current interest-bearing liabilities	6	76 328	75 686	68 775
Non-current non-interest-bearing liabilities		1 261	1 323	1 977
Deferred tax liabilities		3 435	3 379	3 350
Pension obligations		1 853	1 821	1 828
Provisions and obligations		6 585	6 543	6 382
Total non-current liabilities		103 387	101 952	97 115
Current lease liabilities		4 416	4 107	4 208
Current interest-bearing liabilities	6	10 534	11 789	10 674
Trade and other payables		22 003	21 108	22 010
Current tax payables		1 838	2 082	3 026
Current non-interest-bearing liabilities		1 546	1 921	1 418
Provisions and obligations		731	709	697
Liabilities classified as held for sale	5	3 956	4 274	3 544
Total current liabilities		45 023	45 990	45 579
Total equity and liabilities		233 687	218 376	234 052

The interim financial information has not been subject to audit or review.

Consolidated statement of cash flows

Telenor Group

NOK in million	First quarter		Year
	2024	2023	2023
Profit before taxes from total operations ¹⁾	12 717	18 713	19 898
Net interest expense	735	631	3 199
Net interest paid	(432)	(481)	(2 437)
Income taxes paid	(786)	(917)	(2 062)
Net (gains) losses from disposals, impairments and change in fair value of financial assets and liabilities	(2 362)	(18 759)	(17 427)
Depreciation, amortisation and impairment losses	4 157	4 983	17 528
Loss (profit) from associated companies and joint ventures	(7 295)	191	8 467
Dividends received from associated companies	412	271	1 238
Currency (gains) losses not related to operating activities	586	2 447	2 555
Changes in operating working capital	931	400	89
Other adjustments	(50)	(1 377)	(1 928)
Net cash flow from operating activities	8 613	6 102	29 120
Purchases of property, plant and equipment, intangible assets and prepayment for right-of-use assets	(3 907)	(4 763)	(14 728)
Purchases of subsidiaries, associated companies and joint ventures, net of cash acquired	(38)	(1 682)	(1 806)
Proceeds from disposal of property plant and equipment and intangible assets	4	14	60
Proceeds from disposal of associated companies and businesses, net of cash disposed	2 162	4 588	5 045
Proceeds from sale and purchases of other investments	(56)	(6 899)	(6 867)
Net cash flow from investing activities	(1 835)	(8 742)	(18 297)
Proceeds from and repayments of borrowings	(4 424)	(62)	9 023
Payments of lease liabilities related to spectrum licences	(357)	(850)	(1 886)
Payments of lease liabilities related to other lease contracts	(913)	(1 148)	(3 583)
Net payments of supply chain financing	-	(212)	(79)
Purchase of treasury shares	(45)	(1 486)	(1 719)
Sale of shares to non-controlling interests	-	10 806	10 743
Dividends paid to and purchases of shares from non-controlling interests	(97)	(289)	(1 015)
Dividends paid to equity holders of Telenor ASA	-	-	(13 017)
Net cash flow from financing activities	(5 836)	6 759	(1 534)
Effects of exchange rate changes on cash and cash equivalents	132	440	612
Net change in cash and cash equivalents	1 075	4 558	9 902
Cash and cash equivalents at the beginning of the period ²⁾	19 580	9 677	9 677
Cash and cash equivalents at the end of the period ^{2) 3)}	20 653	14 236	19 580
Of which cash and cash equivalents in assets held for sale at the end of the period	-	-	220
Cash and cash equivalents in continuing operations at the end of the period	20 653	14 236	19 360

¹⁾ Profit before taxes from total operations consists of:

Profit before taxes from continuing operations	12 858	(50)	1 097
Profit before taxes from discontinued operations	(141)	18 764	18 800
Profit before taxes from total operations	12 717	18 713	19 898

²⁾ Cash and cash equivalents include bank overdraft.

³⁾ As of 31 March 2024, restricted cash was NOK 12 million, while as of 31 March 2023, restricted cash was NOK 24 million.

Cash flow from discontinued operations ³⁾

NOK in million	First quarter		Year
	2024	2023	2023
Net cash flow from operating activities	-	(502)	(502)
Net cash flow from investing activities	-	4 205	4 047
Net cash flow from financing activities	-	(624)	(624)
Total cash flows from discontinued operations	-	3 079	2 921
Effects of exchange rate changes on cash and cash equivalents	-	107	107
Net cash flows from discontinued operations	-	3 186	3 028

³⁾ Cash flows from discontinued operations in the first quarter of 2023 include dtac from January to February and payment for disputed items related to India. In addition, for the full year 2023, it includes payment of success fee in April 2023 related to the merger. For more details, see note 5.

The interim financial information has not been subject to audit or review.

Consolidated statement of changes in equity

Telenor Group

NOK in million	Attributable to equity holders of the parent				Total	Non-controlling interests	Total equity
	Total paid in capital	Other reserves	Retained earnings	Cumulative translation differences			
Equity as of 1 January 2023	8 466	(20 746)	75 837	(3 422)	60 139	4 237	64 375
Net income for the period	-	-	13 734	-	13 734	1 646	15 380
Other comprehensive income for the period	-	304	-	(2 667)	(2 362)	(6)	(2 368)
Total comprehensive income for the period	-	304	13 734	(2 667)	11 372	1 641	13 012
Disposal of subsidiaries with non-controlling interests	-	-	-	-	-	(2 074)	(2 074)
Transactions with non-controlling interests	-	-	7 619	-	7 619	3 186	10 805
Dividends	-	-	(13 017)	-	(13 017)	(1 038)	(14 055)
Share buy back	(86)	(1 625)	-	-	(1 712)	-	(1 712)
Share - based payment, exercise of share options and distribution of shares	-	83	-	-	83	-	83
Equity as of 31 December 2023	8 379	(21 985)	84 172	(6 089)	64 483	5 951	70 434
Net income for the period	-	-	11 560	-	11 560	641	12 201
Other comprehensive income for the period	-	597	-	1 997	2 593	206	2 799
Total comprehensive income for the period	-	597	11 560	1 997	14 153	847	15 000
Disposal of subsidiaries with non-controlling interests	-	-	-	-	-	(49)	(49)
Dividends	-	-	-	-	-	(97)	(97)
Share buy back	-	(1)	-	-	(1)	-	(1)
Share - based payment, exercise of share options and distribution of shares	-	(11)	-	-	(11)	-	(11)
Equity as of 31 March 2024	8 379	(21 399)	95 732	(4 092)	78 625	6 652	85 277

NOK in million	Attributable to equity holders of the parent				Total	Non-controlling interests	Total equity
	Total paid in capital	Other reserves	Retained earnings	Cumulative translation differences			
Equity as of 1 January 2023	8 466	(20 746)	75 837	(3 422)	60 139	4 237	64 375
Net income for the period	-	-	18 146	-	18 146	378	18 524
Other comprehensive income for the period	-	611	-	833	1 444	142	1 585
Total comprehensive income for the period	-	611	18 146	833	19 589	520	20 109
Disposal of subsidiaries with non-controlling interests	-	-	-	-	-	(2 067)	(2 067)
Transactions with non-controlling interests	-	-	7 621	-	7 621	3 186	10 807
Dividends	-	-	-	-	-	(304)	(304)
Share buy back	(80)	(1 481)	-	-	(1 560)	-	(1 560)
Equity as of 31 March 2023	8 386	(21 617)	101 603	(2 589)	85 788	5 571	91 358

The interim financial information has not been subject to audit or review.

Notes to the interim consolidated financial statements

Note 1 – Company information and basis of preparation

Telenor is a Norwegian company offering telecommunications services in the Nordics and Asia. The parent company Telenor ASA is listed on the Oslo Stock exchange under the ticker TEL. The interim financial statements are prepared according to IAS 34.

Basis of preparation

The consolidated financial statements of Telenor (referred to as “the group”) comprise the parent company and its subsidiaries in addition to its interests in associated companies and joint arrangements. As a result of rounding differences, numbers or percentages may not add up to the total.

These interim condensed consolidated financial statements for the three months ending 31 March 2024 have been prepared in accordance with IAS 34 *Interim financial reporting*. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with Telenor’s annual financial statements for 2023 (Annual Report 2023). Key developments in risks and uncertainties are described in the section Risks and uncertainties on page 8 of this report.

Accounting policies

The accounting policies applied in the preparation of the interim consolidated financial statements are consistent with those used in the preparation of the annual financial statements for the year ended 31 December 2023.

For information about standards, amendments, and interpretations effective from 1 January 2024, that could affect the consolidated financial statements, please refer to note 1 in Telenor’s Annual Report 2023. None of the amendments effective from 1 January 2024 has had a significant impact on the consolidated interim financial statements. Telenor has not early adopted any standards, interpretation or amendment that has been issued but is not yet effective.

Note 2 – Segments

Telenor has four operating and reportable segments. The mobile and fixed line businesses are reported in the Nordic and Asia segments. The Infrastructure segment consists of certain passive infrastructure in the Nordic countries, and the portfolio of adjacent businesses and companies are reported in the Amp segment.

Operating and reportable segments

The segment information is reported to the President and CEO, and group management team in Telenor. Telenor's chief operating decision maker is the President and CEO. The financial segment information is used for assessing performance and allocating resources in the group.

The accounting principles for the segment reporting are consistent with those for the consolidated financial statements, except for gains and losses arising from internal bad debt provisions, internal transfer of businesses, group contribution and dividends within the Group.

Nordic

The Nordic segment consist of mobile and fixed operations in Norway, Sweden, Denmark, and Finland. Offerings include mobile subscriptions and handsets, telephony, broadband, data security, communications services, and TV services to both residential and business customers. The segment also offers wholesale services.

Asia

The Asia segment consist of mobile operations in Telenor Pakistan and Grameenphone (Bangladesh). Offerings include mobile subscriptions, as well as wholesale services.

Infrastructure

The Infrastructure segment provides passive telecom infrastructure in the Nordics such as towers, masts and buildings. The Infrastructure segment builds, develops and maintains passive telecom infrastructure and leases it to both internal and external customers.

Amp

Telenor Amp consists of a portfolio of businesses and companies that are near the core of Telenor's business. Offerings include a wide variety of services, including Internet of Things (IoT), digital authentication and various communication services. The segment also has ownership in associated companies and joint ventures like Allente and Carousell.

Other

Other include various corporate functions like Group leadership, strategy, finance, procurement and insurance.

First quarter

NOK in million	Total revenues			of which internal		EBITDA before other income and other expenses ¹⁾				Capex excl. lease	
	2024	2023	Growth	2024	2023	2024	Margin	2023	Margin	2024	2023
Nordics	13 725	13 512	1.6 %	142	160	5 862	42.7 %	5 333	39.5 %	2 155	2 536
Asia	4 914	4 712	4.3 %	169	146	2 706	55.1 %	2 623	55.7 %	739	770
Infrastructure	828	876	-5.5 %	611	687	476	57.5 %	510	58.2 %	188	183
Amp	911	1 165	-21.9 %	87	122	124	13.7 %	323	27.7 %	47	46
Other	376	326	15.3 %	287	289	(139)	-36.9 %	(117)	-35.8 %	7	-
Eliminations	(1 297)	(1 404)	-7.7 %	(1 296)	(1 404)	(524)	40.4 %	(593)	42.2 %	-	-
Group	19 457	19 187	1.4 %	-	-	8 505	43.7 %	8 078	42.1 %	3 137	3 535

Year 2023

NOK in million	Total revenues	of which internal	EBITDA before other income and other expenses ¹⁾		Capex excl. lease
	2023	2023	2023	Margin	2023
Nordics	56 321	684	22 812	40.5 %	9 387
Asia	20 199	846	11 354	56.2 %	2 307
Infrastructure	3 399	2 592	2 024	59.6 %	834
Amp	4 734	434	1 279	27.0 %	196
Other	1 474	1 118	(640)	-43.4 %	7
Eliminations	(5 675)	(5 675)	(2 266)	39.9 %	-
Group	80 452	-	34 564	43.0 %	12 731

¹⁾ The segment profit is EBITDA before other income and other expenses.

²⁾ Investments consist of capex and investments in businesses, see page 40 for alternative performance measures.

Reconciliation of consolidated profit before tax and segment EBITDA

NOK in million	First quarter		Year
	2024	2023	2023
Profit (loss) before taxes	12 858	(50)	1 097
Share of net income from associate companies and joint ventures	7 295	(191)	(8 466)
Net financial items	(67)	(3 693)	(7 400)
Operating profit (loss)	5 631	3 834	16 964
Depreciation and amortisation	(4 156)	(4 019)	(16 535)
Impairment losses	(1)	-	(25)
EBITDA	9 788	7 853	33 524
Other income	1 431	9	85
Other expenses	(148)	(233)	(1 125)
EBITDA before other income and other expenses	8 505	8 078	34 564

Note 3 – Revenues

Service revenues include subscriptions and traffic revenues from mobile voice and data, in addition to various fixed revenues from telephony, broadband, TV connections and data security services. Devices like handsets are sold separately or as part of a bundled offering together with the subscription.

Disaggregation of revenues

Revenues are disaggregated by major revenue streams and by operating and reportable segments as shown in note 2 in the table below. See note 3 in the Annual Report 2023 for further information about the different types of revenues in Telenor.

First quarter 2024

	Mobile operations	Fixed operations	Other revenues from rendering of services ¹⁾	Total revenues from rendering of services ²⁾	Sale of handset and other devices ³⁾	Total revenues from contracts with customers (IFRS 15)	Operating lease revenues (IFRS 16)	Total revenues
<i>NOK in millions</i>								
Telenor Norway	3 420	2 279	3	5 702	443	6 145	2	6 147
Telenor Sweden	1 859	842	-	2 701	352	3 053	38	3 092
Telenor Denmark	1 057	166	-	1 223	202	1 425	9	1 434
DNA Finland	1 915	620	-	2 536	497	3 033	9	3 041
Other/eliminations	(10)	(27)	49	12	(0)	12	(0)	12
Nordics	8 241	3 881	52	12 173	1 495	13 668	57	13 725
Grameenphone - Bangladesh	3 711	-	-	3 711	1	3 712	52	3 764
Telenor Pakistan	1 106	-	-	1 106	1	1 107	35	1 142
Other/eliminations	-	-	8	8	-	8	-	8
Asia	4 817	-	8	4 825	3	4 827	86	4 914
Infrastructure	-	-	22	22	-	22	805	828
Amp	-	487	423	910	-	910	-	910
Other	-	-	308	308	-	308	68	376
Eliminations	(237)	(91)	(311)	(639)	(2)	(641)	(655)	(1 296)
Group	12 820	4 277	503	17 599	1 495	19 095	362	19 457

- 1) Other revenues from rendering of services includes Internet of Things (IoT) in non-mobile operations, tower revenues and other non-core business revenues. Refer to definitions on page 40.
- 2) Service revenues as explained in Alternative Performance Measures on page 40 are not comparable with “total revenues from rendering of services” disclosed in this note. The reason is that operating lease revenues are excluded and service revenues from other operators are included in the table above.
- 3) Revenues from handsets and other devices are recognised at point in time. Remaining revenue from contracts with customers are recognised over time.

First quarter 2023

	Mobile operations	Fixed operations	Other revenues from rendering of services ¹⁾	Total revenues from rendering of services ²⁾	Sale of handset and other devices ^{3,4)}	Total revenues from contracts with customers (IFRS 15)	Operating lease revenues (IFRS 16)	Total revenues
<i>NOK in millions</i>								
Telenor Norway	3 511	2 189	-	5 700	540	6 240	86	6 326
Telenor Sweden	1 743	767	-	2 510	425	2 935	47	2 982
Telenor Denmark	946	152	-	1 098	328	1 425	8	1 433
DNA Finland	1 704	580	-	2 284	461	2 745	8	2 753
Other/eliminations	(12)	(30)	59	18	(0)	17	-	17
Nordics	7 891	3 660	59	11 610	1 753	13 363	149	13 512
Grameenphone - Bangladesh	3 574	-	-	3 574	1	3 575	45	3 620
Telenor Pakistan	1 040	-	-	1 040	2	1 042	31	1 073
Other/eliminations	-	-	18	18	-	18	-	18
Asia	4 614	-	18	4 632	3	4 635	76	4 712
Infrastructure	-	-	28	28	-	28	848	876
Amp	-	792	373	1 165	-	1 165	-	1 165
Other	-	-	285	285	-	285	41	326
Eliminations	(212)	(150)	(338)	(700)	(3)	(702)	(702)	(1 404)
Group	12 292	4 302	426	17 020	1 754	18 774	413	19 187

- 1) Other revenues from rendering of services includes Internet of Things (IoT) in non-mobile operations, tower revenues and other non-core business revenues. Refer to definitions on page 40.
- 2) Service revenues as explained in Alternative Performance Measures on page 40 are not comparable with “total revenues from rendering of services” disclosed in this note. The reason is that operating lease revenues are excluded and service revenues from other operators are included in the table above.
- 3) Revenues from handsets and other devices are recognised at point in time. Remaining revenue from contracts with customers are recognised over time.
- 4) First quarter of 2023 numbers for Sweden are impacted by a reclassification of NOK 44 million between sale of handset and other devices revenue and fixed operations revenue.

Year 2023

	Mobile operations	Fixed operations	Other revenues from rendering of services ¹⁾	Total revenues from rendering of services ²⁾	Sale of handset and other devices ^{3,4)}	Total revenues from contracts with customers (IFRS 15)	Operating lease revenues (IFRS 16)	Total revenues
NOK in millions								
Telenor Norway	14 016	8 968	-	22 985	2 222	25 206	224	25 431
Telenor Sweden	7 354	3 227	-	10 581	1 868	12 450	172	12 622
Telenor Denmark	4 200	637	-	4 837	1 292	6 129	34	6 163
DNA Finland	7 315	2 501	-	9 816	2 203	12 019	34	12 053
Other/eliminations	(51)	(111)	217	54	(2)	52	(0)	52
Nordics	32 833	15 222	217	48 272	7 583	55 856	465	56 321
Grameenphone -								
Bangladesh	15 331	-	-	15 331	5	15 336	195	15 531
Telenor Pakistan	4 275	-	-	4 275	7	4 282	130	4 411
Other/eliminations	-	-	257	257	-	257	-	257
Asia	19 606	-	257	19 863	12	19 875	325	20 199
Infrastructure	-	-	96	96	-	96	3 302	3 399
Amp	-	3 006	1 728	4 734	-	4 734	-	4 734
Other	-	-	1 326	1 326	-	1 326	148	1 474
Eliminations	(961)	(479)	(1 559)	(3 000)	(9)	(3 009)	(2 667)	(5 675)
Group	51 478	17 749	2 065	71 292	7 587	78 879	1 573	80 452

- 4) Other revenues from rendering of services includes Internet of Things (IoT) in non-mobile operations, tower revenues and other non-core business revenues. Refer to definitions on page 40.
- 5) Service revenues as reported in Alternative Performance Measures are not comparable with total revenues from rendering of services disclosed in this note as operating lease revenues are excluded and service revenues from other operators are included in the table above.
- 6) Revenues from handsets and other devices are recognised at point in time. Remaining revenue from contracts with customers are recognised over time.
- 7) Year 2023 numbers for Sweden and Finland are impacted by reclassification of NOK 141 million and NOK 8 million respectively between sale of handset and other devices revenue and fixed operations revenue.

Note 4 – Associated companies and joint ventures

The associated company True Corporation in Thailand is a result of the amalgamation between True and dtac in the first quarter 2023. The associated company CelcomDigi in Malaysia is a result of the merger between Digi and Celcom in the fourth quarter 2022. The share of net income from these two entities are reported with one quarter lag. In March 2024, NOK 7.0 billion of the impairment in True Corporation from December 2023 was reversed, as the price per share had increased from THB 5.05 to THB 7.60.

Associated companies and joint ventures

The tables below show how the investments in associated companies and joint ventures have performed during the period. All associated companies and joint ventures are accounted for using the equity method.

NOK in millions	First quarter		Year
	2024	2023	2023
Share of net income (loss) ¹⁾	280	(191)	(631)
Of which share from CelcomDigi	342	(64)	647
Of which share from True (direct interest)	(43)	-	(1 121)
Of which share from Carousell	(55)	(30)	(140)
Of which share from Allente	43	4	65
Of which share from Telenor Microfinance Bank Limited	11	(6)	13
Of which share from others	(17)	(95)	(94)

¹⁾ Share of net income (loss) represents Telenor's share of net income (loss) after taxes, amortisation of excess values, and adjustment for difference in accounting policies.

NOK in millions	31 March 2024	31 March 2023	31 December 2023
Opening balance as of 1 January	50 942	39 686	39 686
Additions	38	18 215	22 306
Disposals	-	-	(19)
Impairment reversal (loss)	7 015	-	(8 505)
Share of net income (loss)	280	(191)	(631)
Share of other comprehensive income	(80)	(79)	(95)
Dividends received	(412)	(284)	(1 235)
Translation differences	1 673	2 860	(498)
Closing balance as of period end	59 455	60 207	51 009
Of which investment in CelcomDigi ¹⁾	35 137	36 405	33 763
Of which investment in True (direct interest) ²⁾	20 577	18 591	13 532
Of which investment in Carousell	2 245	2 793	2 157
Of which investment in Allente ³⁾	808	1 388	866
Of which investment in Telenor Microfinance Bank Limited	405	725	362
Of which investment in others	232	305	311

¹⁾ Of which, allocated to goodwill NOK 21 382 million as of 31 March 2024.

²⁾ Of which, allocated to goodwill NOK 12 296 million as of 31 March 2024.

³⁾ From 1 January 2024 not considered material joint venture, thus summarised financial information is no longer provided.

In the first quarter of 2023, based on market value of True Corporation as on opening of the Stock Exchange in Thailand 3 March 2023, Telenor recognised a gain of NOK 18.5 billion. The average cost price per share in the merged entity was THB 8.15. A decline in market value compared to cost is considered as objective impairment evidence if the decline is significant or prolonged. The decline in fair value compared to cost became significant in fourth quarter 2023, and an impairment loss of NOK 8 037 million was recognised. In the fourth quarter True Corporation recognised impairment of fixed assets and restructuring provisions of NOK 3 182 million. According to Telenor's accounting policy for adjusting for significant events when reporting associated companies and joint ventures with a one quarter lag, Telenor recognised its NOK 838 million share of net loss after tax in the annual report 2023. Correspondingly the impairment loss recognised in the fourth quarter report 2023 was reduced to 7 200 million.

In the first quarter 2024, Telenor has reassessed the carrying amount based on the share price as of 31 March 2024. The increase in market value since the impairment recognised as of 31 December 2023 is deemed significant, and an impairment reversal of NOK 7 015 million in True Corporation has been recognised. The estimated recoverable amount after reversal of the impairment is NOK 20 577 million as of 31 March 2024, which is based on the March closing share price of THB 7.60. As

of 31 March 2024, a share price of THB 7.70 would have been needed to fully reverse the remaining NOK 260 million of the impairment recognised in December 2023.

In addition, an increase by NOK 1 023 million in fair value of the shareholder loan provided to the joint venture part of the funding of the True transaction, has been recognised in net financial items for the first quarter 2024, due to the aforementioned increase in market value of True. The carrying amount of the receivable as of 31 March 2024 is NOK 3 048 million.

Dividends received during the first quarter was NOK 412 million, of which NOK 310 million was received from CelcomDigi and NOK 101 million from Allente, reducing the carrying value of the investments with an equivalent amount.

CelcomDigi (associate)

CelcomDigi is an associated company where Telenor controls 33.1% of the shares and voting rights. The associated company is accounted for using the equity method. CelcomDigi is a telecommunication company, listed on Bursa Malaysia Berhad. Telenor share of CelcomDigi's market value amounted to NOK 37 275 million as of 31 March 2024.

The Group is not aware of significant restrictions limiting the ability of CelcomDigi to transfer funds to its shareholders. For example, under the form of dividends, repayment of advances or loans made.

As the financial quarterly results of the listed company CelcomDigi are not published at the time Telenor reports its quarterly results, Telenor include the share of profits from CelcomDigi with a one quarter lag.

The following tables sets forth the summarised financial information of CelcomDigi, including the final allocation of the excess values recognised as part of the merger, adjustments for difference in accounting policies, and reconciliation with the carrying amount of the investment for the Group. Due to the one-quarter lag, the fourth quarter results of CelcomDigi, together with the statement of financial position, is included in Telenor's first quarter 2024 report.

NOK in millions	First quarter		Year
	2024	2023	2023
Statement of comprehensive income			
Revenue	7 295	2 553	24 345
EBITDA	3 559	864	11 421
Depreciation and amortisation ¹⁾	(1 683)	(952)	(7 661)
Net financial items	(277)	(126)	(1 076)
Income tax expense	(555)	21	(706)
Non-controlling interest	-	-	-
Net income	1 034	(193)	1 954
Other comprehensive income(loss)	1	-	-
Total comprehensive income (loss)	1 035	(193)	1 954
Telenor's ownership in %	33.1	33.1	33.1
Share of net income from associated companies and joint	342	(64)	647
Share of total comprehensive income (loss) from associated	342	(64)	647

¹⁾ Of which Telenor specific excess value amortisation and adjustments for difference in accounting policies of NOK 50 million for the first quarter 2024, NOK 16 million for the first quarter 2023, and NOK 186 million for the year 2023.

NOK in millions	31 March 2024	31 March 2023	31 December 2023
	Statement of financial position		
Non-current assets	77 666	83 310	75 085
Current assets excluding cash and cash equivalents	8 981	8 398	7 870
Cash and cash equivalents	910	2 028	793
Non-current non-interest bearing liabilities	(4 053)	(4 978)	(3 866)
Non-current interest bearing liabilities	(24 672)	(25 425)	(24 528)
Current non-interest bearing liabilities	(17 022)	(19 806)	(15 263)
Non-controlling interests	(254)	(243)	(234)
Total equity to shareholders of parent company	41 555	43 283	39 859
Telenor's share of equity	13 755	14 327	13 193
Goodwill related to the Telenor's investment	21 382	22 078	20 570
Carrying amount of investment	35 137	36 405	33 763
Dividends received	310	284	1 136

True (associate)

True is an associated company where Telenor has a direct ownership of 26.3% and an indirect ownership through a joint venture of 3.9%, in total an ownership interest of 30.2%. The associated company is accounted for using the equity method. True is a telecommunication company, listed on the Stock Exchange of Thailand. Telenor's share of True's market value, including the indirect ownership, amounted to NOK 23 625 million as of 31 March 2024.

The Group is not aware of significant restrictions limiting the ability of True to transfer funds to its shareholders. For example, under the form of dividends, repayment of advances or loans made.

As the financial quarterly results of the listed company True are not published at the time Telenor reports its quarterly results, Telenor include the share of net income from True with a one quarter lag.

The following tables sets forth the summarised financial information of True, including the preliminary allocation of the excess values recognised as part of the merger, adjustments for difference in accounting policies, and reconciliation with the carrying amount of the investment for the Group. Due to the one-quarter lag, the fourth quarter results of True Corporation, together with the statement of financial position, is included in Telenor's first quarter 2024 report.

NOK in millions	First quarter	Year
	2024	2023
Statement of comprehensive income		
Revenue	15 437	39 069
EBITDA	5 537	15 063
Depreciation and amortisation ¹⁾	(5 334)	(13 931)
Net financial items	(1 419)	(4 805)
Income tax expense	73	(684)
Non-controlling interest	-	-
Net income	(162)	(4 946)
Other comprehensive income(loss)	(257)	(21)
Total comprehensive income (loss)	(419)	(4 967)
Telenor's weighted average ownership in %	26.3	22.7
Share of net income from associated companies and joint	(43)	(1 121)
Impairment reversal (loss)	7 015	(7 200)
Share of other comprehensive income (loss) from associated	(68)	(5)
Share of total comprehensive income (loss) from associated	6 905	(8 325)

¹⁾ Of which Telenor specific excess value amortisation and adjustments for difference in accounting policies of NOK 13 million for the first quarter 2024 and NOK 32 million for the year 2023.

NOK in millions	31 March 2024	31 March 2023	31 December 2023
Statement of financial position			
Non-current assets	196 678	210 507	198 676
Current assets excluding cash and cash equivalents	22 442	24 456	22 161
Cash and cash equivalents	9 997	11 598	7 440
Non-current non-interest bearing liabilities	(9 103)	(7 950)	(8 376)
Non-current interest bearing liabilities	(127 969)	(133 179)	(126 135)
Current non-interest bearing liabilities	(60 473)	(74 277)	(62 100)
Non-controlling interests	(108)	(128)	(110)
Total equity to shareholders of parent company	31 464	31 026	31 556
Telenor's share of equity	8 281	8 166	8 306
Goodwill related to the Telenor's investment	12 296	12 091	5 226
Carrying amount of investment	20 577	20 257	13 532

Note 5 – Discontinued operations and assets held for sale

Operations presented as discontinued operations and held for sale includes Telenor Satellite sold in 2024, dtac amalgamation in 2023, and Telenor India which was disposed in 2018.

Discontinued operations

Discontinued operations represent a separate major line of business that has been disposed. Discontinued operations are excluded from the results of continuing operations and are presented on a single line after tax in the income statement. Discontinued operations are also excluded from the segment reporting. On 16 November 2023, the Group announced that it had entered into an agreement with Space Norway to sell its 100% stake in Telenor Satellite. The transaction was closed on 4 January 2024 resulting into net sale consideration of NOK 2.1 billion and gain of NOK 1.4 billion recognised in income statement in the first quarter 2024. Telenor Satellite was not a separate major line of business of the Group; accordingly, its results are not presented as discontinued operations. However, its assets and liabilities were classified as held for sale as of 31 December 2023.

The profit (loss) of all disposal groups presented as discontinued operations until disposal, and subsequent adjustments are shown in the following table:

NOK in million	First quarter		Year
	2024	2023	2023
Revenue	-	4 030	4 030
EBITDA	-	1 360	1 360
EBIT	-	368	368
Profit (loss) before tax	-	210	210
Income taxes	-	(185)	(185)
Profit (loss) after tax	-	25	25
Gain (loss) on disposal after tax	(141)	18 738	18 590
Profit (loss) from discontinued operations	(141)	18 764	18 615
Non-controlling interest	-	(19)	(19)

On 1 March 2023, the amalgamation of the telecom operations True Corporation Public Company Ltd (True) and Total Access Communication Public Company Ltd (dtac) was completed. The name of the new company is True Corporation Public Company Ltd (True), which is listed on the stock exchange in Thailand. On completion, the shares in dtac were converted to shares in True, leading to a loss of control in dtac. Results of dtac as a subsidiary until amalgamation with True were classified as discontinued operations.

The gain on disposal recognised in the first quarter 2024 is related to Telenor India accrual of incremental interest on Adjusted Gross Revenue (AGR) provision against Department of Telecommunication (DoT) in India and negative currency effect. The gain on disposal recognised in the first quarter 2023 and full year 2023 was primarily related to dtac and gain adjustment from Digi.

Assets and liabilities held for sale

The major classes of liabilities of the disposal groups classified as held for sale as of 31 March 2024 and as of 31 March 2023 represents Telenor India. As of 31 December 2023, Telenor Satellite and Telenor India are presented as held for sale with Telenor India related liability amounting to NOK 3.6 billion:

NOK in million	31 March	31 March	31 December
	2024	2023	2023
Assets			
Property, plant and equipment	-	-	1 111
Right of use assets	-	-	105
Other non-current assets	-	-	26
Trade and other receivables	-	-	92
Other current assets	-	-	81
Cash and cash equivalents	-	-	220
Total assets held for sale	-	-	1 635
Liabilities			
Non-current liabilities	-	-	320
Current liabilities	3 956	3 544	3 954
Total liabilities held for sale	3 956	3 544	4 274

Amounts included in OCI

The accumulated amounts for discontinued operations recognised in other comprehensive income (OCI) within equity are as follows:

NOK in million	31 March	31 March	31 December
	2024	2023	2023
Telenor India	(1 312)	(743)	(862)

Note 6 – Interest-bearing liabilities

The interest-bearing liabilities in Telenor mainly consists of bonds issued under the EMTN program (Euro Medium Term Note) in addition to bonds issued in Finland.

Interest-bearing liabilities

Fair value of interest-bearing liabilities (excluding lease liabilities) recognised at amortised cost:

NOK in million	31 March 2024	
	Carrying amount	Fair value
Interest-bearing liabilities ¹⁾	(86 862)	(81 844)
of which fair value level 1	-	(80 737)
of which fair value level 2	-	(1 107)

NOK in million	31 December 2023	
	Carrying amount	Fair value
Interest-bearing liabilities ¹⁾	(87 475)	(82 661)
of which fair value level 1	-	(81 864)
of which fair value level 2	-	(797)

NOK in million	31 March 2023	
	Carrying amount	Fair value
Interest-bearing liabilities ¹⁾	(79 450)	(70 876)
of which fair value level 1	-	(69 776)
of which fair value level 2	-	(1 100)

1)Excluding lease liabilities

Note 7 – Fair value of financial instruments

Telenor uses various types of derivatives to hedge exposure for financial risks such as foreign exchange risks and interest rate risks.

Financial derivatives are recognised at fair value based on observable market data (level 2). See note 32 in the Annual Report 2023 for valuation methodologies. The financial derivatives are classified in the consolidated statement of financial position as disclosed in the table:

NOK in million	31 March	31 December	31 March
	2024	2023	2023
Other non-current assets	1 241	547	1 096
Other current financial assets	612	346	263
Non-current non-interest-bearing financial liabilities	(837)	(932)	(1 645)
Non-current interest-bearing financial liabilities	(2 790)	(2 448)	(3 673)
Current non-interest-bearing liabilities	(941)	(801)	(250)
Current interest-bearing liabilities	(22)	(42)	-
Total	(2 737)	(3 331)	(4 209)

Definitions and Alternative Performance Measures

Definitions

Revenues – mobile operations

Mobile subscription and traffic

Consist of subscription and connection fees, revenues from voice (outgoing traffic) and non-voice traffic, outbound roaming, and other mobile service revenues. Subscription and traffic include only revenues from the company's own subscriptions.

Other mobile services

Consist of Internet of Things (IoT) and other mobile services.

Mobile service revenues

Consist of subscription and traffic and other mobile revenues.

Wholesale & other mobile

Consists of inbound roaming, national roaming, revenues related to service providers and mobile virtual network operators (MVNOs), and interconnect. Interconnect consists of revenues from incoming traffic related to the company's own subscriptions but excludes revenues from incoming traffic related to service provider or MVNO subscriptions.

Non- mobile and devices

Consist of revenues from customer equipment and businesses that are not directly related to mobile operations.

Revenues – fixed operations

Telephony

Consist of subscription and connection fees, traffic (fixed to fixed, fixed to mobile, to other countries, value added services, other traffic) for PSTN/DN and Voice over Internet Protocol (VoIP).

Internet and TV

Consist of subscription, traffic charges and connection fees for xDSL, cable, fibre, and fixed wireless access, in addition to revenues from TV services. High-speed fixed internet includes fibre, cable, VDSL and fixed wireless access.

Fixed service revenues

Consist of telephony, internet and TV, and other fixed services such as leased lines and managed services.

Wholesales and Broadcasting

Wholesale consists of sale to service providers of telephony (PSTN/DN), Bitstream, LLUB, national and international interconnect, transit traffic, leased lines, and other wholesale products. Broadcasting consists of revenues from terrestrial radio and TV transmission.

Other revenues

Infrastructure

Consist of revenues from passive infrastructure services and related revenues in Norway, Sweden and Finland.

Connexion

Consist of revenues from subscription and services related to IoT, i.e., industrial mobile data applications directed at communication between machines.

Maritime

Consist of revenues from maritime communication services.

Linx

Consist of revenues from global connectivity and digital authentication services.

Service revenues

Consist of mobile and fixed service revenues, and revenues from Connexion and Maritime.

Subscriptions – mobile operations

Contract subscriptions are counted until the subscription is terminated or until there has been no revenues or outgoing/incoming traffic during the last three months. Prepaid subscriptions are counted as active if there has been outgoing or incoming traffic or if the SIM card has been reloaded during the last three months. Service provider and MVNO subscriptions are not included. Data only SIM cards are included, but SIM cards used for IoT applications and twin/multi-SIM cards are excluded. Total subscriptions are voice SIM cards plus data only SIM cards used for mobile broadband.

Subscriptions – fixed operations

Internet subscriptions include broadband access over fiber, cable, and fixed wireless access. TV subscriptions include TV services over fiber, cable, and fixed wireless access. Subscriptions are counted until the subscription is terminated.

Average revenue per subscription per month

For mobile operations, ARPU is calculated based on mobile subscription and traffic, and interconnect revenues from the company's own subscriptions, divided by the average number of subscriptions for the relevant period. For fixed operations, ARPU is calculated based on revenues from the company's own subscriptions, divided by the average number of subscriptions for the relevant period.

Alternative Performance Measures

Telenor's consolidated financial information is prepared in accordance with International Financial Reporting standards (IFRS). In addition, management provides alternative performance measures that are regularly reviewed by management with the intent to enhance the understanding of Telenor's performance. The alternative performance measures presented may be determined or calculated differently by other companies.

Organic revenues

Organic revenue is defined as revenue adjusted for the effects of acquisition and disposal of operations and currency effects. We believe that the measure provides useful and necessary information to investors and other stakeholders for the following reasons:

- it provides additional information on underlying growth of the business without the effect of certain factors unrelated to its operating performance;
- it is used for internal performance analysis; and
- it facilitates comparability of underlying growth with other companies (although the term "organic" is not a defined term under IFRS and may not, therefore, be comparable with similarly titled measures reported by other companies).

Reconciliation

NOK in million	First quarter		Change first quarter	
	2024	2023	2024	Change YTD
Total revenue	19 457	19 187	270	1.4 %
Impact using exchange rates for 2024	-	172	(172)	
M&A	-	(236)	236	
Organic revenue	19 457	19 122	335	1.8 %

NOK in million	First quarter		Change first quarter	
	2023	2022	2023	Change YoY
Total revenue	19 187	18 431	756	4.1 %
Impact using exchange rates for 2023	-	71	(71)	
M&A	-	(26)	26	
Organic revenue	19 187	18 477	710	3.8 %

Organic service revenues

Service revenues consist of mobile and fixed subscription and traffic, value added services that are not included in subscription and traffic revenues such as IoT, maritime communication and other end user related services in mobile and fixed operations. Subscription and traffic revenues consist of revenues from mobile subscription and traffic, fixed telephony, fixed Internet/TV and fixed data services.

Organic service revenues are defined as service revenues adjusted for the effects of acquisition and disposal of operations and currency effects. We believe that the measure provides useful and necessary information to investors and other stakeholders for the following reasons:

- it refers to the core revenue streams of the business making up more than 75% of total revenues and almost the entire gross profit for the Group;
- it provides additional information on underlying growth of the business within these core revenue streams, without the effect of certain factors unrelated to its operating performance;
- it is used for internal performance analysis; and
- it facilitates comparability of underlying growth with other companies (although the term “organic” is not defined under IFRS and may not, therefore, be comparable with similarly titled measures reported by other companies).

Service revenue for 2023 has been restated to align common practice on presentation of numbers across Nordics. There is no impact on total revenue.

Reconciliation

NOK in million	First quarter		Change first quarter	
	2024	2023	2024	Change YTD
Service revenues	15 773	14 823	950	6.4%
Impact using exchange rates for 2024	-	109	(109)	
M&A	-	-	-	
Organic service revenues	15 773	14 931	842	5.6%

NOK in million	First quarter		Change first quarter	
	2023	2022	2023	Change YoY
Service revenues	14 823	14 500	323	2.2%
Impact using exchange rates for 2023	-	(53)	53	
M&A	-	-	-	
Organic service revenues	14 823	14 446	376	2.6%

NOK in million	First quarter		Year
	2024	2023	2023
Total revenues	19 457	19 187	80 452
Less: Handsets and other devices	(1 495)	(1 754)	(7 587)
Less: Lease revenues	(362)	(413)	(1 573)
Revenues from rendering of services	17 600	17 020	71 292
Less: Revenue from other operators	(1 460)	(1 547)	(6 213)
Less: Other revenues	(366)	(651)	(2 511)
Service revenues	15 773	14 823	62 567

Organic gross profit

Organic gross profit is defined as gross profit adjusted for the effects of acquisition and disposal of operations and currency effects. Gross profit is a key financial parameter for Telenor and is the difference between total revenue and costs of materials and traffic charges. Gross profit reflects the profitability contribution of Telenor's revenue growth in its markets and therefore describes Telenor's potential for sustainable value creation, making gross profit a key financial parameter to follow. It is also used for internal performance analysis.

Reconciliation

NOK in million	First quarter		Change first quarter	
	2024	2023	2024	Change YoY
Gross profit	15 209	14 519	689	4.7 %
Impact using exchange rates for 2024	-	87	(87)	
M&A	-	(221)	221	
Organic gross profit	15 209	14 385	824	5.7 %

NOK in million	First quarter		Change first quarter	
	2023	2022	2023	Change YoY
Gross profit	14 519	14 191	328	2.3 %
Impact using exchange rates for 2023	-	(63)	63	
M&A	-	(29)	29	
Organic gross profit	14 519	14 100	420	3.0 %

Organic operating expenses (opex)

Organic operational expenses are defined as operational expenses adjusted for the effects of acquisition and disposal of operations and currency effects. Operating expenses (opex) is a key financial parameter for Telenor and consists of salaries and personnel cost and other operating expenses. Telenor's continuous effort to improve efficiency makes opex a key financial parameter to follow. It is also used for internal performance analysis.

Reconciliation

NOK in million	First quarter		Change first quarter	
	2024	2023	2024	Change YoY
Operational expenses	6 704	6 441	263	4.1 %
Impact using exchange rates for 2024	-	52	(52)	
M&A	-	(63)	63	
Organic operational expenses	6 704	6 430	274	4.3 %

NOK in million	First quarter		Change first quarter	
	2023	2022	2023	Change YoY
Operational expenses	6 441	6 143	297	4.8 %
Impact using exchange rates for 2023	-	35	(35)	
M&A	-	(1)	1	
Organic operational expenses	6 441	6 177	264	4.3 %

Organic EBITDA

Organic EBITDA is defined as EBITDA (before other income and other expenses) adjusted for the effects of acquisition and disposal of operations and currency effects. We believe that the measure provides useful and necessary information to investors, and other stakeholders for the following reasons:

- it provides additional information on underlying growth of the business without the effect of certain factors unrelated to its operating performance; and
- it is used for internal performance analysis.

Reconciliation

NOK in million	First quarter		Change first quarter	
	2024	2023	2024	Change YoY
EBITDA	8 505	8 078	427	5.3%
Impact using exchange rates for 2024	-	35	(35)	
M&A	-	(158)	158	
Organic EBITDA	8 505	7 955	550	6.9%

NOK in million	First quarter		Change first quarter	
	2023	2022	2023	Change YoY
EBITDA	8 078	8 048	31	0.4%
Impact using exchange rates for 2023	-	(98)	98	
M&A	-	(28)	28	
Organic EBITDA	8 078	7 922	156	2.0%

Capital expenses

Capital expenses (capex) are derived from the balance sheet and consist of investments in property, plant, and equipment (PPE), intangible assets and right-of-use-assets, including license and spectrum. Capex excludes business combinations and asset retirement obligations. Capex is a measure of investments made in the operations in the relevant period and is useful to investors and other stakeholders in evaluating the capital intensity of the operations. Capex excl. lease and capex/revenues is deemed to better gauge the actual capital expenses incurred in the period than the payment for purchases of PPE, intangible assets and right-of-use assets in the cash flow statement.

Capex excl. lease is relevant to users to measure the level of underlying investments. Historically, leases have varied significantly between reporting periods.

Reconciliation

NOK in million	First quarter		Year
	2024	2023	2023
Purchases of PPE, intangible assets and prepayments for right-of-use assets	3 907	4 763	14 728
Capex related working capital and other changes	(663)	(1 051)	(1 198)
Deferred lease obligations including licences	1 663	2 578	4 827
Less:			
Discontinued operations	-	(816)	(816)
Total Capex incl. leases	4 906	5 474	17 542
Licence and spectrum acquisition	(71)	(345)	(678)
Other leases	(1 698)	(1 594)	(4 133)
Capex excl. lease	3 137	3 535	12 731
Total revenues	19 457	19 187	80 452
Capex excl. lease/Revenues (%)	16.1 %	18.4 %	15.8 %
Total Capex/Revenues (%)	25.2 %	28.5 %	21.8 %

Investments

Investments consist of capex and investments in businesses. Investments in businesses comprise purchase of shares in both controlled and non-controlled entities from a third party, including acquisitions of businesses not organized as separate companies as well as capital injections into non-controlled entities. Investments (or total investments) is deemed to better gauge the actual investments for the period than in the purchases of property, plant, and equipment (PPE) and intangible assets line items in the cash flow statement.

NOK in million	First quarter		Year
	2024	2023	2023
Capital expenses	4 906	5 474	17 542
Investments in businesses	38	1 668	5 776
Investments	4 944	7 141	23 318

Net interest-bearing debt excluding licence obligations (Net debt)

Net debt consists of both current and non-current interest-bearing liabilities, current and non-current lease liabilities less related current and non-current hedging instruments, financial instruments, such as debt instruments and derivatives, and cash and cash equivalents. Net debt is adjusted for license obligations.

Net debt is a measure of the Group's net indebtedness that provides an indicator of the overall balance sheet strength. It is also a single measure that can be used to assess both the Group's cash position and its indebtedness. The use of the term 'net debt'

does not necessarily mean that the cash included in the net debt calculation is available to settle the liabilities included in this measure.

Net debt is considered to be an alternative performance measure as it is not defined in IFRS. The most directly comparable IFRS measure is the aggregate interest-bearing liabilities (both current and non-current) and cash and cash equivalents. A reconciliation from these to net debt is provided below.

Reconciliation

NOK in million	31 March 2024	31 December 2023	31 March 2023
Non-current interest-bearing liabilities	76 328	75 686	68 775
Non-current lease liabilities	13 925	13 201	14 803
Current interest-bearing liabilities	10 534	11 789	10 674
Current lease liabilities	4 416	4 107	4 208
Less:			
Cash and cash equivalents	(20 861)	(19 556)	(14 350)
Hedging instruments	-	-	(6)
Financial instruments	(278)	(269)	(271)
Adjustments:			
Non-current licence obligations	(3 771)	(3 922)	(4 866)
Current licence obligations	(1 320)	(1 253)	(1 465)
Net interest-bearing debt excluding licence obligations	78 973	79 781	77 503

Leverage ratio

Telenor measures leverage as the ratio of Net debt to EBITDA before other items and dividends from associated companies and joint ventures. The leverage definition is aligned with our alternative performance measure organic EBITDA before other items growth for controlled entities, and cash flow contribution from associates and joint ventures. Further, the usage of EBITDA before other items for controlled entities prevents temporary spikes in leverage due to other income and expenses and thus ensures transparency and a better understanding of Telenor's ability to cover debt with profits from its regular operations. Telenor aims to maintain a solid balance sheet through keeping leverage ratio in the range of 1.8x to 2.3x, in order to maintain financial flexibility and ensure cost efficient funding. The measure provides useful information about the strength of our financial position and is regularly reported internally.

NOK in million	First quarter		Year
	2024	2023	2023
A - Net debt	78 973	77 503	79 781
B - EBITDA before other items	34 990	33 861	34 564
C - Dividends from associates and joint ventures	1 380	2 693	1 794
D - Leverage ratio D=A/(B+C)	2.2	2.1	2.2

Dividends from associated companies and joint ventures includes dividend from dtac as a subsidiary on proforma basis of NOK 0.6 billion for the full year 2023. Dividends from associated companies and joint ventures for the period ending 31 March 2023 includes dividend from Digi and dtac as subsidiaries on proforma basis of NOK 1.9 billion.

Free cash flow

Telenor makes use of Free cash flow and Free cash flow before M&A activities as important performance measures when presenting and discussing the reported results. We believe it is both useful and necessary to communicate Free cash flow and Free cash flow before M&A activities for the following reasons:

- Free cash flow and Free cash flow before M&A activities allow management and investors to evaluate Telenor's liquidity and cash generated by the operations.
- Free cash flow excludes items that are deemed discretionary, such as financing activities. In addition, Free cash flow before M&A activities excludes cash flows relating to acquisitions and disposals of businesses.
- Free cash flow facilitates comparability with other companies, although Telenor's measure of Free cash flow may not be directly comparable to similar titled measures used by other companies.
- These measures are used for planning, reporting and incentive purposes.

A reconciliation of net cash flow from operating activities, net cash flow from investing activities and certain line items of financing activities to Free cash flow and Free cash flow before M&A activities is provided in the table below. Payments for acquisitions and proceeds from disposal of businesses include acquisitions and disposals where Telenor acquire or lose control, acquisition, or disposal of investments in associated companies and joint ventures that are classified in investing activities as well as transactions with non-controlling interests that does not result in change of control for Telenor that are classified in financing activities.

Reconciliation

NOK in million	First quarter		Year
	2024	2023	2023
Net cash flows from operating activities	8 613	6 102	29 120
Net cash flows from investing activities	(1 835)	(8 742)	(18 297)
Payments of lease liabilities related to spectrum licences	(357)	(850)	(1 886)
Payments of lease liabilities related to other lease contracts	(913)	(1 148)	(3 583)
Repayments of borrowings - supply chain financing	-	(212)	(79)
Dividends paid to and purchase of shares from non-controlling interest	(97)	(289)	(1 015)
Sale of shares to non-controlling interests	-	10 806	10 743
Free cash flow	5 412	5 666	15 003
M&A activities	2 124	5 235	5 514
Free cash flow before M&A activities	3 288	431	9 490

M&A activities reconciliation to cash flow statement

NOK in million		First quarter		Year
		2024	2023	2023
Classification in cash flow statement	M&A transaction			
Proceeds from disposal of subsidiaries and associated companies, net of cash disposed	Satellite disposal	2 125	-	-
	Other disposals	37	-	614
	dtac shares disposal proceeds		4 588	4 430
Purchases of subsidiaries, associated companies and joint ventures, net of cash acquired	Investments in associated companies	(38)	(1 682)	(1 805)
Proceeds from sale and purchase of other investments	SPV funding related to dtac merger transaction	-	(6 962)	(6 962)
	Other disposals		-	10
Other adjustments in operating activities	India guarantee payment	-	(1 516)	(1 516)
Sale of shares to non-controlling interests in financing activities	Fibre transaction in Norway	-	10 806	10 743
Total		2 124	5 235	5 514

Return On Capital Employed (ROCE)

When evaluating different financial metrics before making an investment, the return on capital employed is also considered. Return on capital employed is calculated by dividing the return of last twelve months by the average balance of capital employed for the same twelvemonth period. Return is defined as operating profit including share of profits from associated companies and joint ventures, less income taxes. Capital employed is defined as the sum of total equity and net interest-bearing debt including licence obligations and net pension obligations. The average of capital employed during the period is calculated as average of opening and closing balance for the given twelve-month period. The calculated return on capital employed is based on the actual generated return, and hence it may be impacted by unusual returns or losses at a particular point of time.

Reconciliation

NOK in million	First quarter		Year
	2024	2023	2023
Operating profit	18 761	13 584	16 964
Share of net income (loss) including impairments and gains/losses from associated companies and joint ventures	(980)	(388)	(8 466)
Income taxes	(4 660)	1 541	(4 332)
A - Earnings	13 121	14 737	4 166
B - Telenor's share of earnings from CelcomDigi	1 053	(64)	647
B - Telenor's share of earnings from True Corp including impairment	(1 348)	-	(8 321)
C - Adjusted earnings (C=A-B)	13 416	14 801	11 840
Total equity as of beginning of the period	91 359	39 398	64 375
Net interest-bearing debt including licence obligations as of beginning of the period	83 833	107 204	112 750
Net pension obligations as of beginning of the period	1 828	2 355	1 919
D - Total capital employed as of beginning of the period	177 020	148 957	179 045
Total equity as of end of the period	85 277	91 359	70 434
Net interest-bearing debt including licence obligations as of end of the period	84 064	83 833	84 956
Net pension obligations as of end of the period	1 853	1 828	1 821
E - Total capital employed as of end of the period	171 194	177 020	157 212
F - Average capital employed before adjustments (F=(D+E)/2)	174 107	162 989	168 128
G - Adjustment for Digi's capital employed	-	5 888	-
G - Adjustment for dtac's capital employed	-	18 181	19 003
G - Adjustment for CelcomDigi	35 771	18 203	34 099
G - Adjustment for True Corporation	19 584	9 295	6 766
H - Average capital employed (H=F-G)	118 752	111 421	108 260
I - Return on capital employed (I=C/H)	11%	13%	11%



First quarter 2024
Published by Telenor ASA
N-1360 Fornebu, Norway
Phone: +47 67 89 00 00

Investor Relations:
E-mail: ir@telenor.com

www.telenor.com