



# The Telenor-DNA story begins

21 August 2019

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# Following years of solid development, DNA needs strong owner to meet industry challenges



- In 2001 DNA starts its life as a mobile operator
- In 2007 current DNA was established after merger



- Acquisitions of Welho (2010), Forte Netservice (2011), Plus TV (2013) and TDC (2014)
- Sanoma sells its stake in 2013 and founding shareholders Oulu ICT and KPY in 2014



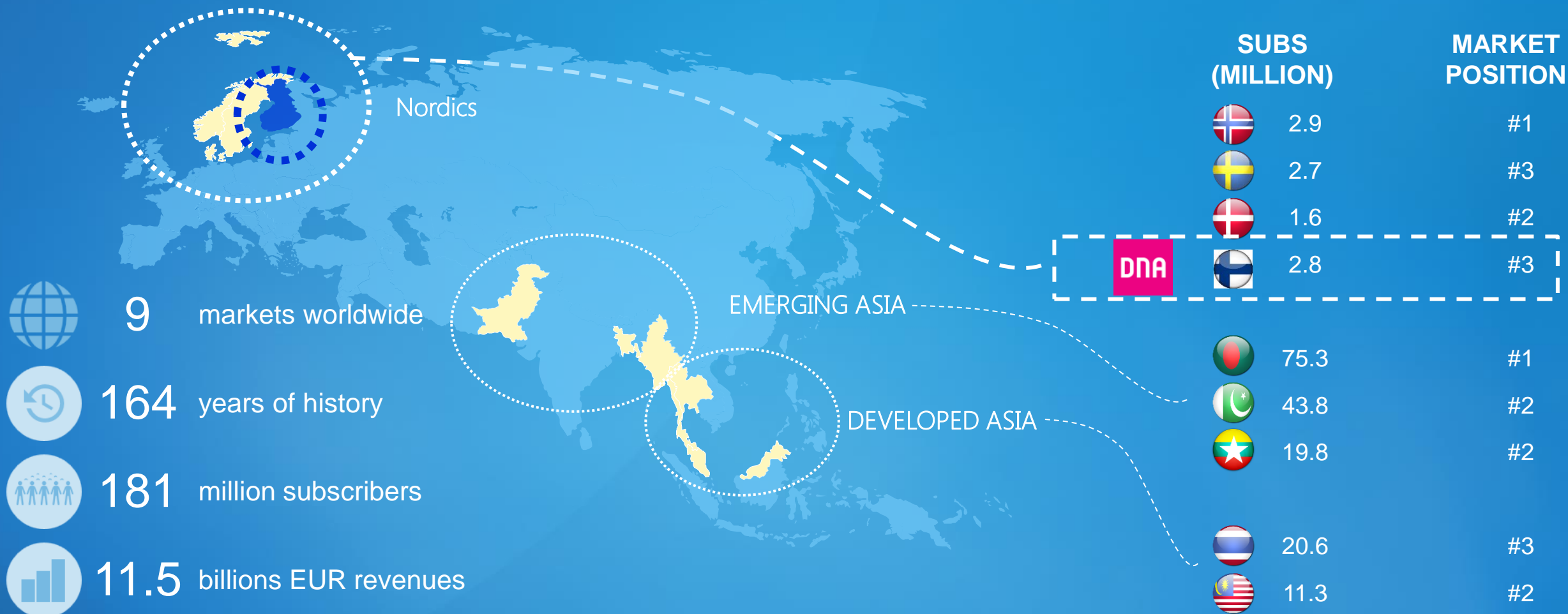
- DNA is listed on the Helsinki Stock Exchange



- Telenor becomes a majority shareholder in DNA



# Telenor: 181 million customers across Nordics and Asia



# An attractive and complementary business

## 1. Good fit

Consolidating Nordic position and balancing portfolio

## 2. Attractive market

Finland is an attractive and growing market

## 3. Quality asset

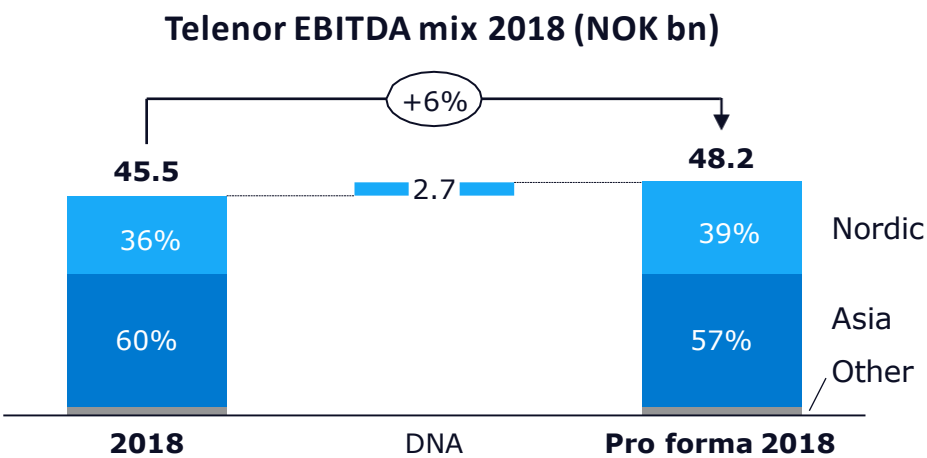
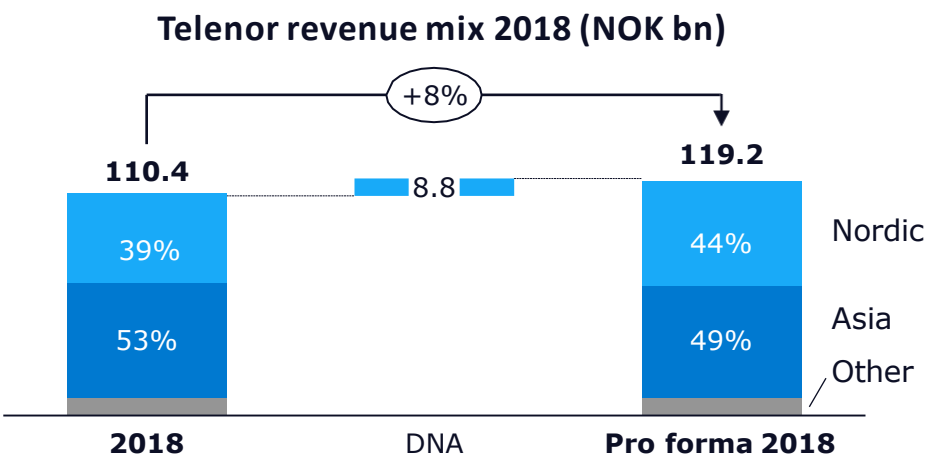
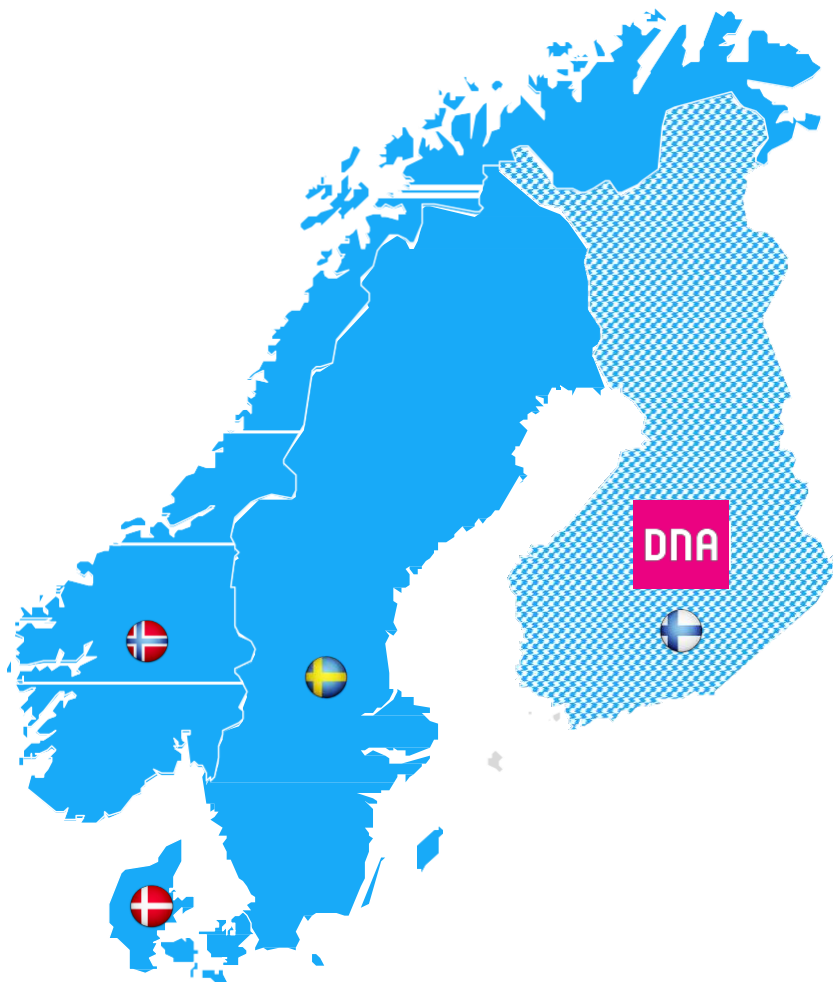
Integrated challenger with solid track record

## 4. Value Accretive

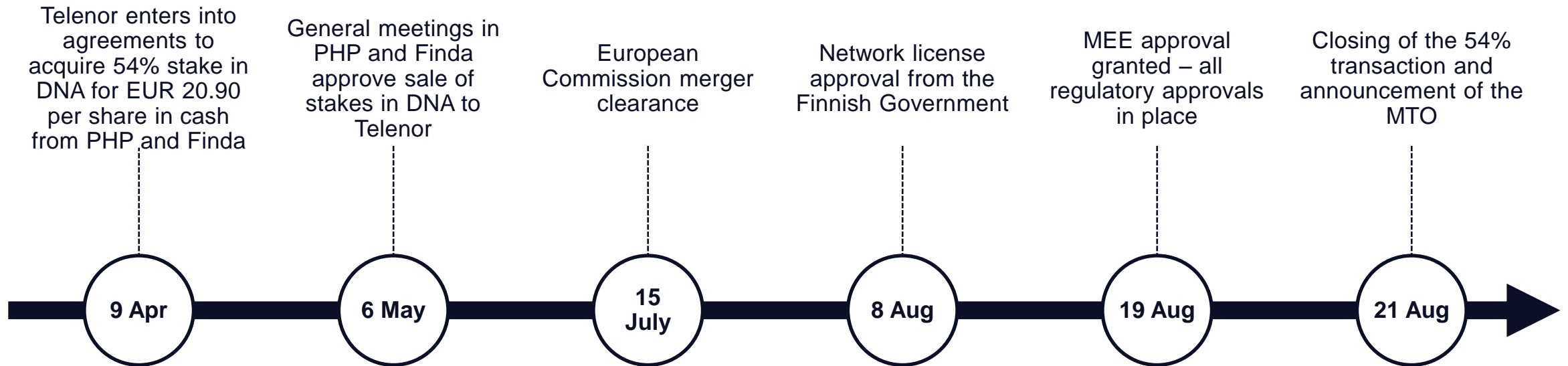
Value accretive for Telenor with synergy opportunities



# Consolidating Nordic position and balancing portfolio



# Process to date





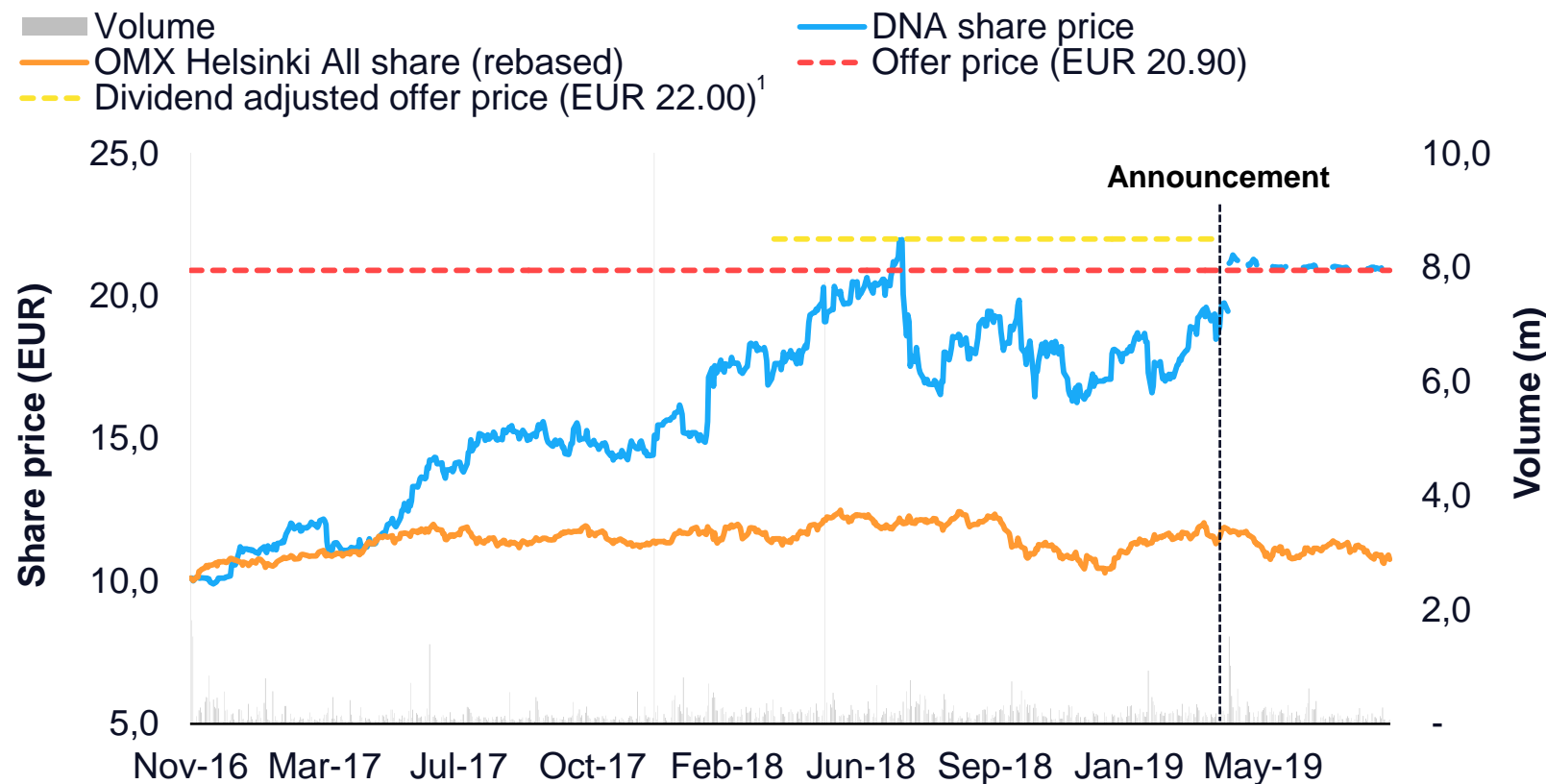
# Process moving forward

<b>Mandatory tender offer</b>	<ul style="list-style-type: none"><li>• Telenor launches a mandatory public tender offer for all remaining shares in DNA; offer not subject to any conditions</li><li>• Subject to FIN-FSA approval of the offer document, the offer period will be from 29 August to 26 September*</li></ul>
<b>Consideration</b>	<ul style="list-style-type: none"><li>• The price offered is EUR 20.90 per share in cash, the same for which Telenor acquired the 54% majority stake in DNA from DNA's two largest shareholders</li><li>• Telenor will not increase the price for the tender offer</li></ul>
<b>EGM to be held after the offer</b>	<ul style="list-style-type: none"><li>• Telenor will initiate process with DNA to convene an EGM following the offer period to get representation in the Board of Directors</li></ul>
<b>Post MTO</b>	<ul style="list-style-type: none"><li>• If Telenor reaches 90%+ holding it will initiate delisting of DNA. Telenor does not intend to acquire shares in DNA at a price exceeding the offer price</li><li>• Subject to the outcome of the mandatory offer, Telenor is also prepared for any scenario where DNA remains listed</li></ul>



# An attractive opportunity for DNA shareholders to tender their shares

DNA share price development and offer premium



**21.3%**

*premium to 3-month VWAP  
as of 8 April 2019<sup>2,3</sup>*

**7.4%**

*premium to closing share price on 8  
April<sup>2</sup>*

**26.1x**

*2019E P/E multiple<sup>4</sup>*

Source: FactSet, Company investor materials, Vara Research

1) Offer price of EUR 20.90 adjusted for DNA cash dividend of 1.10, for illustrative purposes

2) Premium as of 8 April 2019 (i.e. one day before the announcement on 9 April 2019)

3) 3m VWAP adjusted for cash dividend of EUR 1.10 prior the ex-dividend date on 29 March 2019

4) Based on offer price of EUR 20.90 and Vara Research consensus estimates for EPS of EUR 0.80 accessible at DNA's website; consensus updated as of 15 August 2019



# Telenor is an industrial owner with a long-term perspective



Drive shareholder value in a long-term perspective as an industrial owner



Telenor aims to ensure a healthy balance sheet and predictable dividend payouts

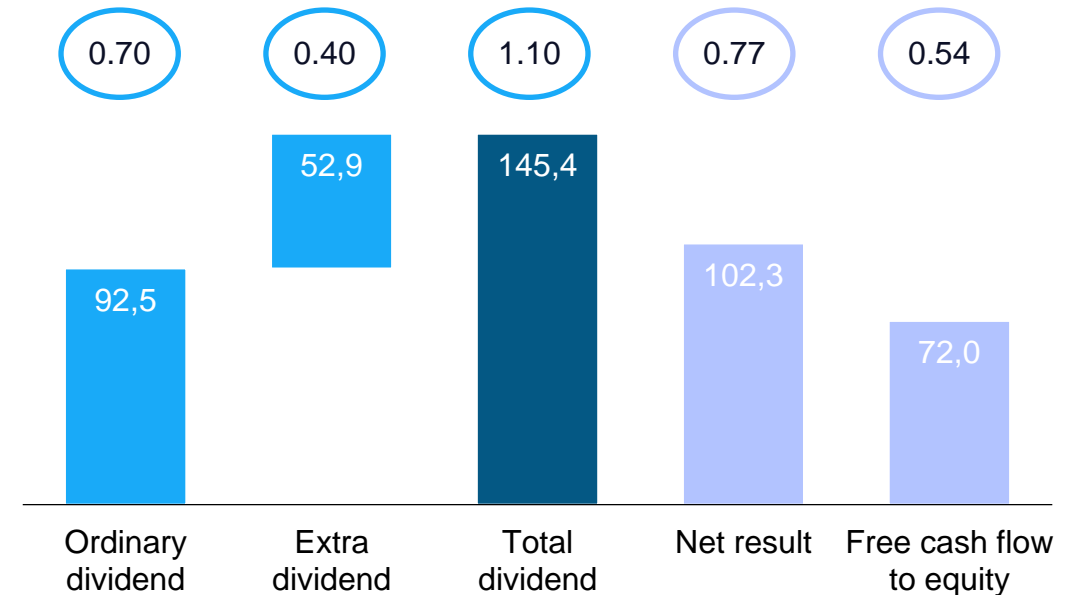


Extraordinary dividends may be occasionally applied but not expected as part of regular annual payout

○ EUR per share<sup>1</sup>

## DNA's total dividend in 2018 (EURm and EUR per share)

Leverage already at top end of 2x guidance





# Summary

- The offer is an attractive opportunity for DNA shareholders to tender their shares and lock in solid profits since the IPO
- If Telenor reaches 90% ownership, the company will initiate delisting of DNA
- Telenor will not increase the offer price
- As an industrial owner we do not expect extraordinary dividends from DNA in near term



# Appendix



# Key dates of the mandatory tender offer

<b>21 August</b>	Announcement of the mandatory tender offer
<b>28 August</b>	Publication of offer document (estimated, subject to the FIN-FSA approval)
<b>29 August</b>	Offer period commences (estimated)
<b>26 September</b>	Offer period ends (estimated)
<b>27 September</b>	Announcement of the preliminary results of the mandatory tender offer (estimated)
<b>1 October</b>	Announcement of the final results of the mandatory tender offer (estimated)

