



TELENOR GROUP

Second quarter 2022

Sigve Brekke, CEO

Disclaimer

The following presentation is being made only to, and is only directed at, persons to whom such presentation may lawfully be communicated ('relevant persons'). Any person who is not a relevant person should not act or rely on this presentation or any of its contents. Information in the following presentation relating to the price at which relevant investments have been bought or sold in the past or the yield on such investments cannot be relied upon as a guide to the future performance of such investments.

This presentation does not constitute an offering of securities or otherwise constitute an invitation or inducement to any person to underwrite, subscribe for or otherwise acquire securities in any company within the Telenor Group. The release, publication or distribution of this presentation in certain jurisdictions may be restricted by law, and therefore persons in such jurisdictions into which this presentation is released, published or distributed should inform themselves about, and observe, such restrictions.

This presentation contains statements regarding the future in connection with the Telenor Group's growth initiatives, profit figures, outlook, strategies and objectives. In particular, the slide "Outlook for 2022" contains forward-looking statements regarding the Telenor Group's expectations. 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.

The comments in the presentation are related to Telenor's development in 2022 compared to the same quarter of 2021, unless otherwise stated.

Highlights

Second quarter 2022

**Service revenue growth
and stable EBITDA**

**Structural programmes
contribute to mitigate inflation**

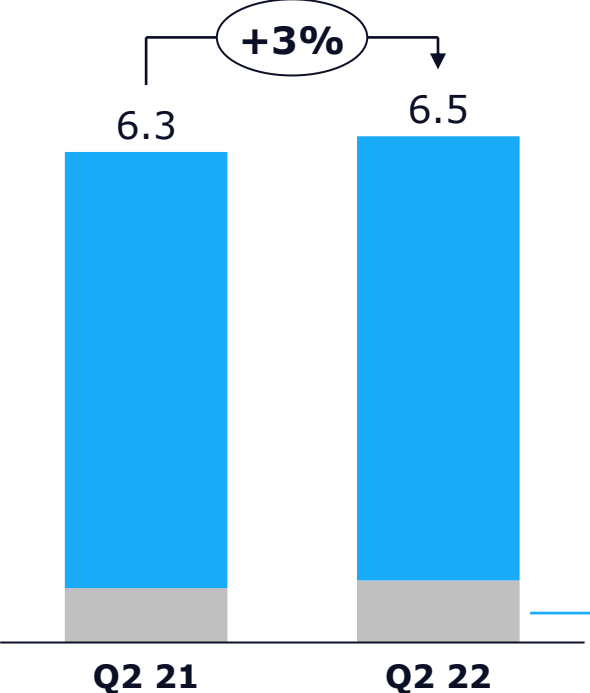
**Solid Nordic mobile
performance**

**Regulatory clearance for
merger in Malaysia**

Solid Nordic mobile development

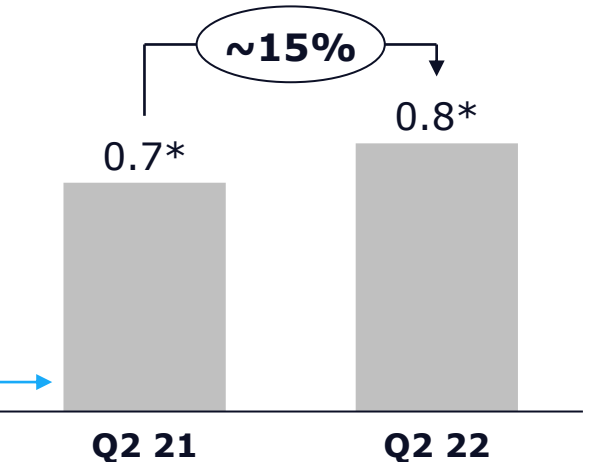
Mobile service revenue growth

NOK billion FX adj.



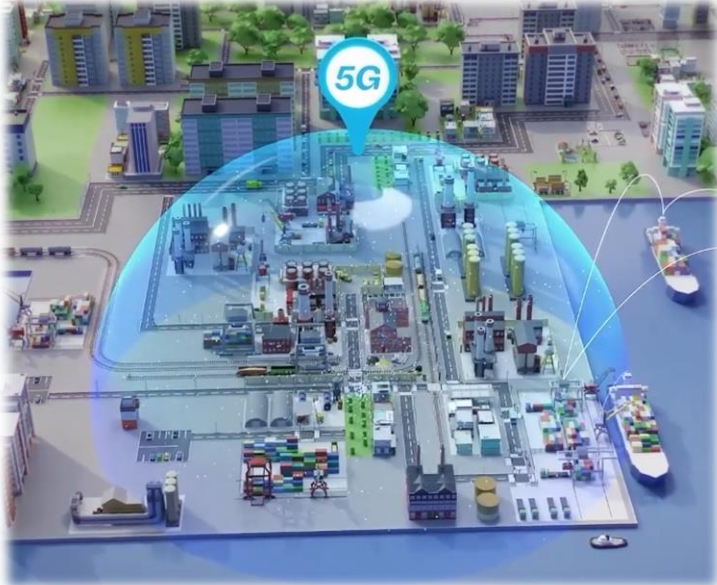
Adjacent services

NOK billion FX adj.



~13%

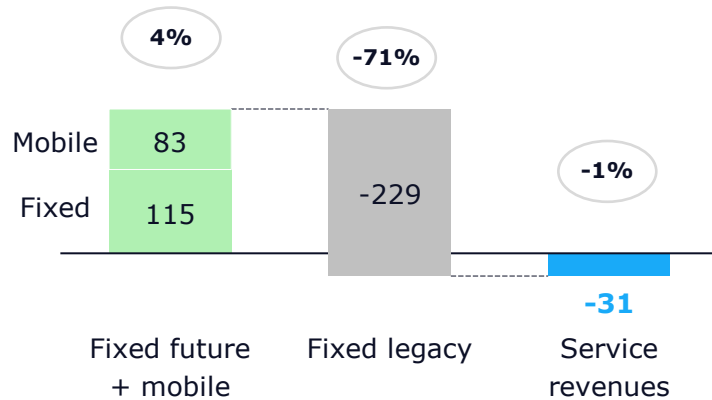
B2B 5G monetisation



Norway: Mobile growth mitigates copper decline

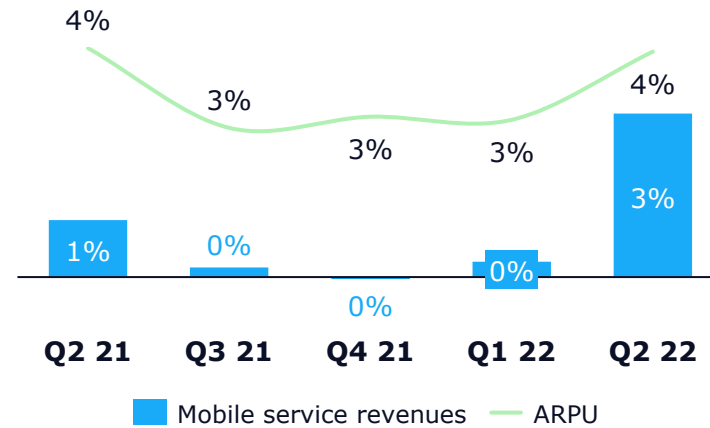
Copper legacy continuing to weigh

YoY change NOK m



- > Higher Mobile growth mitigates legacy headwind
- > Only 18' DSL lines left at the end of the quarter

Mobile ARPU



- > Mobile ARPU growth driven by upselling and value-added services

High demand for security products

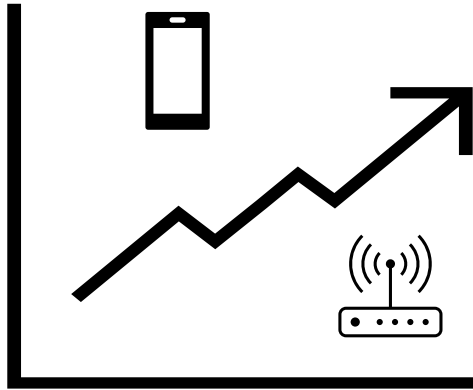


- > Business: Launched Active response in March and SafeZone in April; 15k and 19k users
- > Consumer: 296k users of SAFE products



Managing the **inflationary** environment

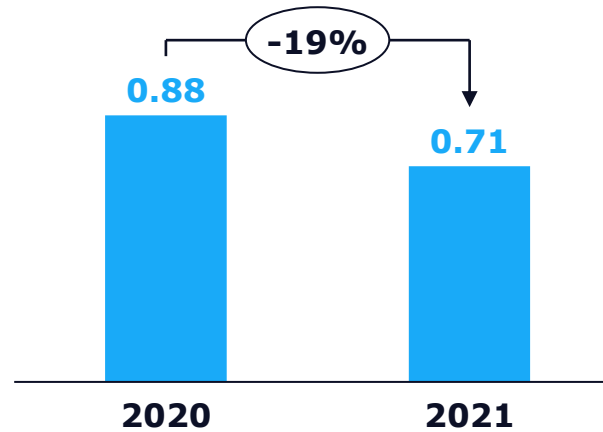
Price increases across most markets



- > New mobile tariff portfolio launched in Sweden in May
- > Price adjustments in Denmark, Norway, Bangladesh and Pakistan

Energy efficiency

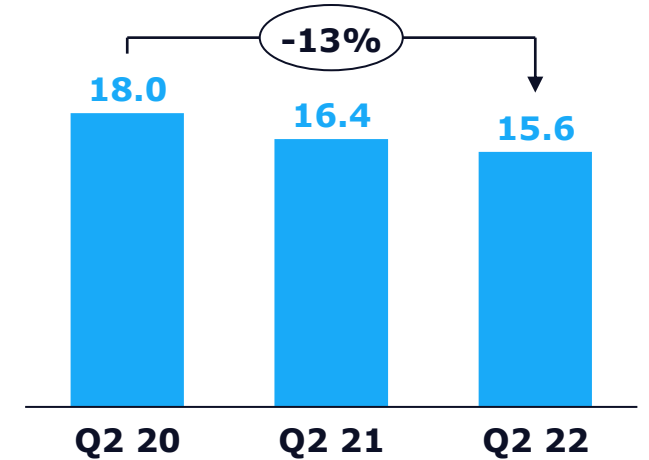
MWh per TB data



- > Entered 10-year Power Purchase agreements for renewable electricity in Norway and Denmark
- > Group wide energy efficiency programme in place to limit consumption increase

Organisational modernisation

FTE '000 not incl. Myanmar



- > Modernising the organisation to meet future requirements
- > Copper decommissioning enabling a "legacy free incumbent" in Norway



Asia M&A execution progressing

Malaysia transaction approved by the regulator



Awaiting regulatory approval in Thailand





TELENOR GROUP

Second quarter 2022

Tone Hegland Bachke, CFO

Key financials Q2 2022

2%

**Organic
Service revenues**

Stable

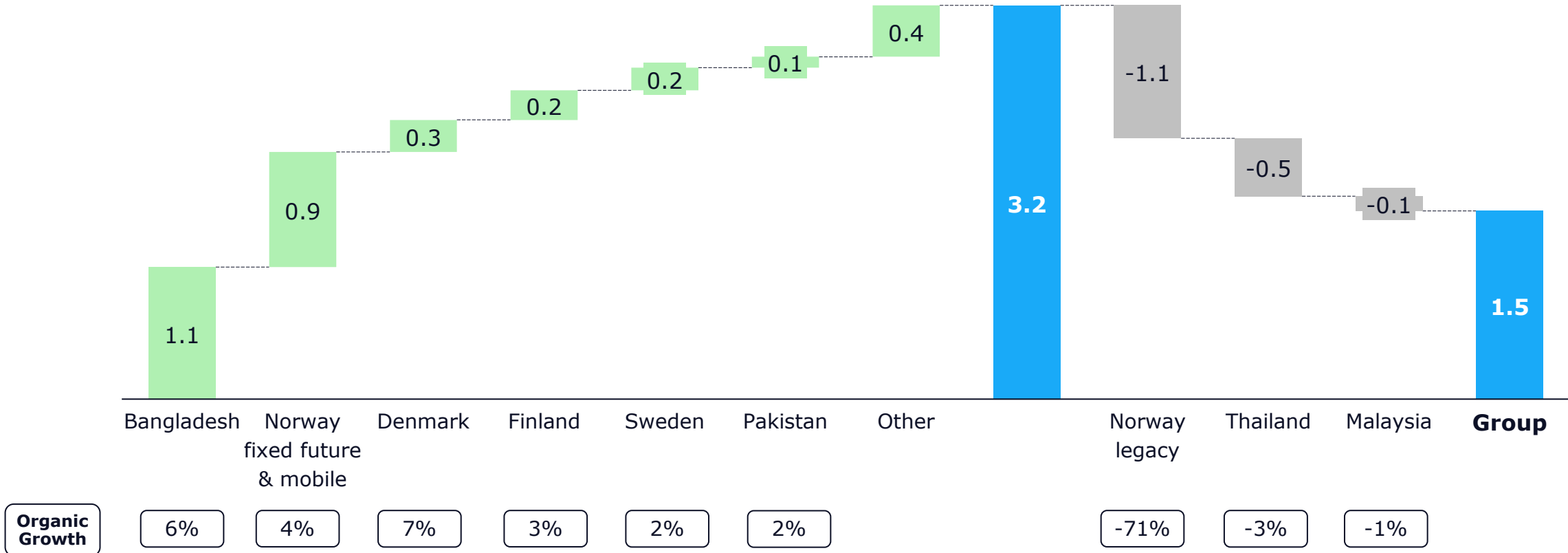
**Organic
EBITDA**

1bn

Free cash flow

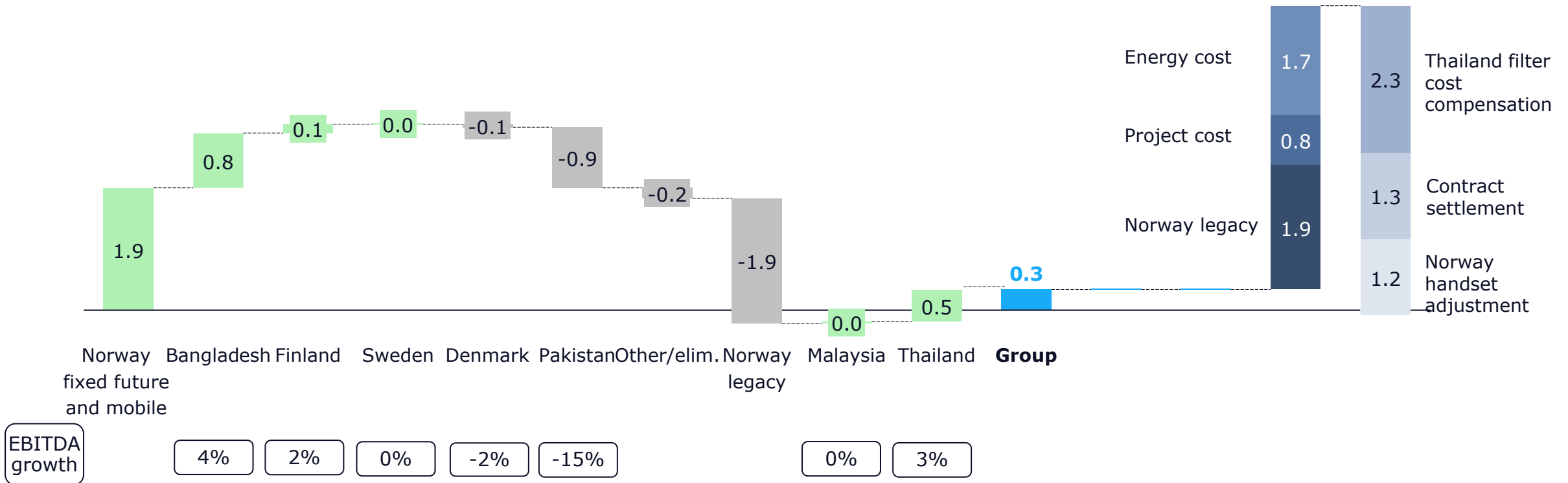
Service Revenue growth

Percentage points contribution to yoy growth



Stable **EBITDA**; several items impacting quarter

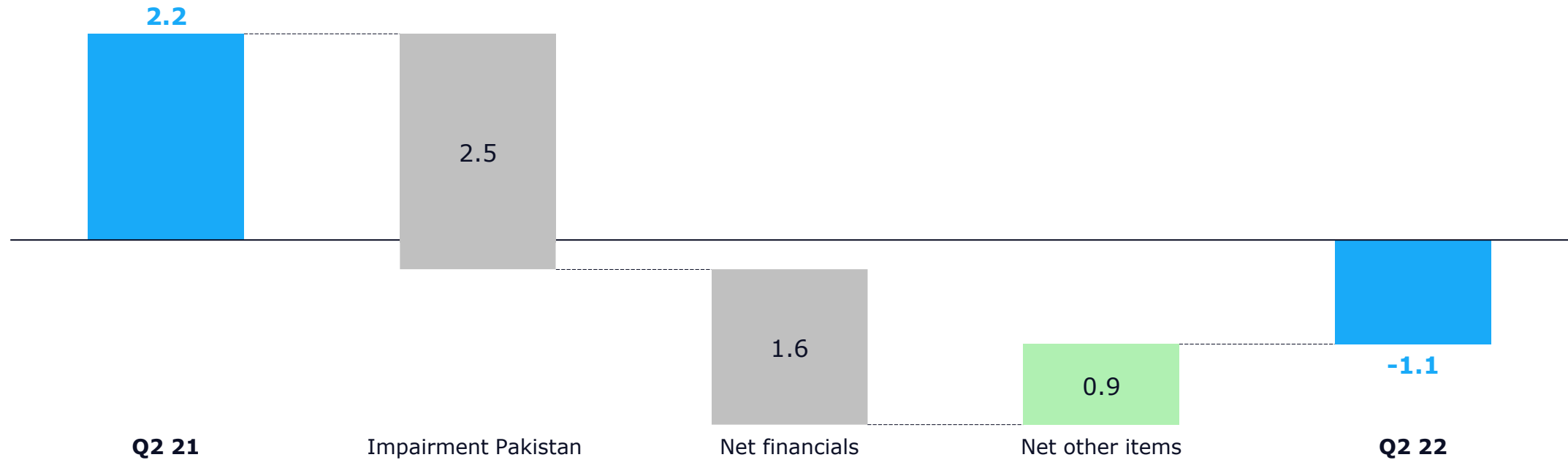
Percentage points contribution to growth



Net income to equity holders negative **NOK 1.1 billion**

Net income to equity holders of Telenor

NOK billion



Q2 21

Impairment Pakistan

Net financials

Net other items

Q2 22

Earnings per share

1.56

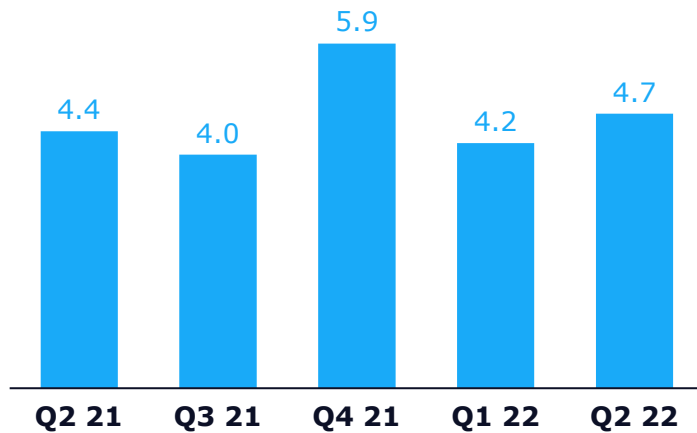
-0.80



Free Cash Flow of NOK 0.9 billion

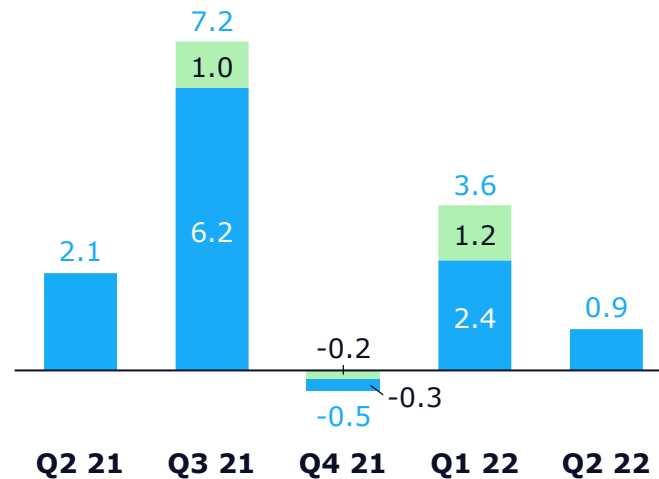
Capex ex. licenses and spectrum

NOK billion



Free cash flow

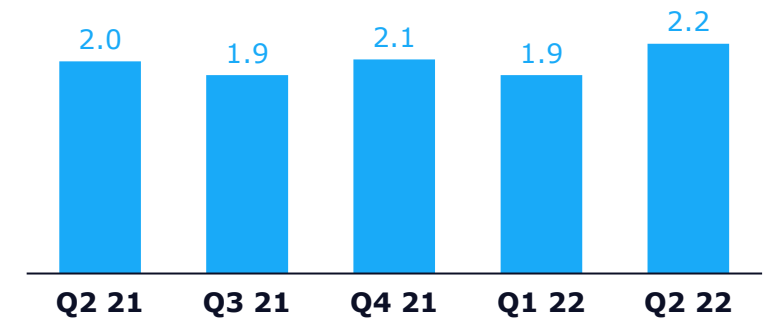
NOK billion



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

Leverage

Net debt / EBITDA



Outlook 2022

2022 excl. Malaysia

Organic Service Revenues

Low single digit growth

Organic EBITDA

Around 2021

Capex/sales

16-17%

CAPITAL MARKETS DAY

20 SEPTEMBER 2022
TELENOR HQ – FORNEBU NORWAY



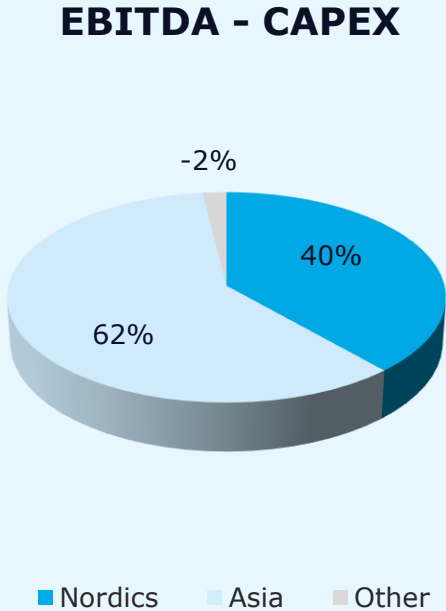
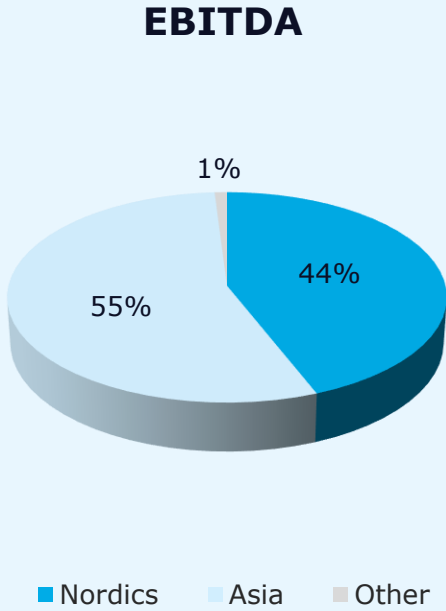
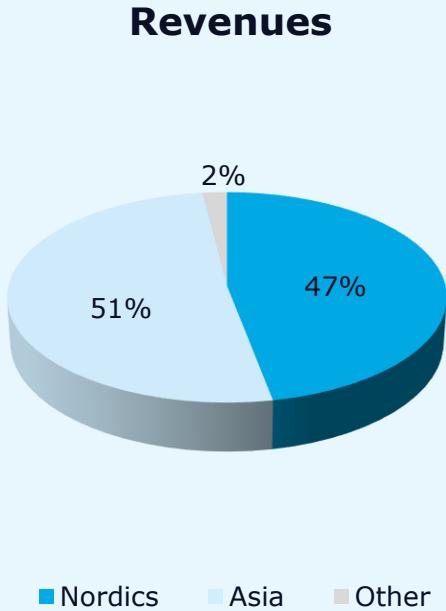


TELENOR GROUP

Second quarter 2022

Appendix

Geographic split of key financials YTD 2022

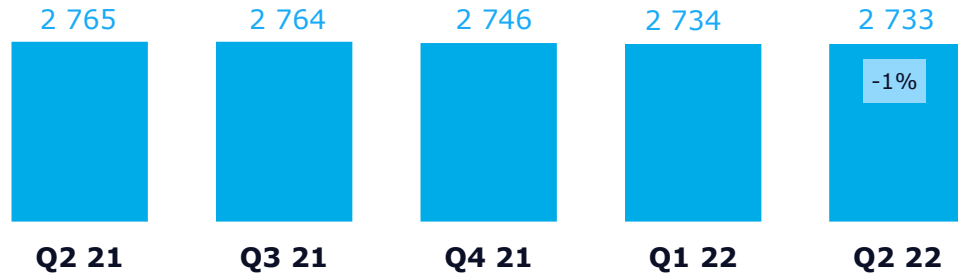


EBITDA before other items. Capex excl. licences.

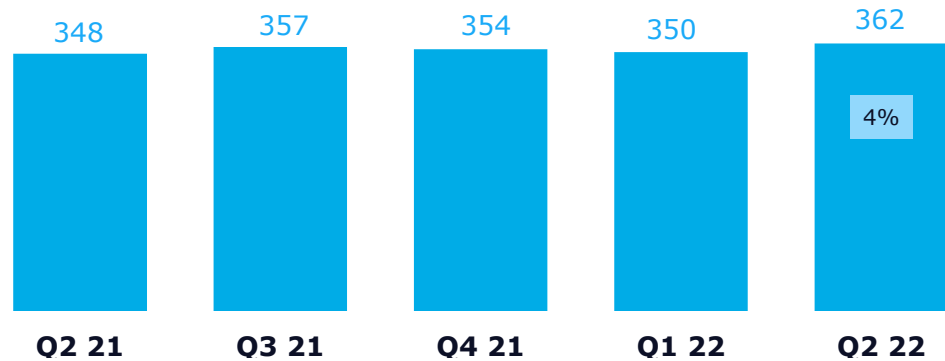


Norway

Mobile subscribers ('000)

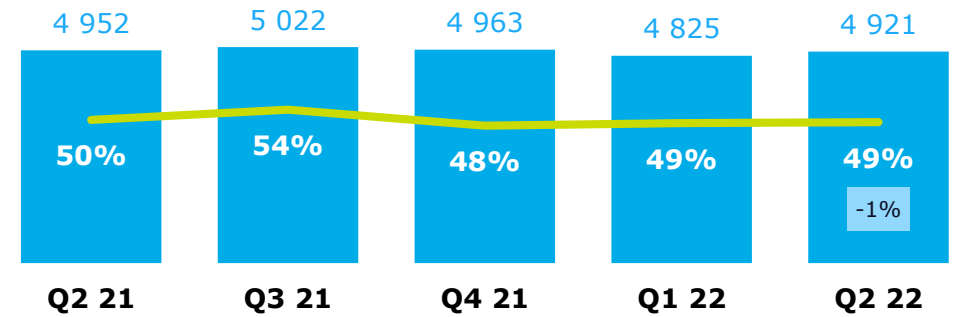


Mobile ARPU (NOK/month)

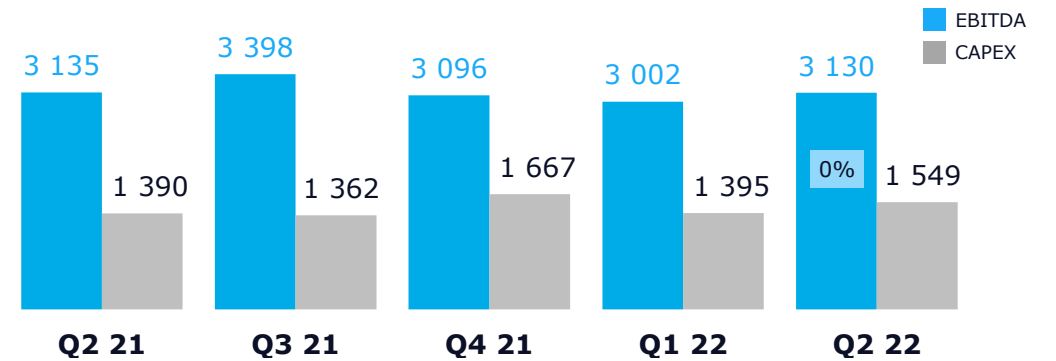


Organic growth assuming fixed currency, adjusted for acquisitions and disposals. EBITDA before other items. Capex excl. licence fees

Service revenues (NOK m) and EBITDA margin



EBITDA and capex (NOK m)

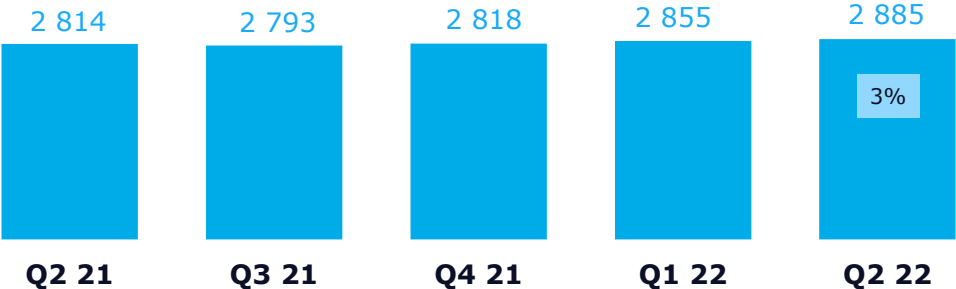


Organic growth YoY

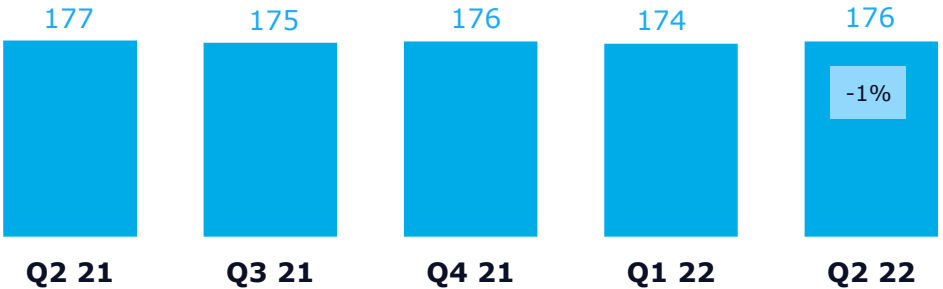


Sweden

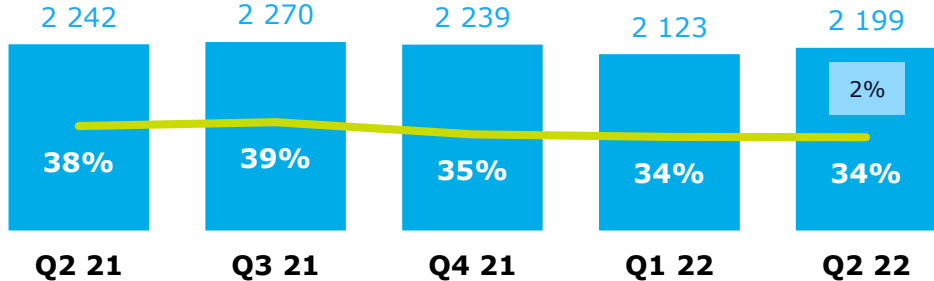
Mobile subscribers ('000)



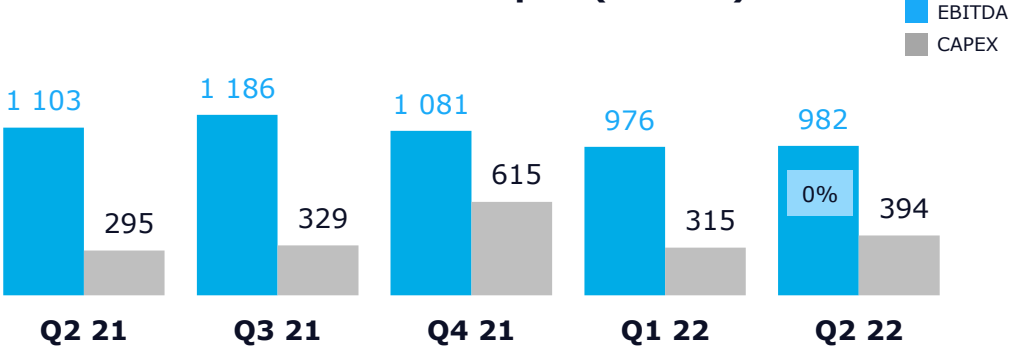
Mobile ARPU (SEK/month)



Service revenues (NOK m) and EBITDA margin



EBITDA and capex (NOK m)

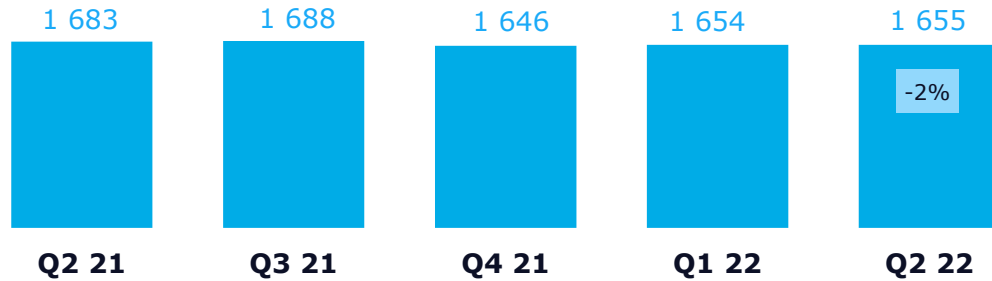


Organic growth assuming fixed currency, adjusted for acquisitions and disposals. EBITDA before other items. Capex excl. licence fees

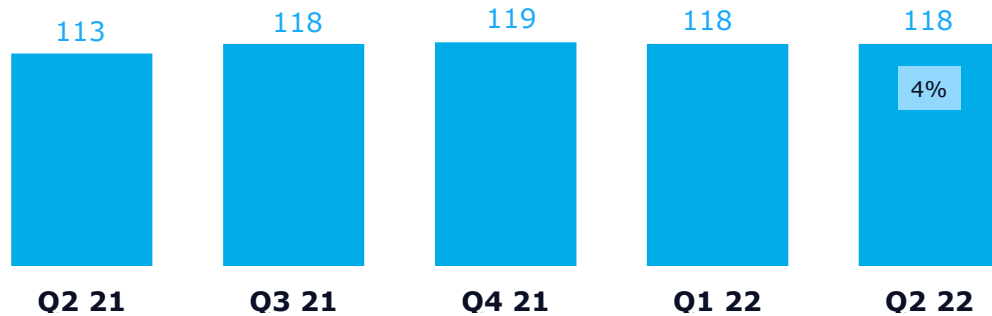


Denmark

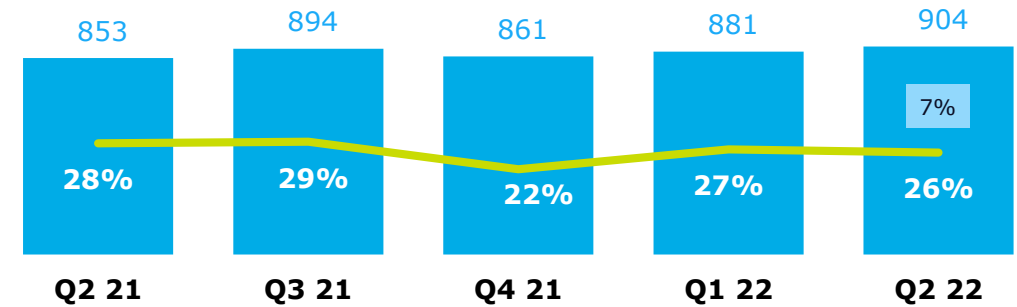
Mobile subscribers ('000)



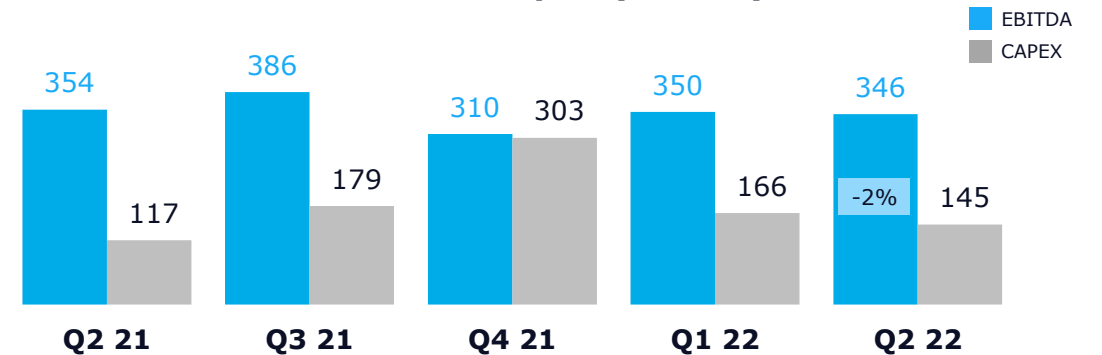
Mobile ARPU (DKK/month)



Service revenues (NOK m) and EBITDA margin



EBITDA and capex (NOK m)



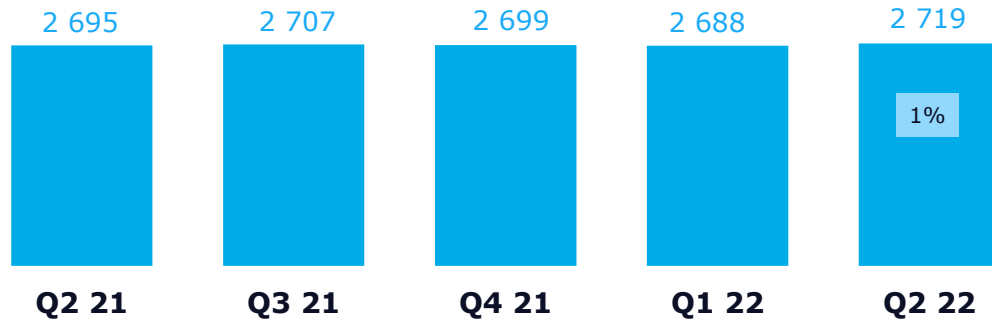
Organic growth assuming fixed currency, adjusted for acquisitions and disposals. EBITDA before other items. Capex excl. licence fees

Organic growth YoY

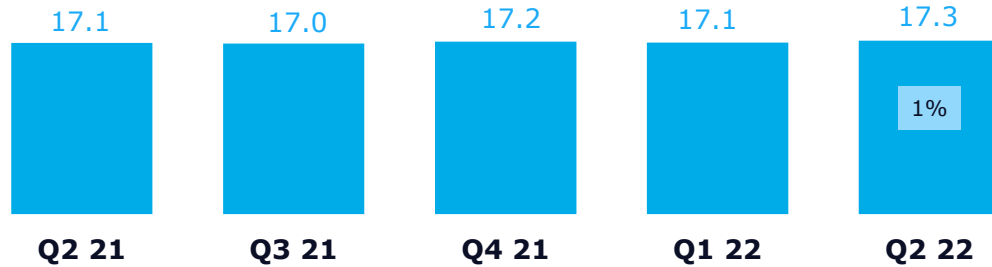


Finland

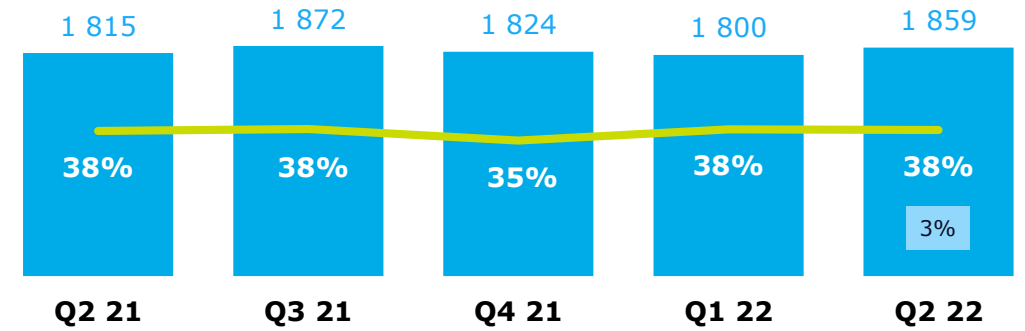
Mobile subscribers ('000)



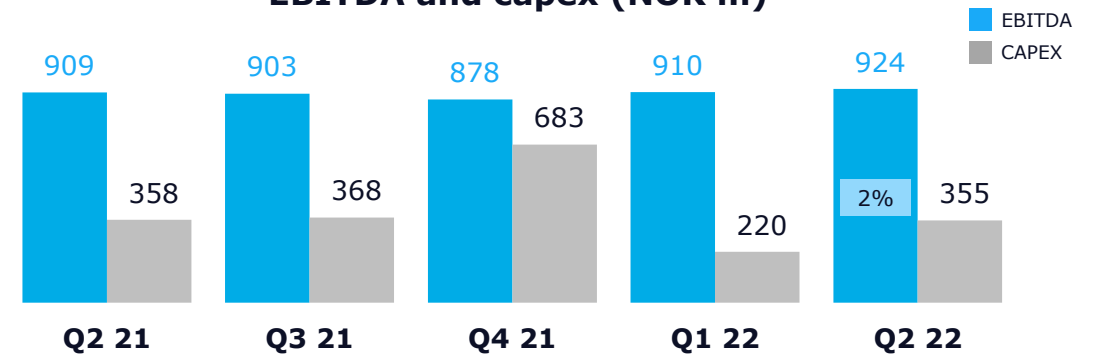
Mobile ARPU (EUR/month)



Service revenues (NOK m) and EBITDA margin



EBITDA and capex (NOK m)

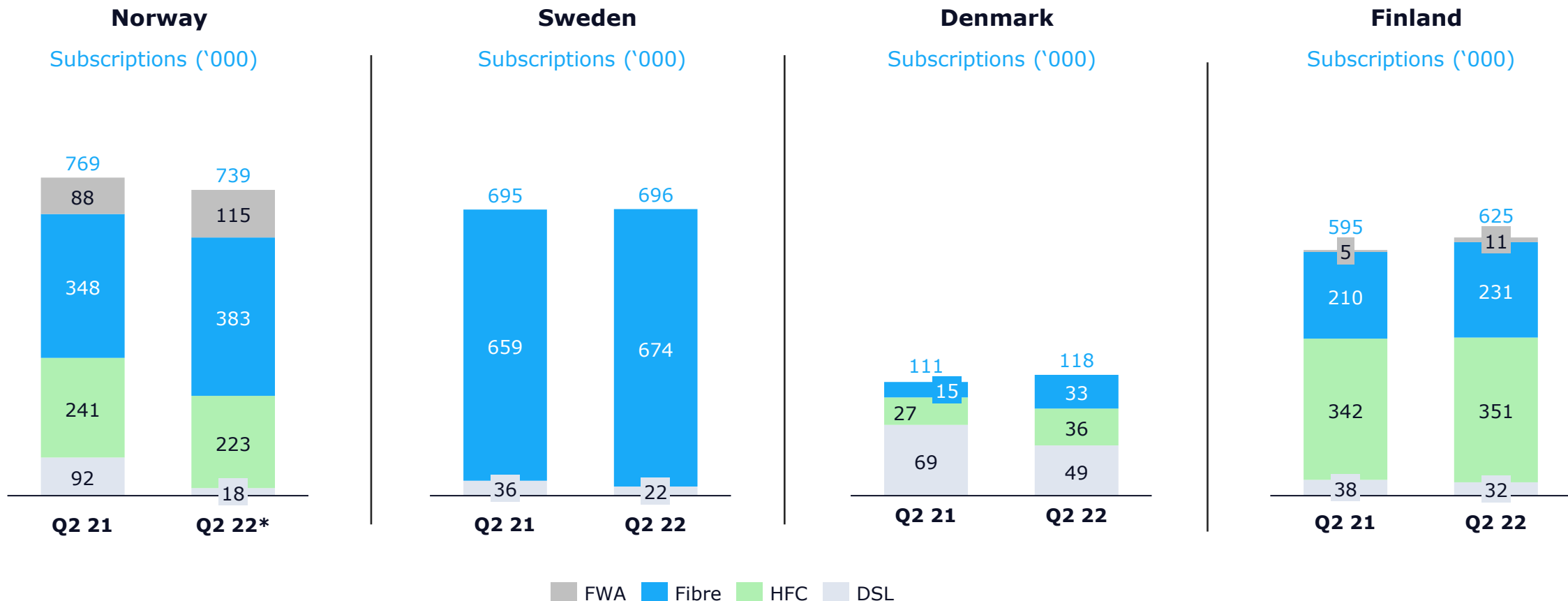


Organic growth assuming fixed currency, adjusted for acquisitions and disposals. EBITDA before other items. Capex excl. licence fees

Organic growth YoY



Additional information – Nordics

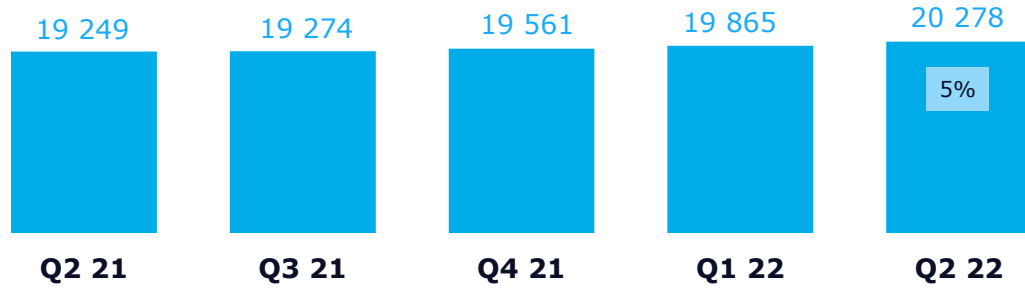


*) From 2022 it is added 23k subscriptions not previously included in definition

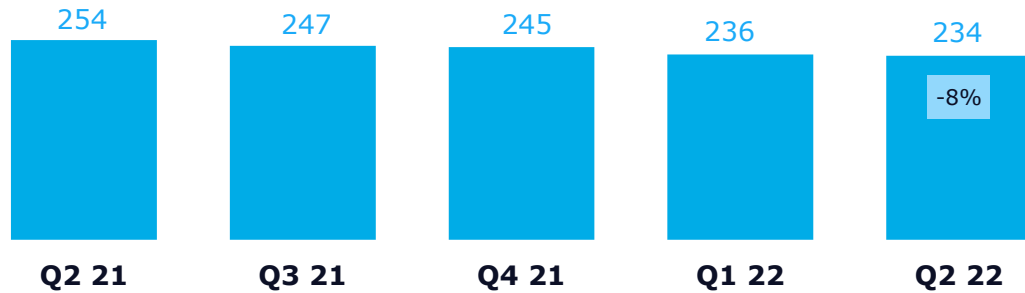


Thailand (dtac)

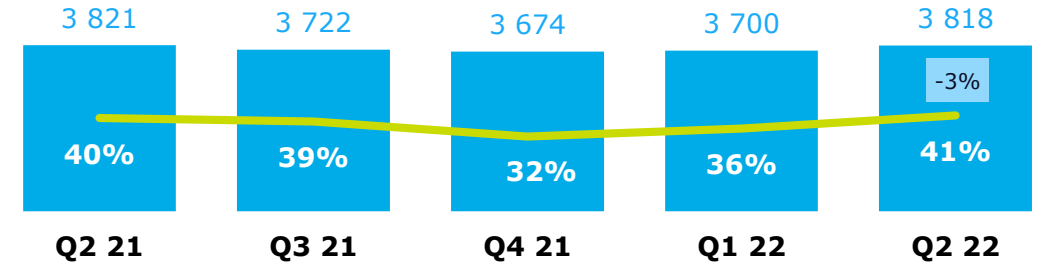
Mobile subscribers ('000)



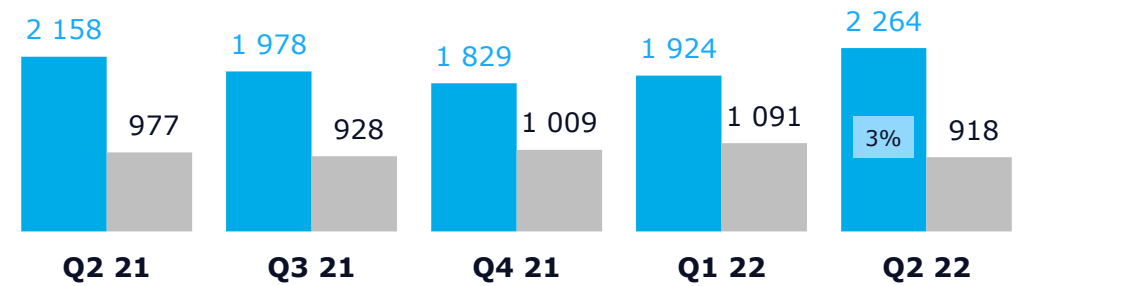
Mobile ARPU (THB/month)



Service revenues (NOK m) and EBITDA margin



EBITDA and capex (NOK m)



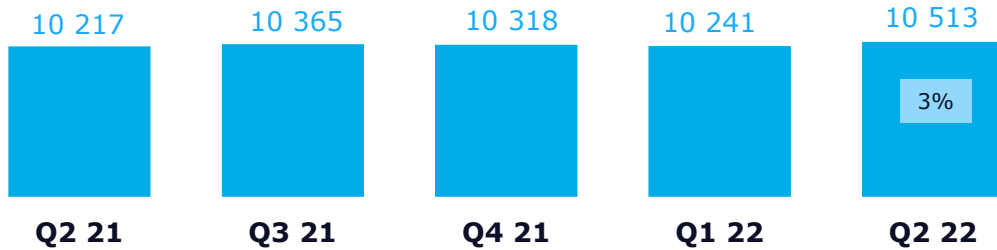
Organic growth assuming fixed currency, adjusted for acquisitions and disposals. EBITDA before other items. Capex excl. licence fees

Organic growth YoY

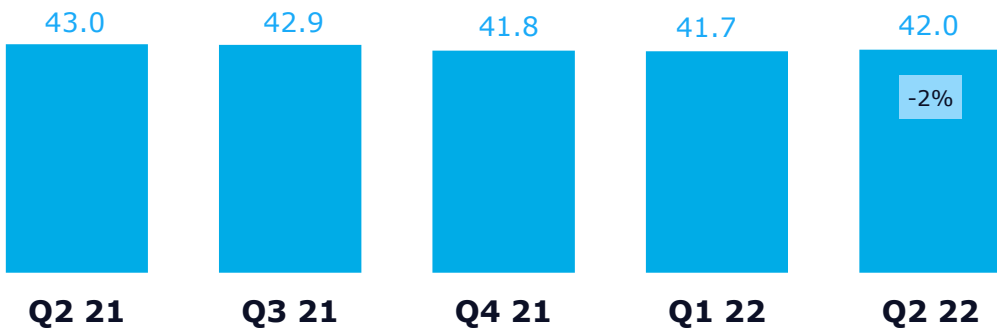


Malaysia (Digi)

Mobile subscribers ('000)

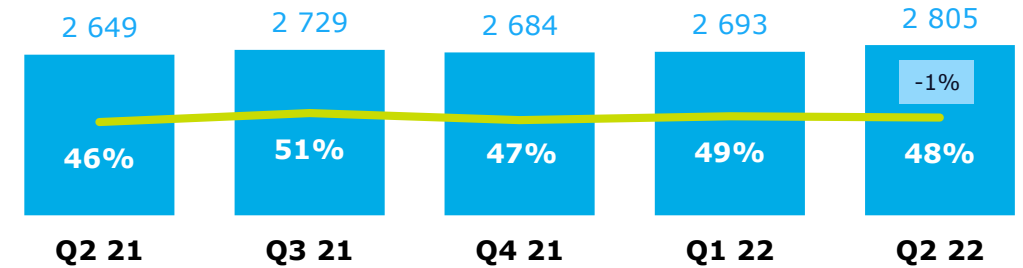


Mobile ARPU (MYR/month)

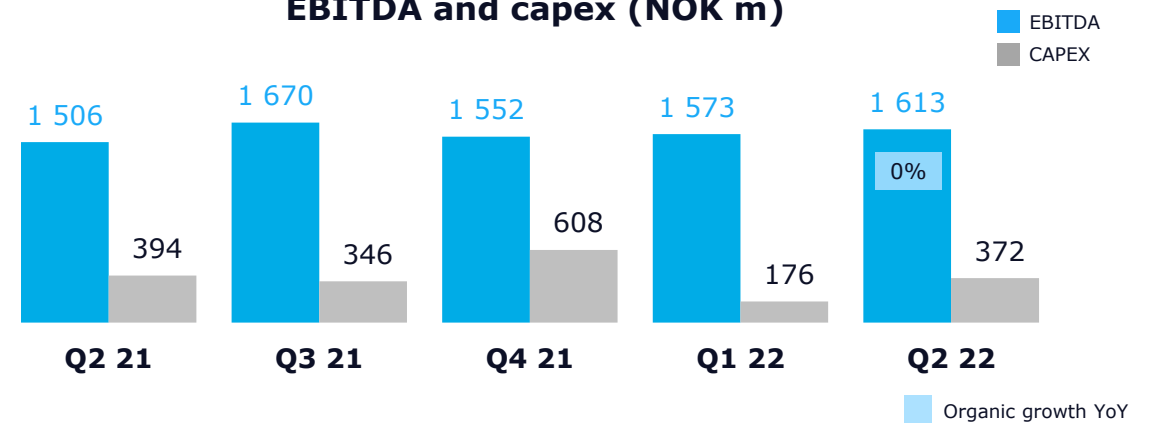


Organic growth assuming fixed currency, adjusted for acquisitions and disposals. EBITDA before other items. Capex excl. licence fees

Service revenues (NOK m) and EBITDA margin

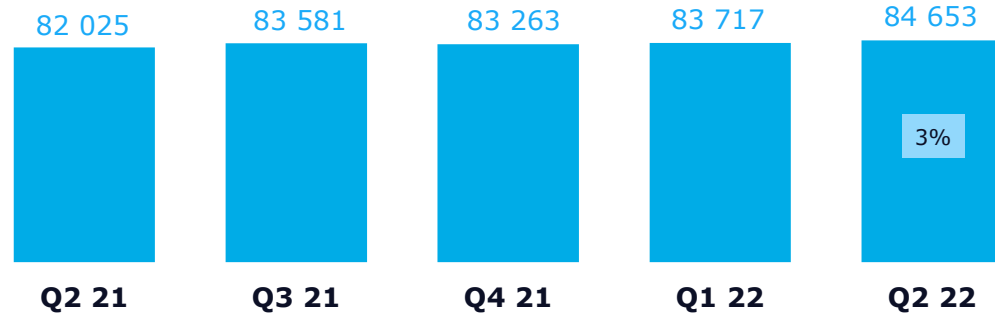


EBITDA and capex (NOK m)

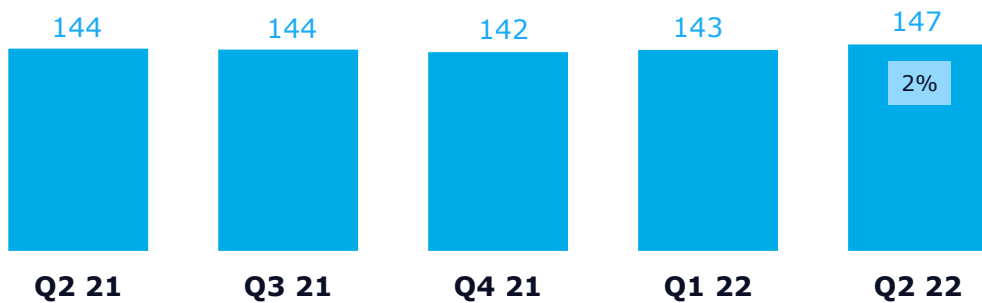


Bangladesh (Grameenphone)

Mobile subscribers ('000)

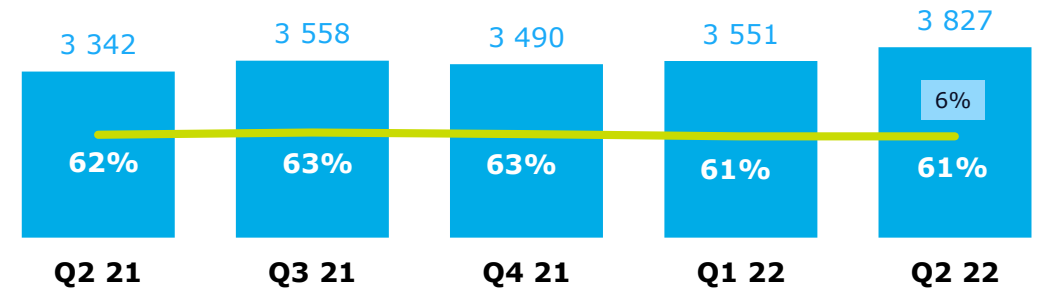


Mobile ARPU (BDT/month)

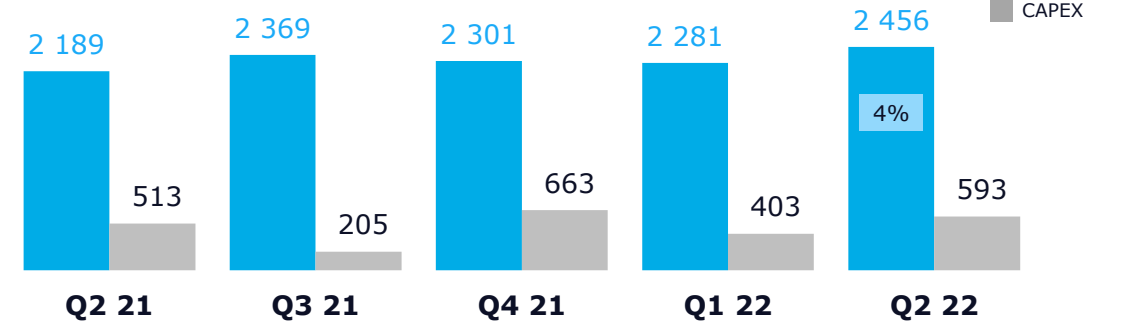


Organic growth assuming fixed currency, adjusted for acquisitions and disposals. EBITDA before other items. Capex excl. licence fees

Service revenues (NOK m) and EBITDA margin



EBITDA and capex (NOK m)

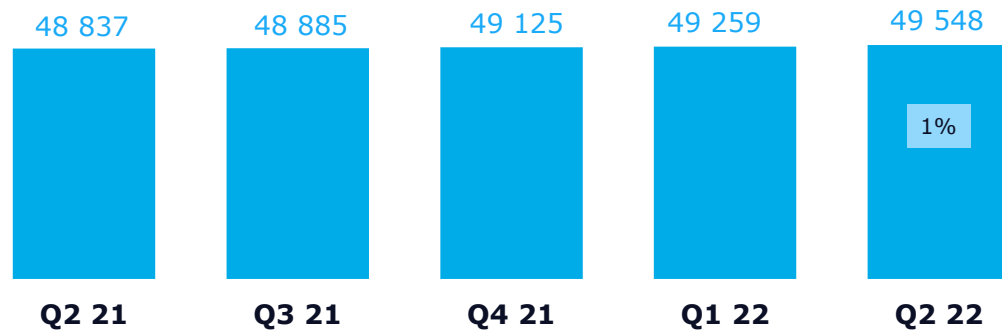


Organic growth YoY

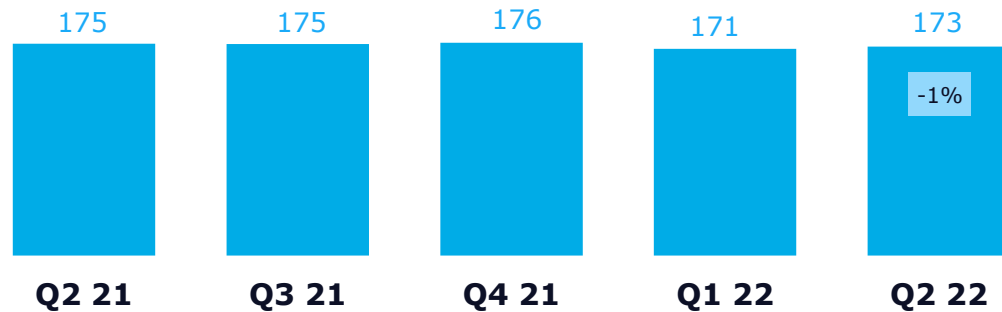


Pakistan

Mobile subscribers ('000)

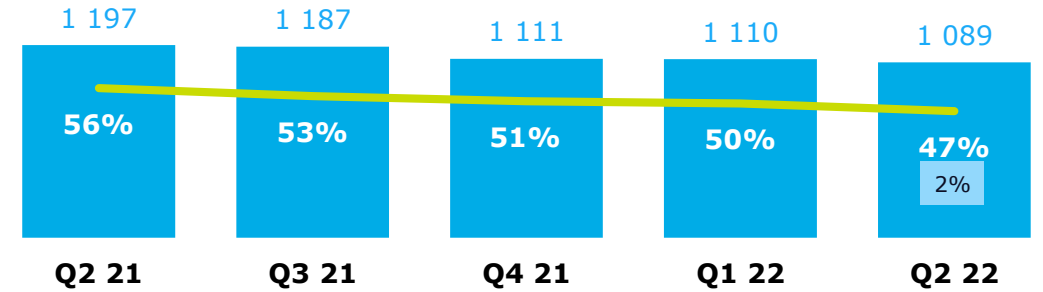


Mobile ARPU (PKR/month)

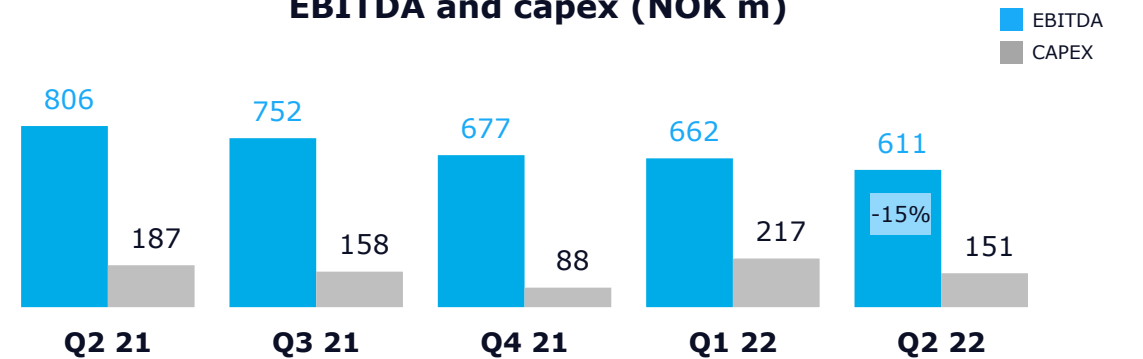


Organic growth assuming fixed currency, adjusted for acquisitions and disposals. EBITDA before other items. Capex excl. licence fees

Service revenues (NOK m) and EBITDA margin



EBITDA and capex (NOK m)



Organic growth YoY



Q2 growth in **Service Revenues** and **EBITDA**

Country	Service revenues		EBITDA	
	Reported	Organic	Reported	Organic
Norway	-0.6%	-0.6%	-0.1%	-0.1%
Sweden	-1.9%	1.8%	-10.9%	0.0%
Denmark	6.0%	6.5%	-2.3%	-1.8%
Finland	2.5%	2.9%	1.6%	2.0%
Thailand	-0.1%	-2.6%	4.9%	2.6%
Malaysia	5.9%	-0.9%	7.1%	0.2%
Bangladesh	14.5%	6.4%	12.2%	4.3%
Pakistan	-9.0%	1.7%	-24.0%	-14.9%
Telenor Group	3.0%	1.5%	1.2%	0.3%



Net income of negative **NOK 1.1 billion** for Q2 2022

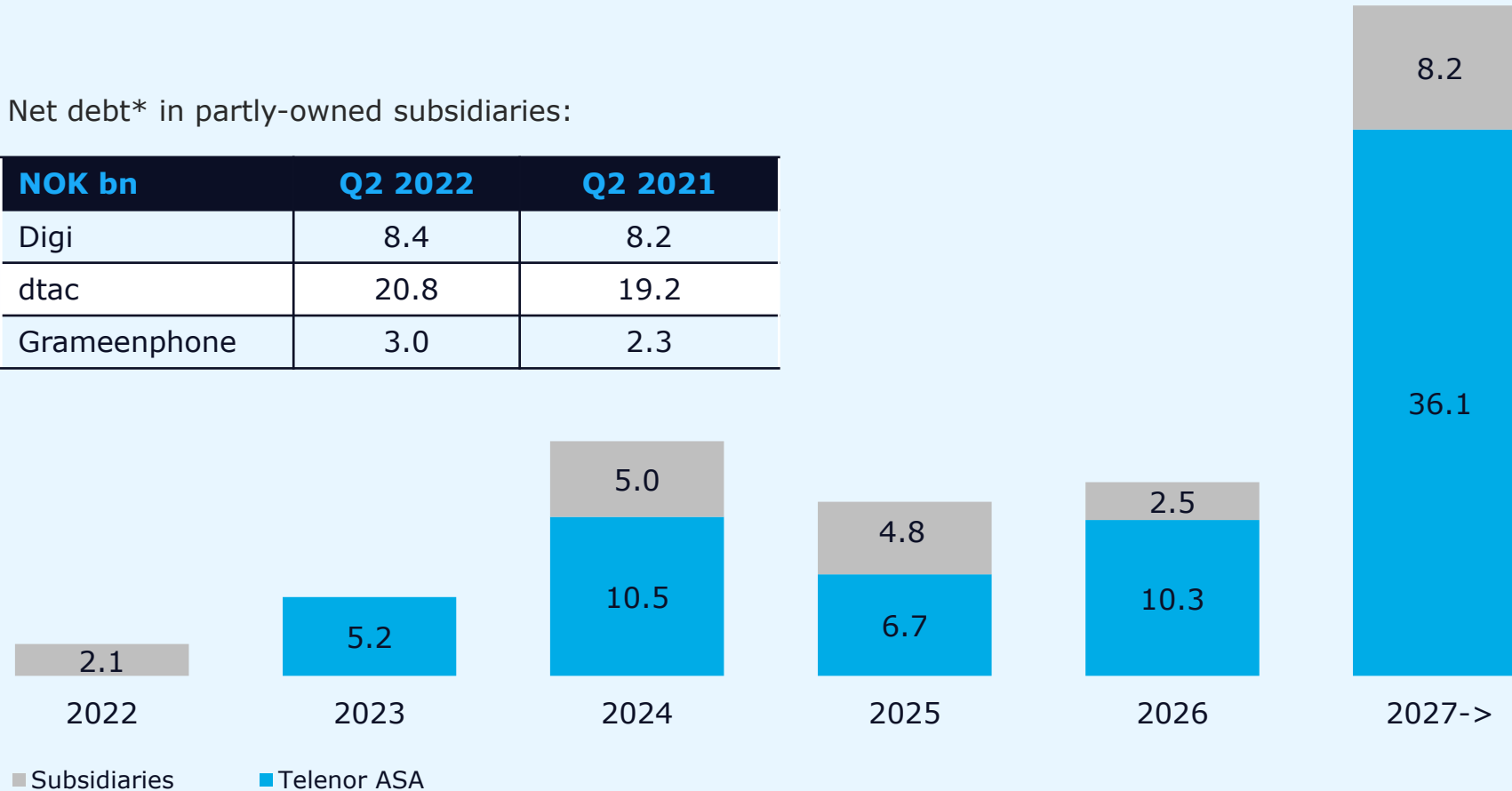
NOK m	2021	Q2 2021	Q2 2022
Revenues	110 241	27 158	28 036
EBITDA before other items	49 162	12 353	12 501
Other items	(1 787)	(254)	(380)
EBITDA	47 375	12 098	12 121
Depreciation & amortization and Impairments	(25 868)	(6 427)	(9 057)
Operating profit	21 506	5 671	3 064
Associated companies	(459)	(166)	(68)
Net financials	(3 962)	(1 124)	(2 774)
Taxes	(5 740)	(1 471)	383
Profit (loss) from discontinued operations	(6 753)	81	(943)
Minorities	3 063	803	776
Net income - Telenor equity holders	1 528	2 188	(1 113)
Earnings per share (NOK)	1.1	1.56	(0.8)



Debt maturity profile (NOK bn)

Net debt* in partly-owned subsidiaries:

NOK bn	Q2 2022	Q2 2021
Digi	8.4	8.2
dtac	20.8	19.2
Grameenphone	3.0	2.3



Net debt reconciliation

NOK bn	Q2 2022	Q2 2021
Non-current interest-bearing liabilities	90.3	88.9
Non-current lease liabilities	29.1	30.8
Current interest-bearing liabilities	5.6	13.7
Current lease liabilities	7.5	8.4
Cash and cash equivalents	(9.4)	(19.7)
Fair value hedge instruments	(1.0)	(1.4)
Financial instruments	(0.3)	(0.3)
Non-current license obligations	(13.6)	(13.6)
Current license obligations	(2.7)	(3.6)
Net interest-bearing debt excl. license obligations	106.3	103.1



Balance sheet and key ratios

	30 Jun 2022	31 Dec 2021	30 Jun 2021
Total assets	224.3	225.7	235.9
Equity attributable to Telenor ASA shareholders	21.8	26.3	23.6
Gross debt*	132.5	132.2	141.8
Net debt	106.3	100.8	103.1
Net debt/EBITDA**	2.2	2.1	2.0
Return on capital employed***	12%	10%	13%

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

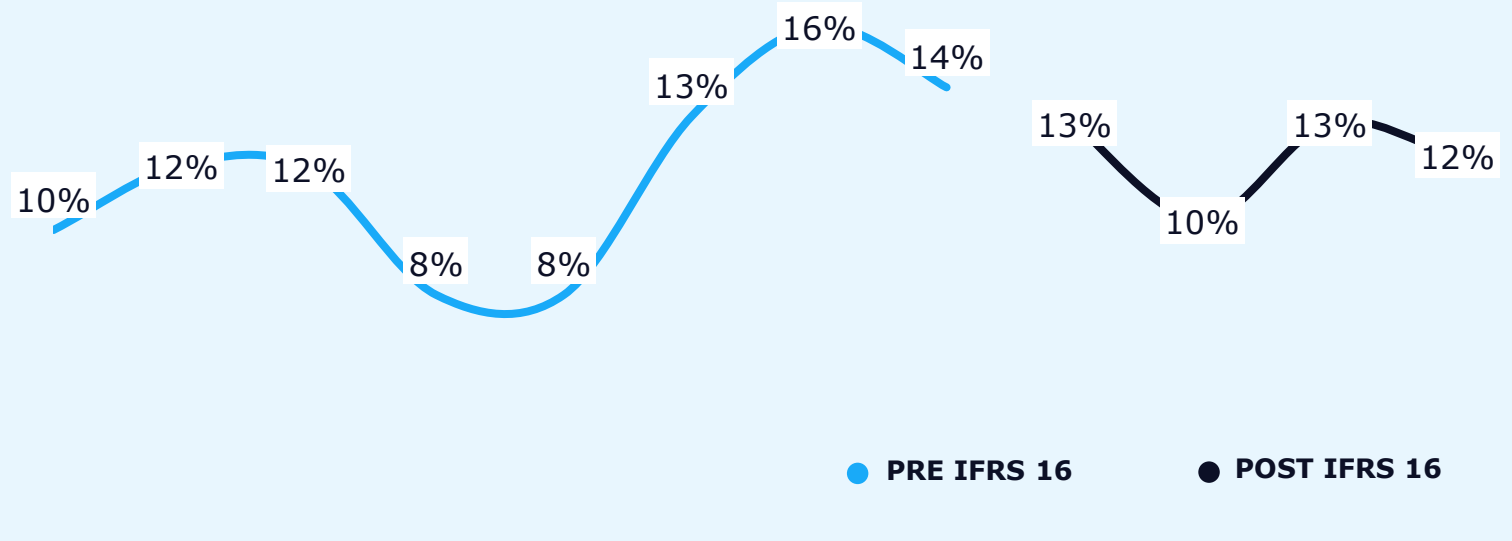
**) 12 months rolling EBITDA.

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



Return on capital employed

Return on capital employed*



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

