



# Telenor Q2 2024 results

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The comments in the presentation are related to Telenor's development in 2024 compared to the same quarter of 2023, unless otherwise stated.

Unless otherwise stated, EBITDA numbers exclude 'other income and expenses' as defined in the accompanying quarterly report while growth metrics are expressed in 'organic' terms, i.e. on a like-for-like basis with regards to currency effects, acquisitions and divestments.



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# Second quarter highlights



5% SR growth,  
4% EBITDA growth,  
and NOK 2.2 bn FCF



Nordic  
Transformation  
gaining traction



Synergy realisation  
ahead of plan in  
Thailand



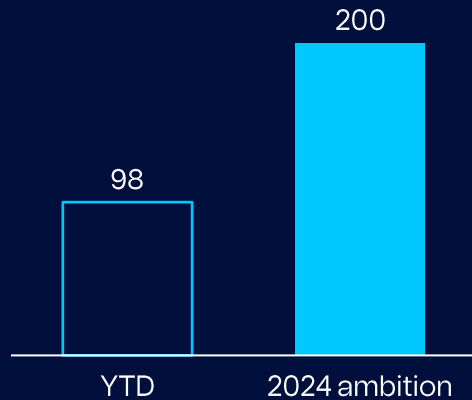
Continued focus on  
digital security



# Transforming customer experience and way-of-work in the Nordics

## Network and IT

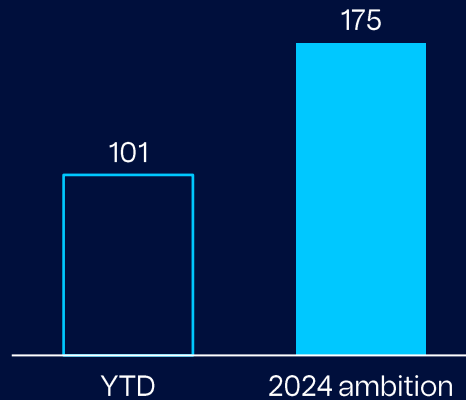
Legacy systems shut down (#)



- Common-Nordic platforms selected for cloud enablement, analytics, and SDX
- On track to shut down 2 of 3 networks in Sweden

## Shared Services

Opex savings implemented (NOKm)



- New shared-services hub in Portugal
- Initiated transfer of transactional activities within Finance, IT & HR

## Commercial

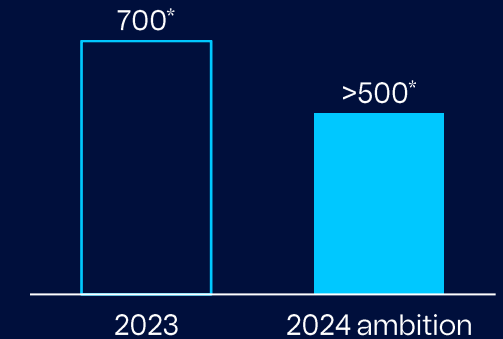
Cross-Nordic programmes

Nordic TV	Overall Customer Experience
Nordic Managed Services	Strengthened Retail
Nordic B2B	Customer Service Transformation

- Common Nordic TV, Managed Services, and B2B sales organizations
- 'Safezone' product scaled to all markets
- Customer service AI pilots live

## Working Capital

Gross working capital reduction (NOKm)

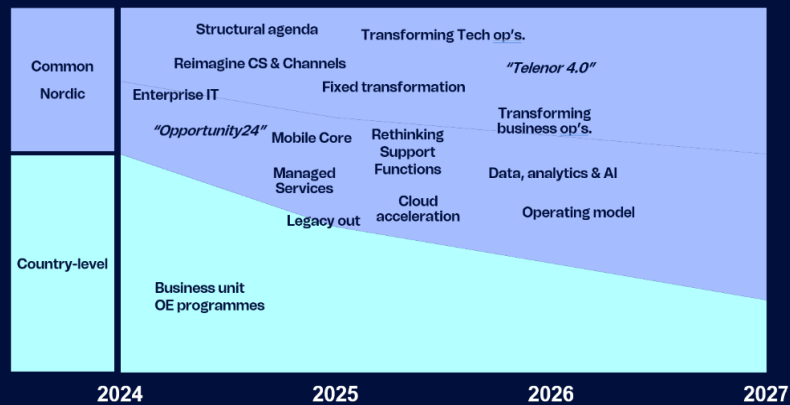


- Structured programme driving NWC improvements across key operational drivers (e.g. inventory, invoice handling, credit days)
- ...more than offsetting effects of more expensive handsets and copper shut-down
- Selective 3<sup>rd</sup> party device financing implemented

# ...leading to increasing benefits over the medium term

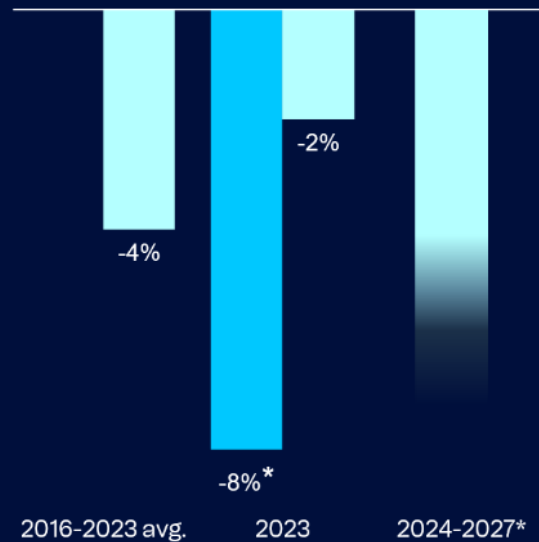
Structured programme portfolio of transformation initiatives...

Common-Nordic share of impact (Illustrative)



...implying new ways-of-work that will entail continued workforce optimisation ...

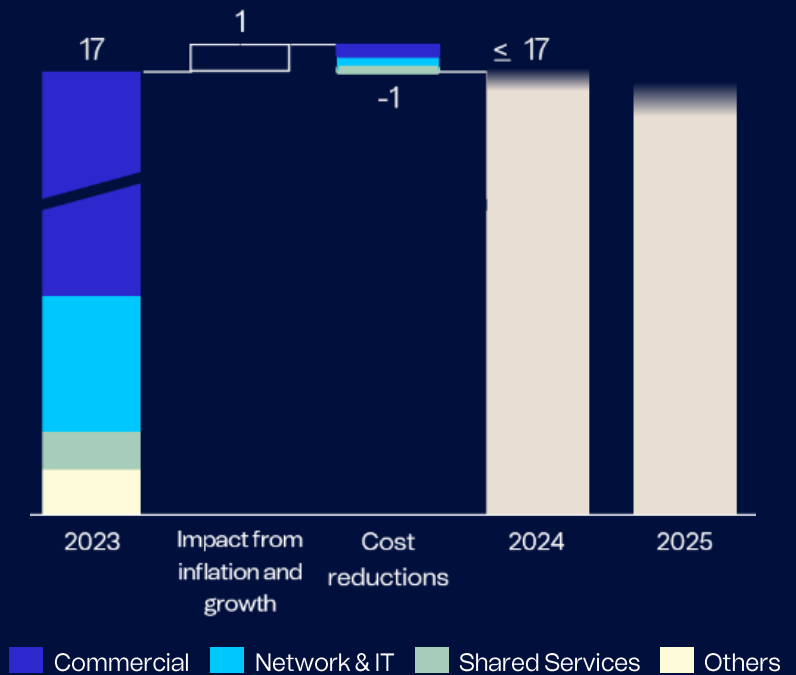
Annual FTE reductions, %



Legend: Nordics (light blue), Norway (dark blue)

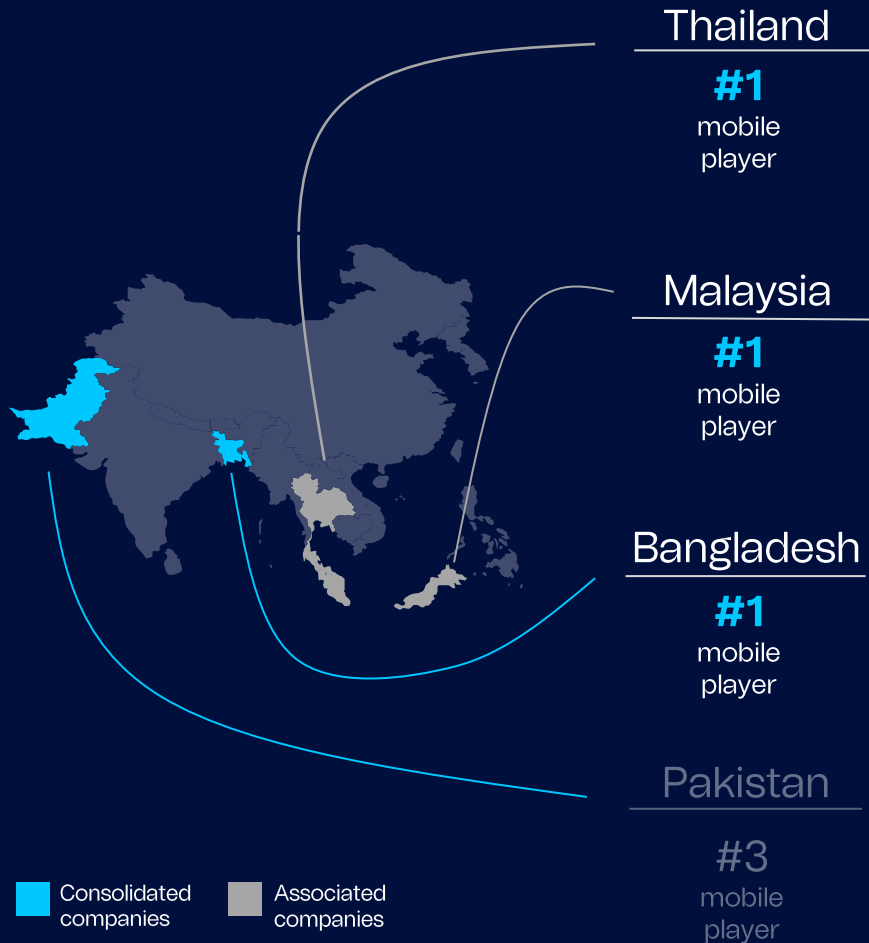
... leading to expected OPEX declines both in H2 2024, 2025 and beyond

Nordic opex base, NOK bn



Legend: Commercial (dark blue), Network & IT (light blue), Shared Services (green), Others (yellow)

# Asia: Synergy momentum in True



## Thailand

#1

mobile player

true

- Q1: 6% YOY SR growth
- Synergy realisation remaining ahead of plan
- Telenor expects dividend payments in 2025

## Malaysia

#1

mobile player

celcomdigi

- Q1: Dividend of NOK 0.3bn in line with previous quarter
- 50% of merged and modernised network now built
- Dual 5G-network process in Malaysia

## Bangladesh

#1

mobile player

grameenphone

- Significant subscriber growth in Q2
- Interim dividends for H1 declared
- Room for improvement

## Pakistan

#3

mobile player

telenor  
(Telenor Pakistan)

- Conclusion of divestment process expected end 2024



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# Q2 2024: Group Financial Highlights



Service revenue growth

**4.5%**



EBITDA growth

**3.8%**



Capex/sales

**15.4%**



Free cash flow before M&A  
(NOK)

**2.2 bn**





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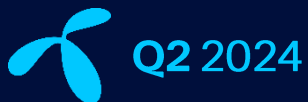
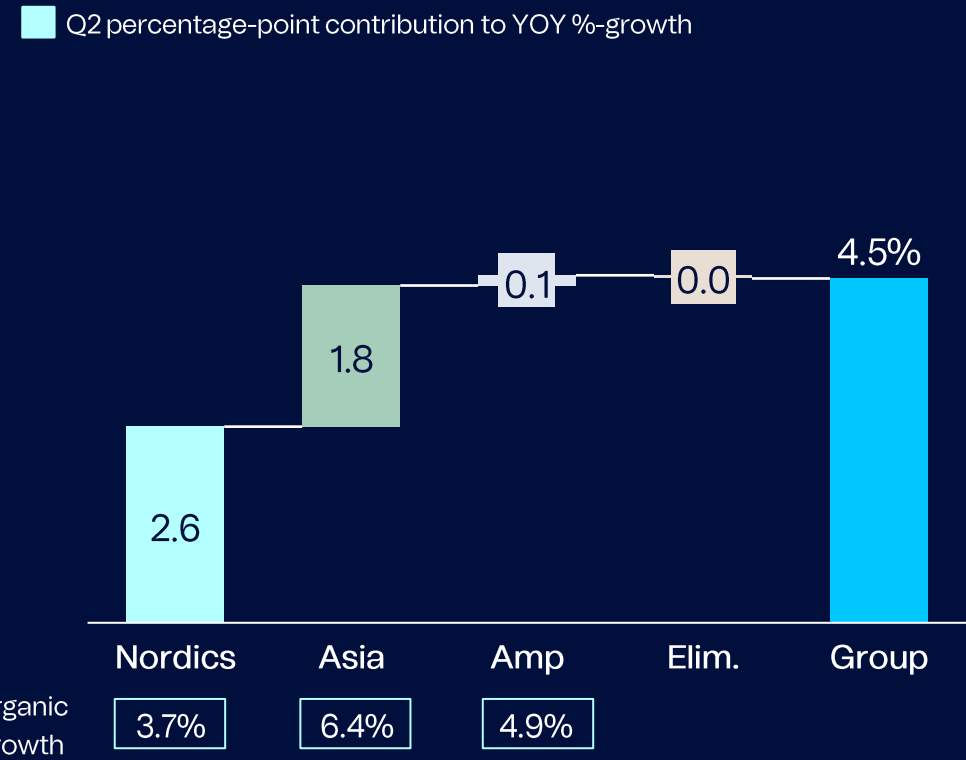
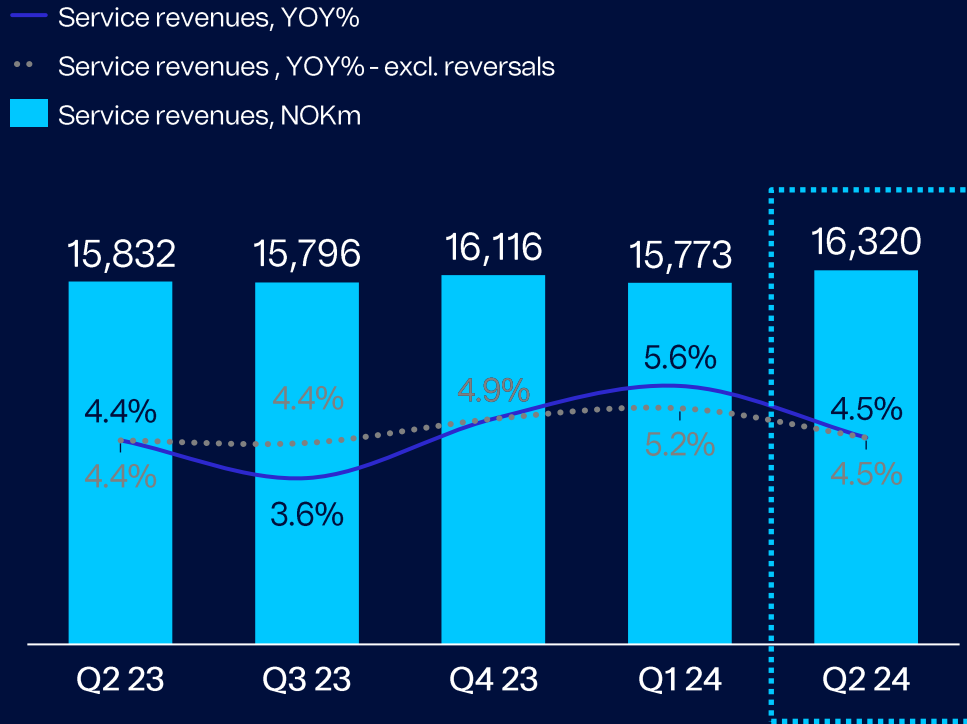
Q2 2024





# Group service revenue growth in line with trend

## Group service revenues

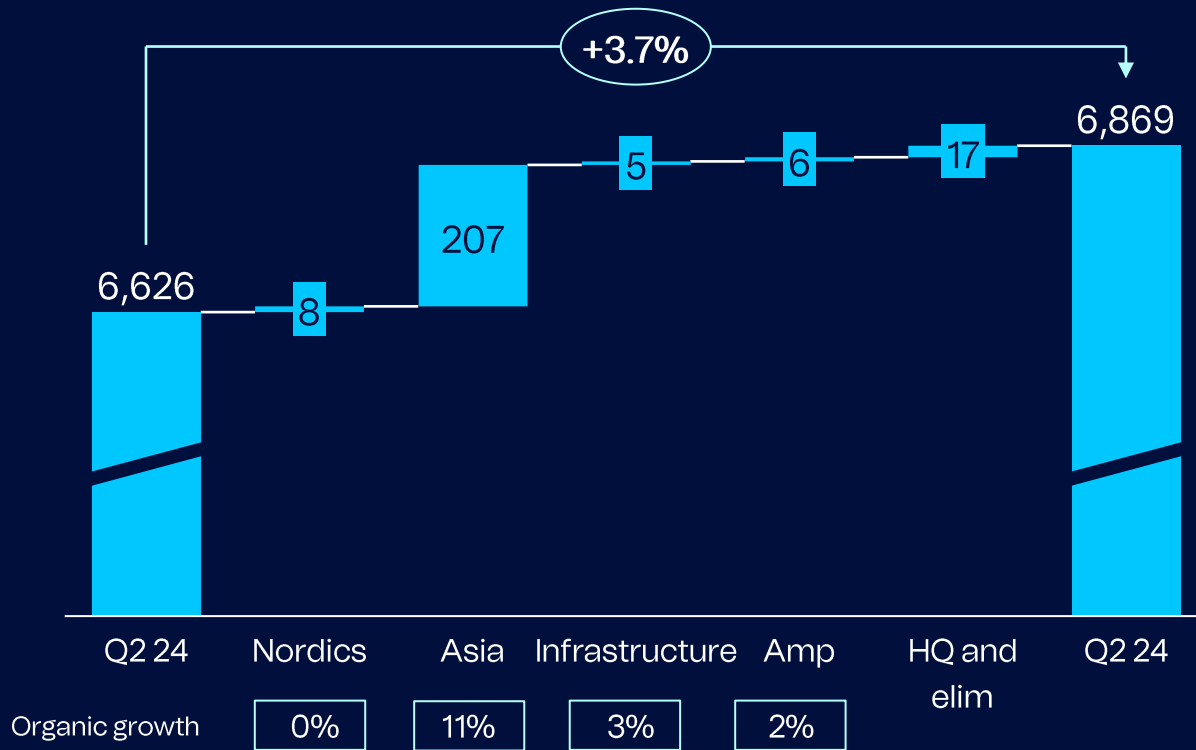


Note: Reversals relating to Pakistan in Q3 22/23 and Denmark in Q1 23/24

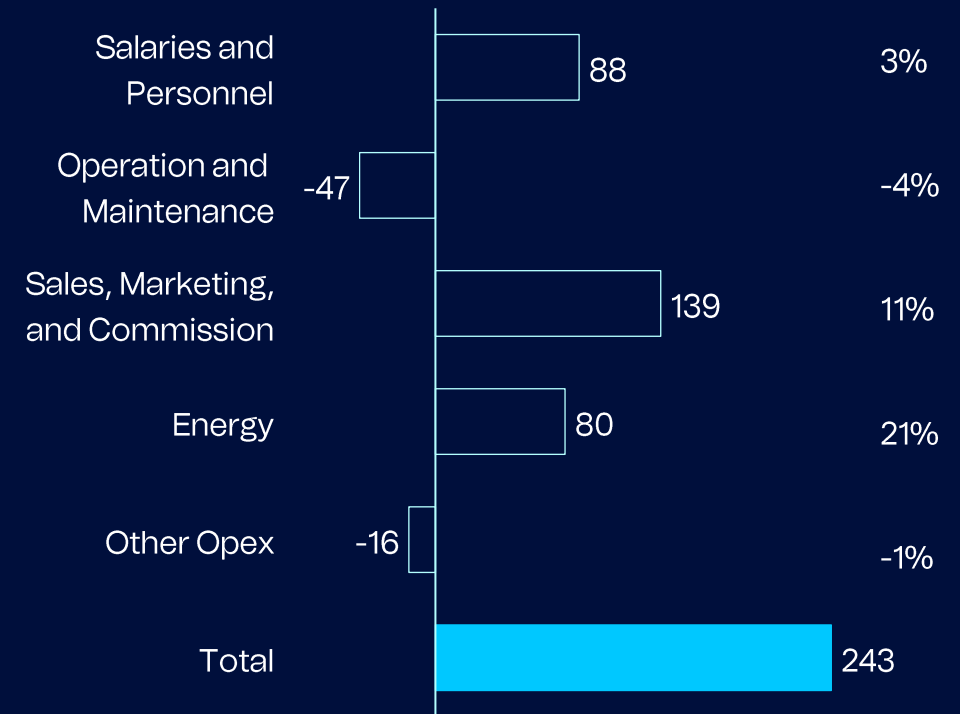
Note: Telenor Infrastructure does not book service revenues

# OPEX remaining flat in the Nordics, buoyed by costs in Asia

**Organic opex, Group**  
(NOK million and YOY%)



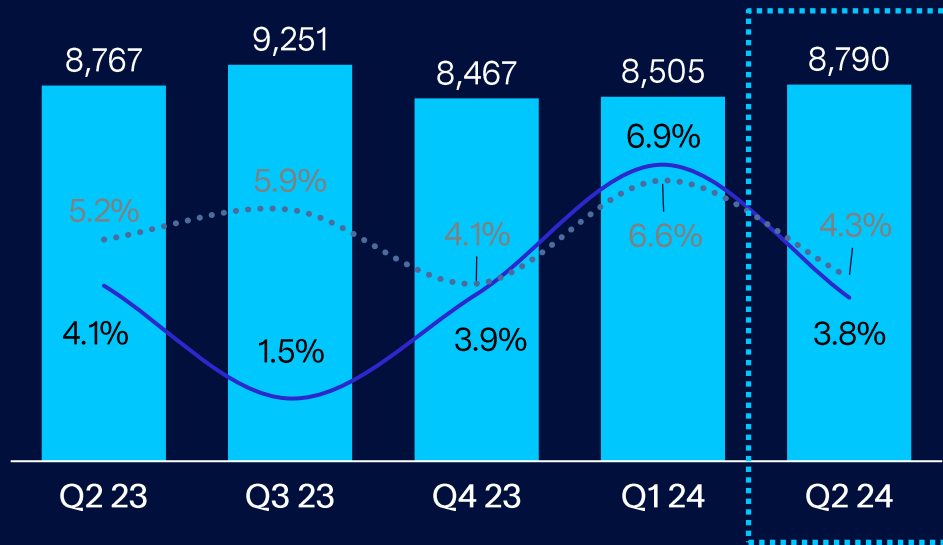
**Opex by category**  
(NOK million YoY and YOY %)



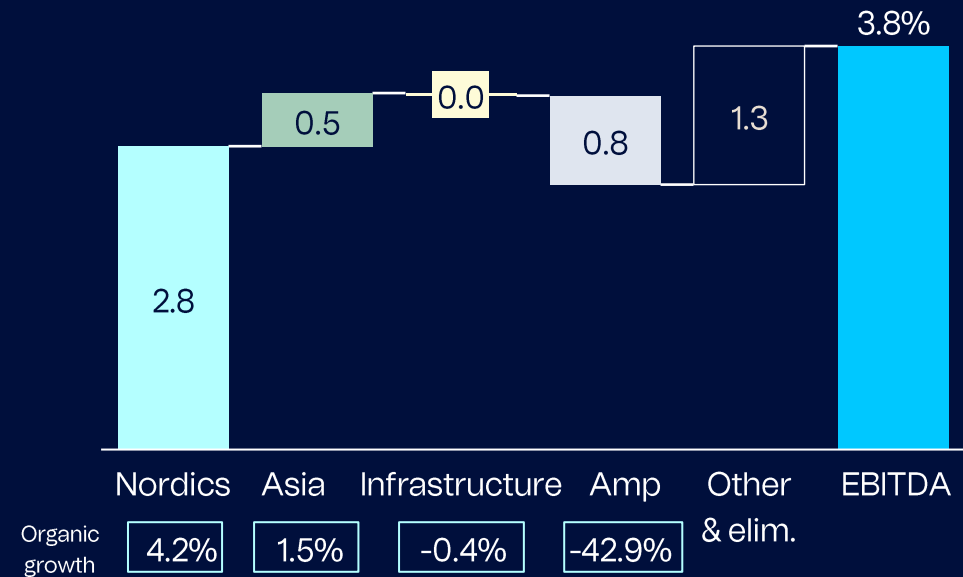
# Group EBITDA growth driven by Nordics

## EBITDA, Group

- EBITDA, YOY%
- EBITDA, YOY% - excl. reversals, flat energy cost
- EBITDA, NOKm



## Q2 Percentage-point contribution to YOY %-growth



Q2 2024

Note: Reversals relating to Pakistan in Q3 22/23 and Denmark in Q1 23/24

Note: Other & elim including revenues to TPC from associated companies



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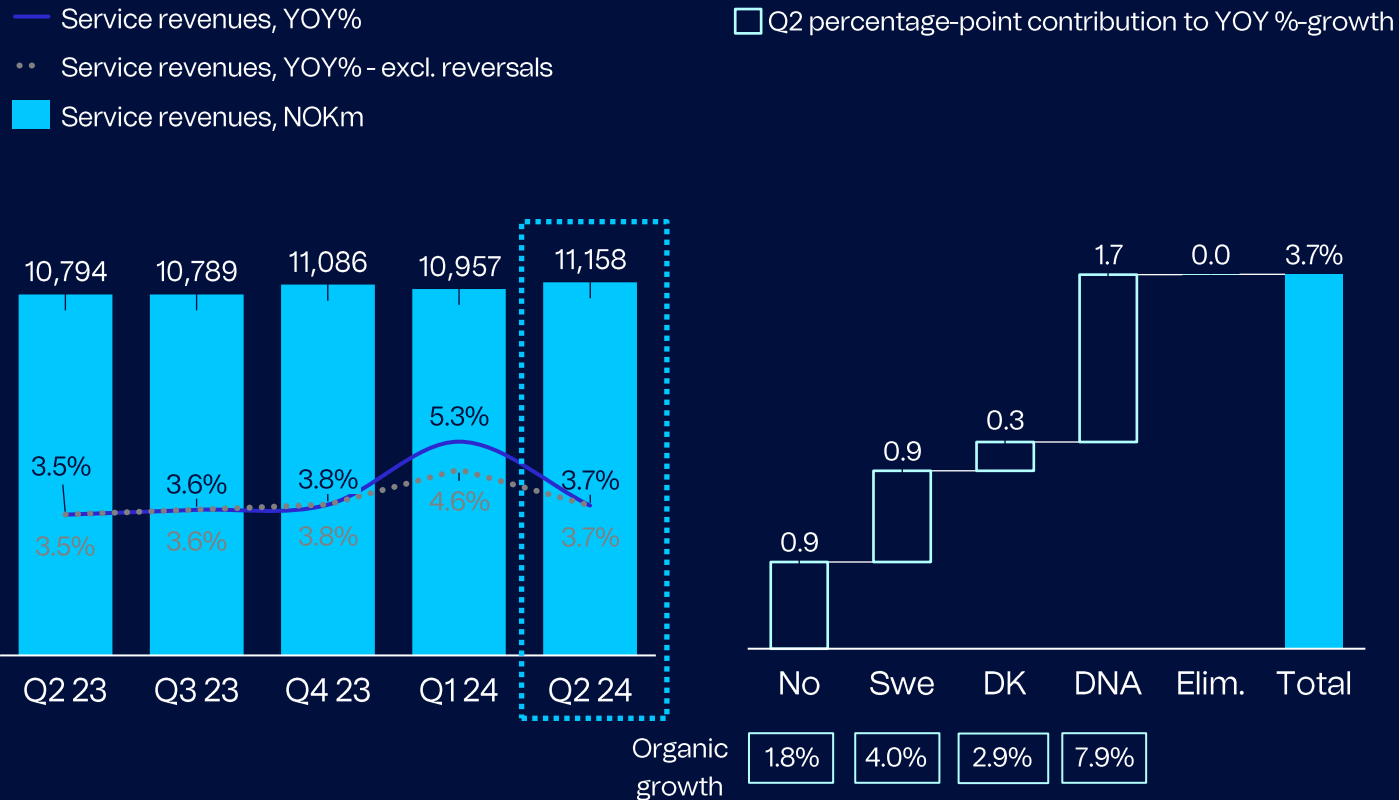


Q2 2024



# Steady growth in Nordics

## Service revenues, Nordics



Continued upselling on a more-for-more basis



Continued commercial and operational momentum in Finland

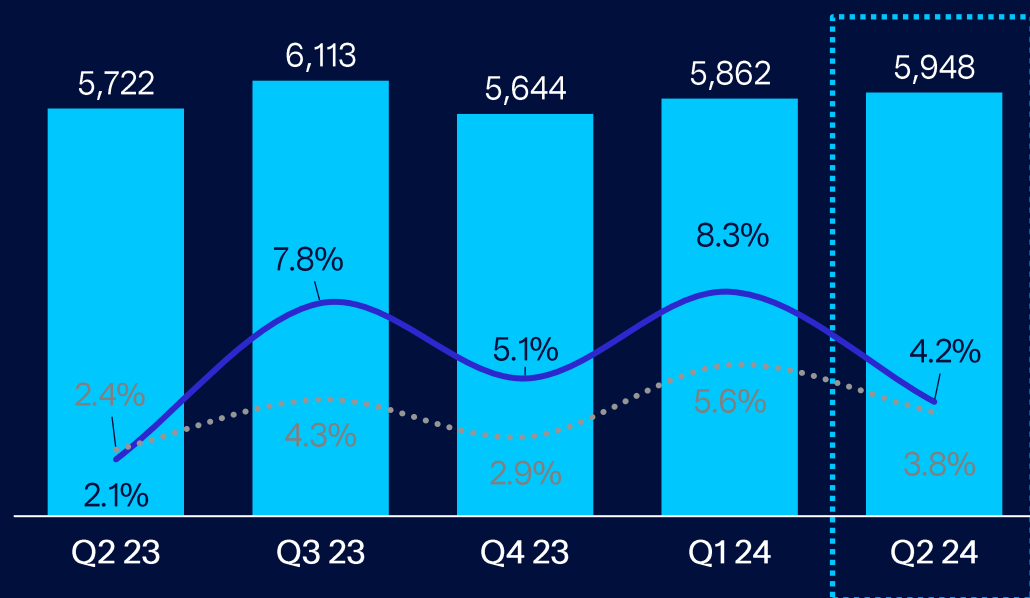


SME driving growth in B2B, brisk competition in medium/large Enterprise

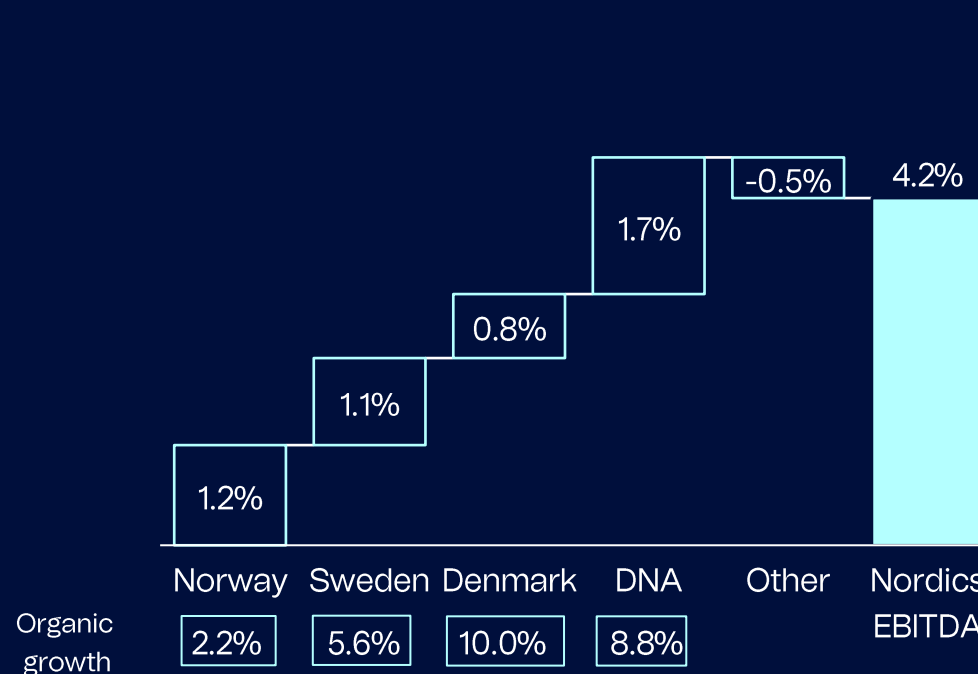
# Nordics' EBITDA growth supported by operational efficiency measures

## EBITDA, Nordics

- EBITDA, YOY%
- ⋯ EBITDA, YOY% - excl. reversals, flat energy cost
- EBITDA, NOKm



□ Q2 percentage-point contribution to YOY %-growth





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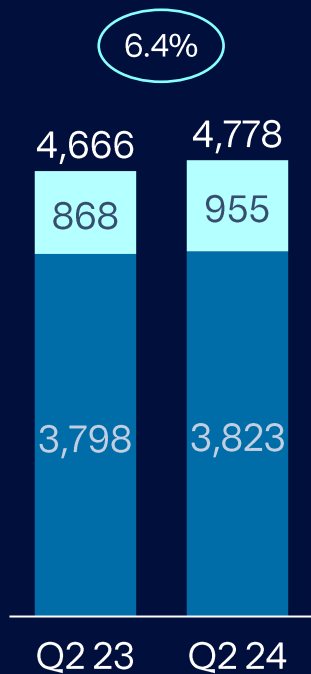
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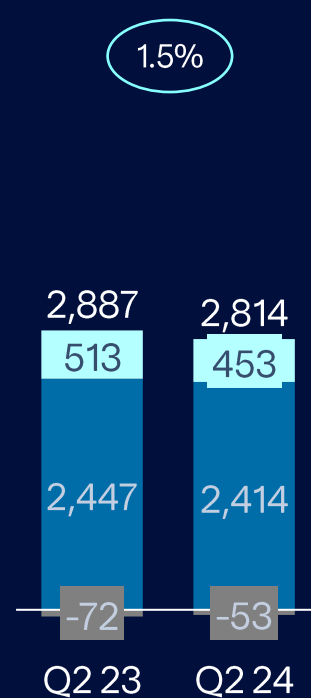
# Synergy and growth progress, with still room for improvement in Asia

## Service revenues:

(NOKm and YOY%)



## EBITDA:



■ Telenor Pakistan  
■ Grameenphone  
■ Other/Elim



EBITDA headwinds from inflation and increases in energy prices and regulatory fees



True: Strong integration progress and 21% EBITDA growth in Q1



Celcom Digi: Scope for improved performance; Dividend of ~ NOK 300m received.

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# P&L: stable EBIT and substantial improvement in EPS

NOK million

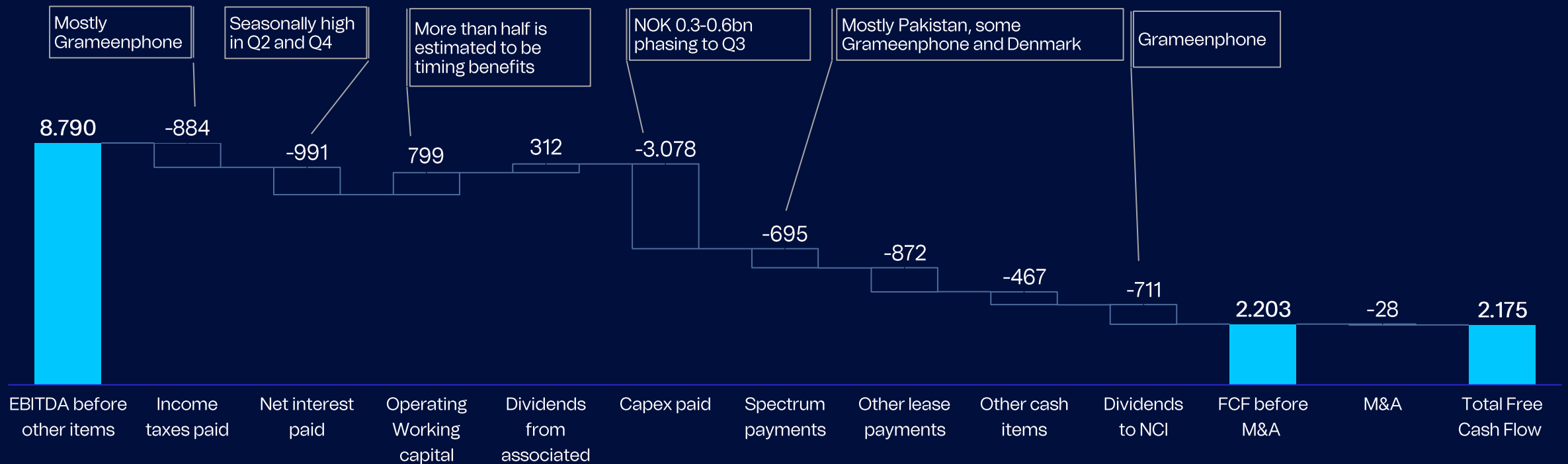
	Q2 2023	Q2 2024	Q2 2023	Q2 2024
<b>EBITDA before other income and other expenses</b>	8,767	8,790		
Other income and expenses	-188	-219		
<b>EBITDA reported</b>	8,580	8,571		
Depreciation and amortisation	-4,205	-4,204		
Impairment losses	0	-1		
<b>Operating profit (loss)</b>	4,374	4,366		
Share of net income from associates and joint ventures	-100	194		
Net financial income (expenses)	-1,986	-401		
<b>Profit (loss) before taxes</b>	2,288	4,158		
Income taxes	-717	-1,085		
<b>Net income (loss) from continuing operations</b>	1,571	3,073		
Profit (loss) from discontinued operations	-141	-94		
<b>Net income (loss)</b>	1,431	2,979		
Net income attributable to:				
Non-controlling interests	610	439		
Equity holders of Telenor ASA	821	2,540		
<b>EPS</b>	0.59	1.83		

High interest costs in Grameenphone, and write-down of financial assets (purchases of shares in True Corp)

Market-based reassessment of NOK 450m related to our indirect holding in True Corporation

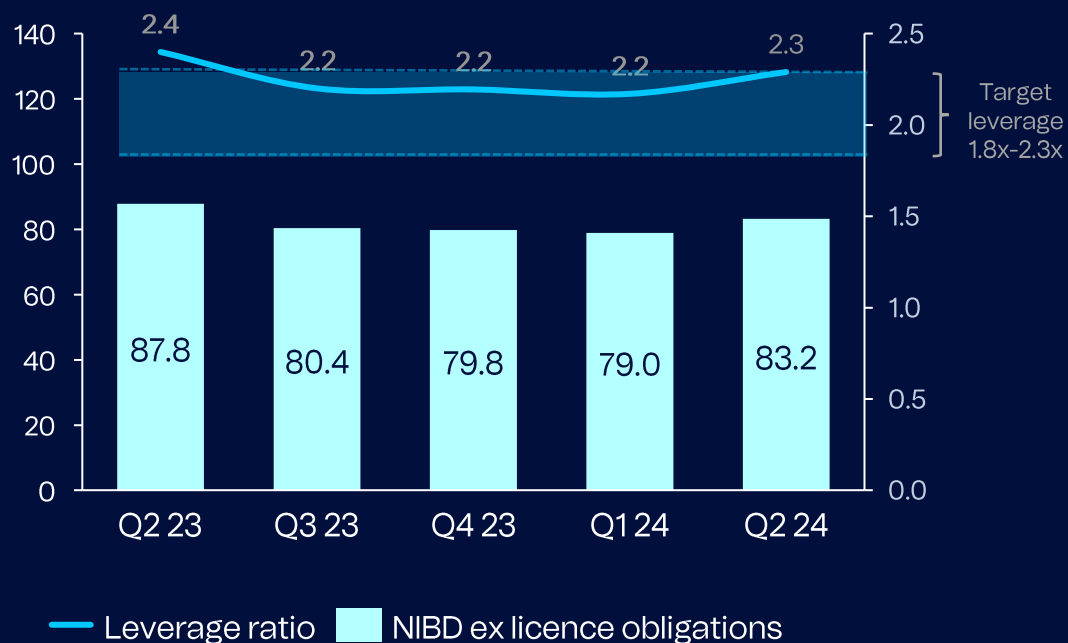
# FCF of NOK 2.2 bn supported by capex and NWC timing effects

**Q2 free cash flow, with drivers**  
(NOK million)






# Leverage ratio impacted by dividend payments

Leverage ratio and net interest-bearing debt (NOK bn)



## Macro and seasonality factors

-  FX and energy-price volatility
-  Inflation and interest rates
-  Seasonality of dividend and other payments

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# Updated outlook for 2024

TELENOR NORDICS	Q2 2024	YTD	2024 Original	2024 Updated	Mid-term ambition 2023-2025
Organic service revenues growth	3.7%	4.5%	Low single-digit	Low-to-mid single-digit	Low-to-mid single-digit
Organic EBITDA growth	4.2%	6.2%	Mid single-digit	Mid single-digit	Mid single-digit
Capex/sales	16.0%	15.9%	Around 17%	Around 17%	~NOK 2 bn lower in 2025 vs 2022
<b>TELENOR GROUP</b>					
Organic EBITDA growth	3.8%	5.3%	Mid single-digit	Mid single-digit	
FCF before M&A	NOK 2.2 bn	NOK 5.5 bn	NOK 9-10 bn	NOK 9-10 bn	FCF before M&A covering dividends



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# Q&A

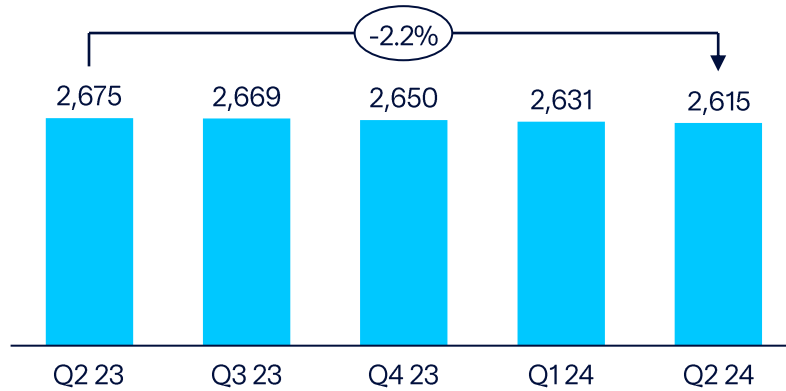


# Appendix

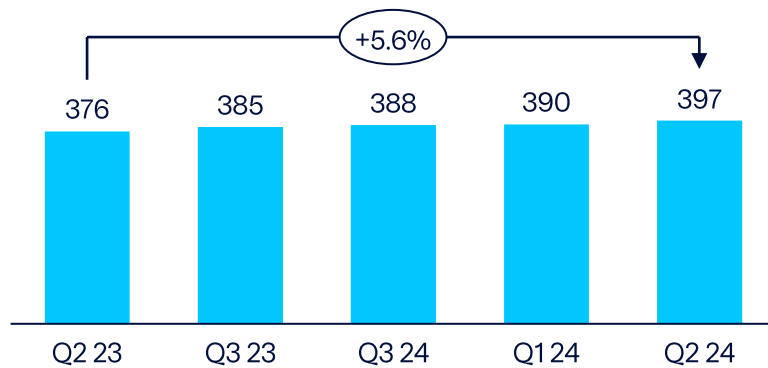


# Norway

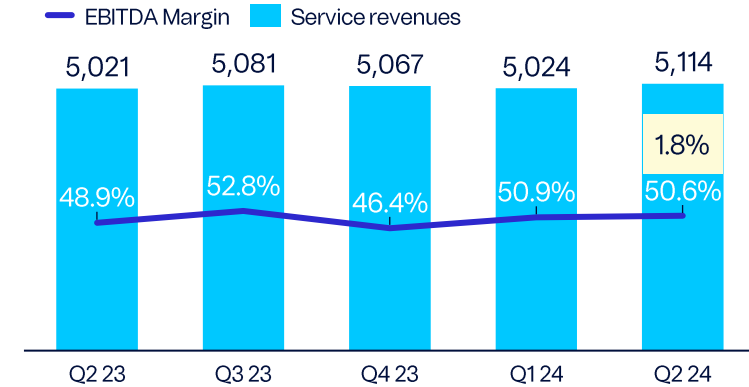
Mobile subscribers ('000)



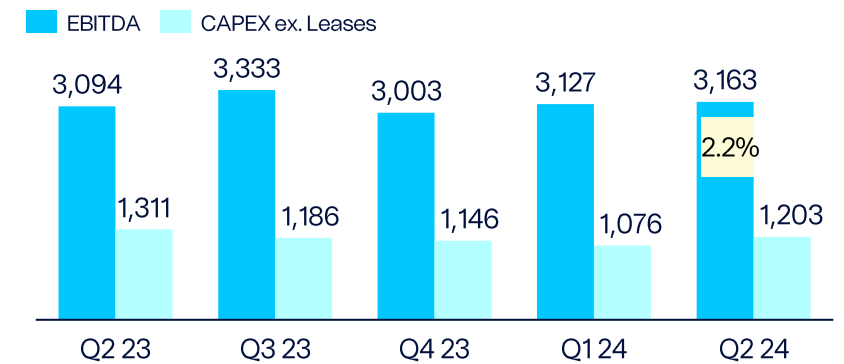
Mobile ARPU (NOK/month)



Service revenues (NOK m) and EBITDA margin

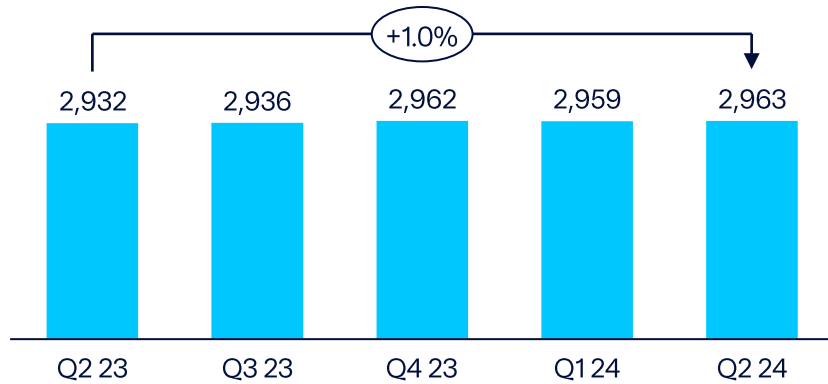


EBITDA and capex (NOK m)

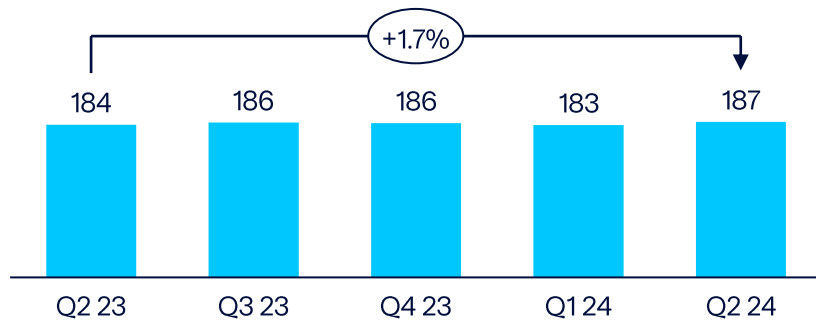


# Sweden

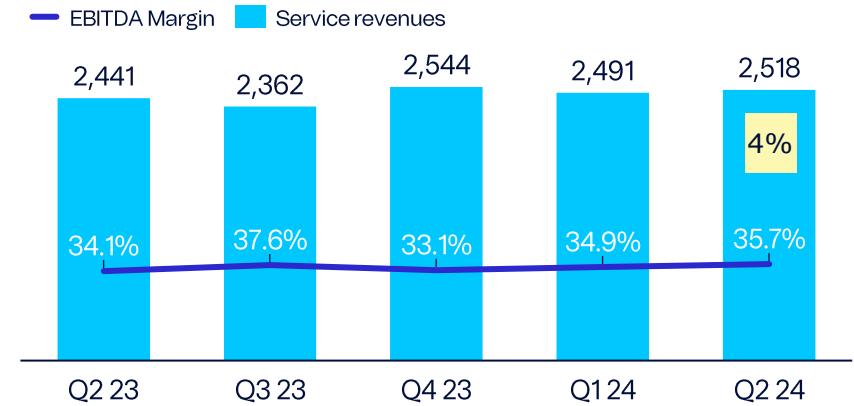
Mobile subscribers ('000)



Mobile ARPU (SEK/month)



Service revenues (NOK m) and EBITDA margin



EBITDA and capex (NOK m)



# Denmark

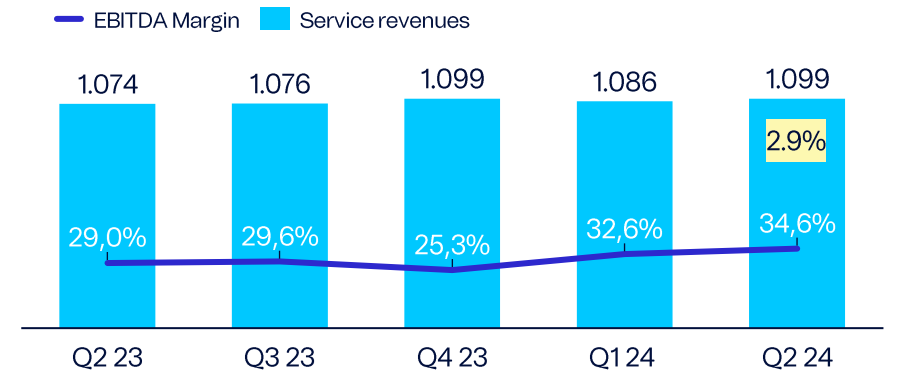
Mobile subscribers ('000)



Mobile ARPU (DKK/month)



Service revenues (NOK m) and EBITDA margin



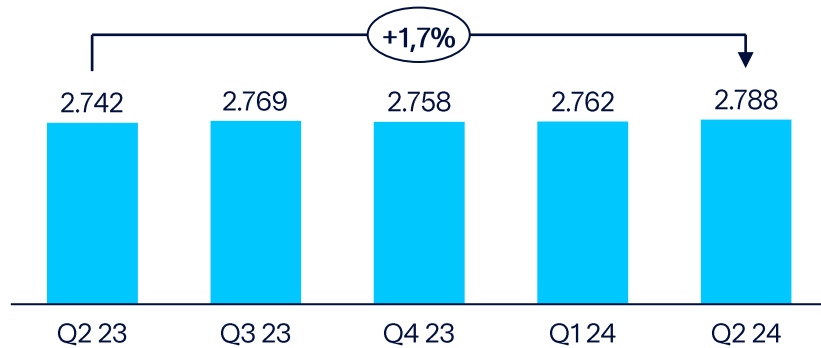
EBITDA and capex (NOK m)



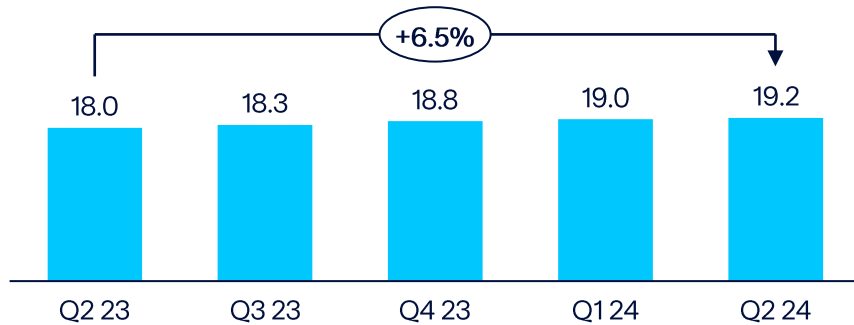


# Finland

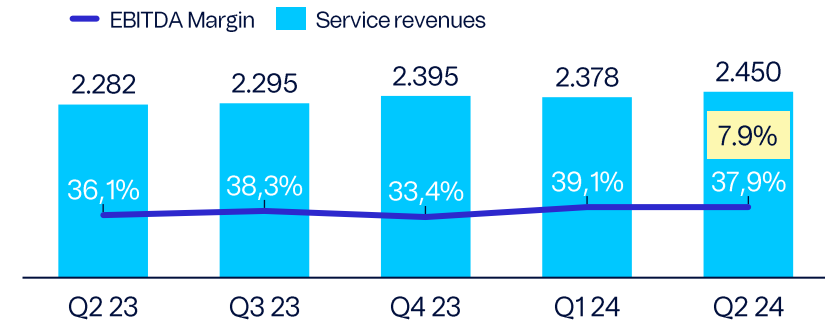
Mobile subscribers ('000)



Mobile ARPU (EUR/month)



Service revenues (NOK m) and EBITDA margin

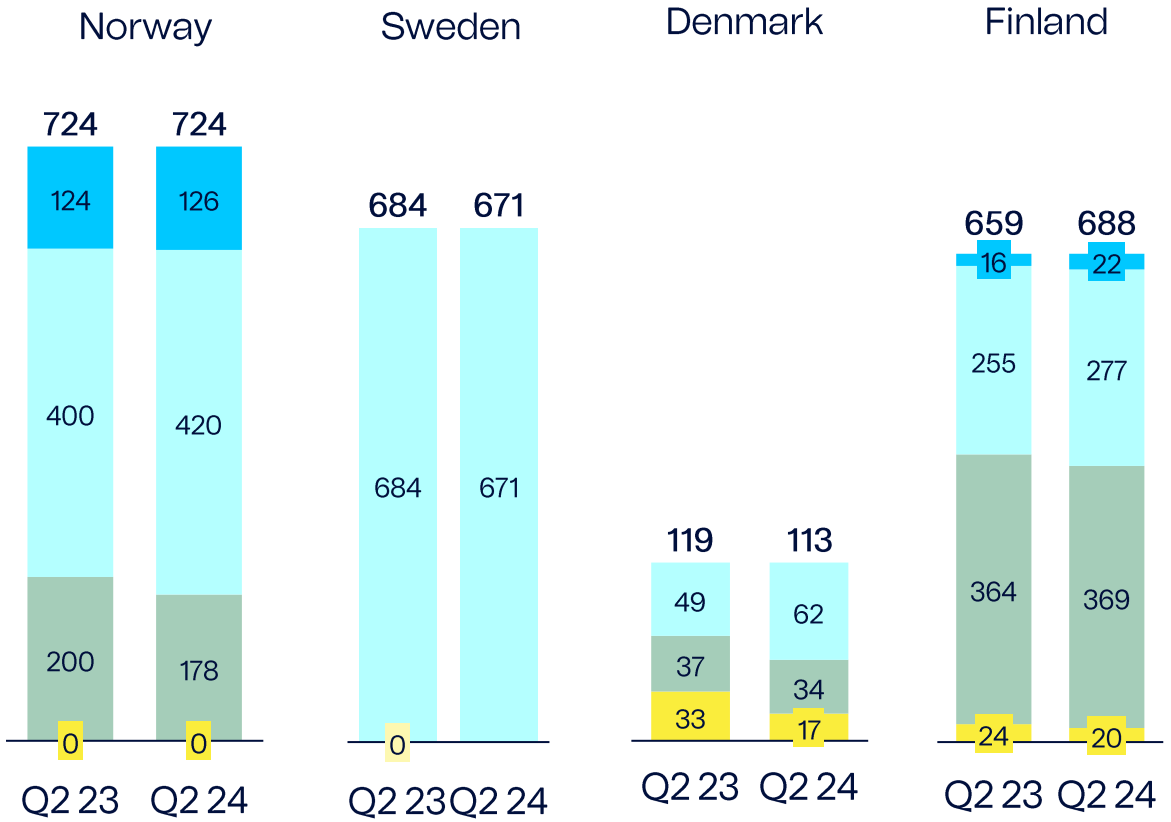


EBITDA and capex (NOK m)

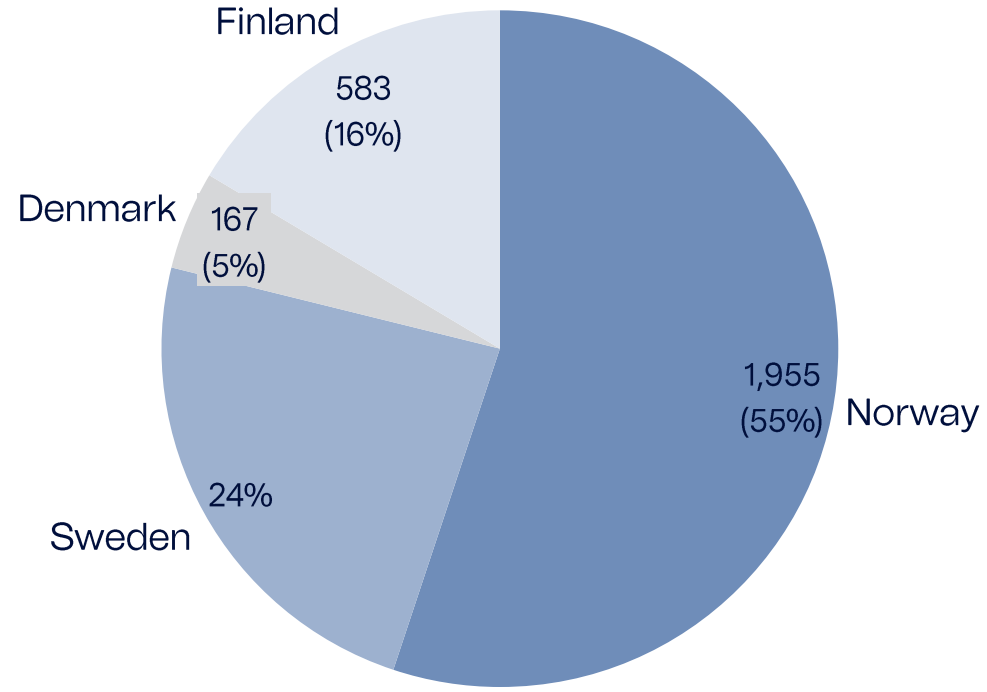


# Q2 2024: Nordics fixed broadband

**Total fixed broadband subscriptions ('000)**

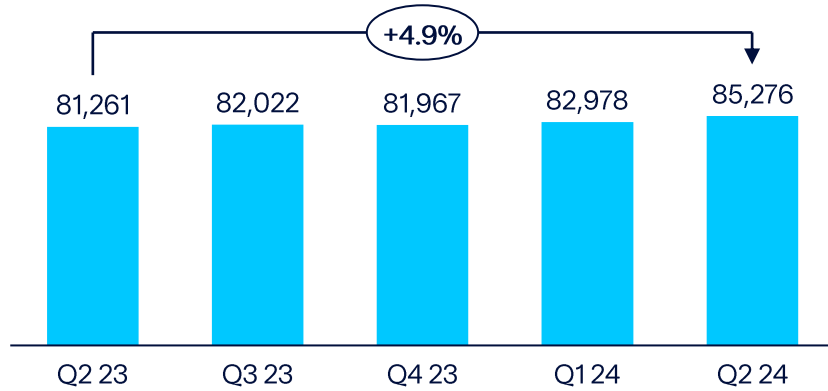


**Nordic fixed service revenues, NOKm and share of total (%)**

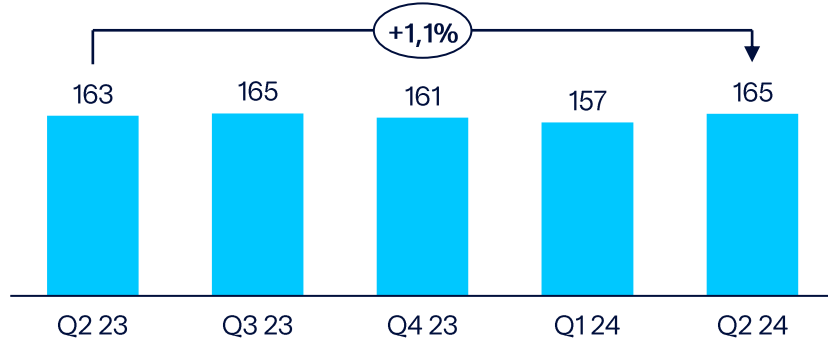


# Bangladesh

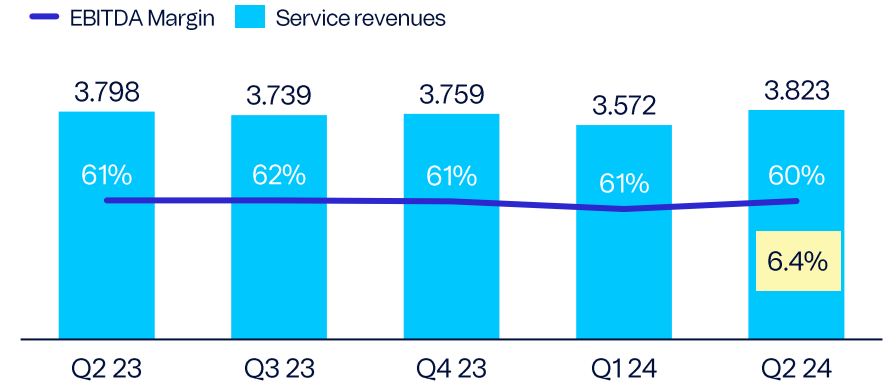
Mobile subscribers ('000)



Mobile ARPU (BDT/month)



Service revenues (NOK m) and EBITDA margin



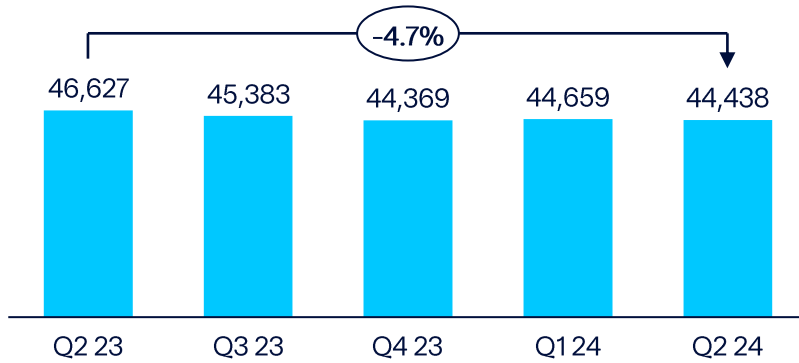
EBITDAboi and capex (NOK m)



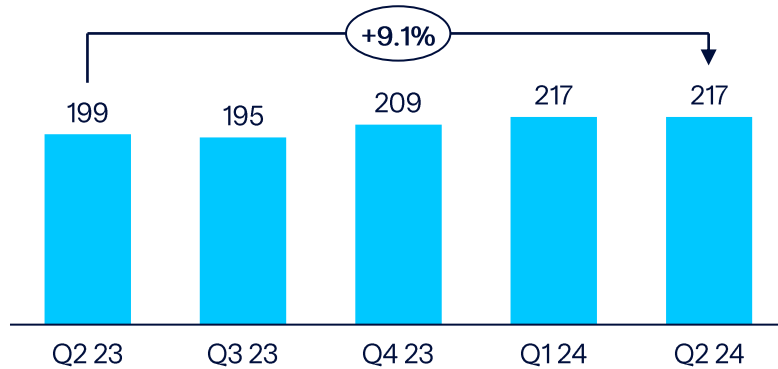


# Pakistan

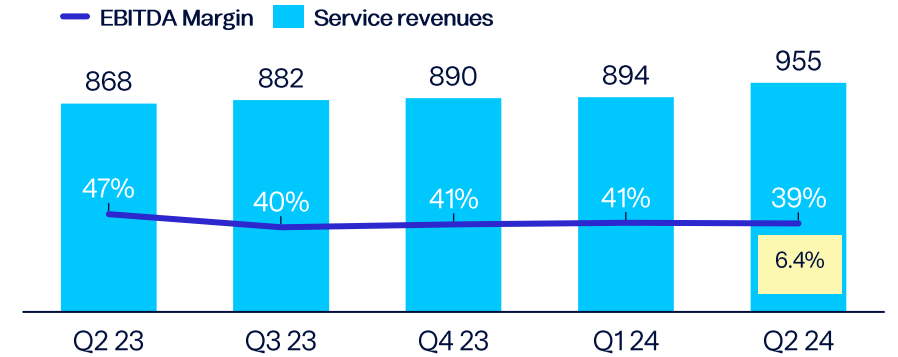
Mobile subscribers ('000)



Mobile ARPU (PKR/month)



Service revenues (NOK m) and EBITDA margin



EBITDAboi and capex (NOK m)

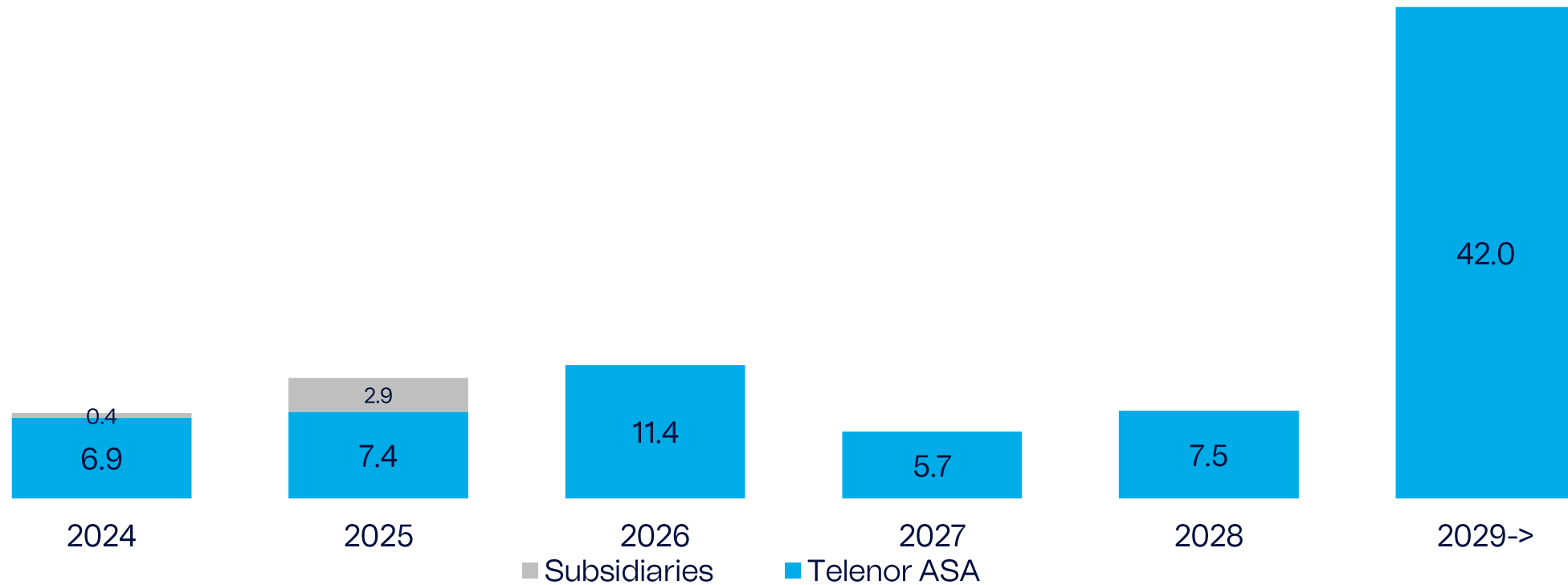


# Q2 growth in **Service Revenues** and **EBITDA**

COUNTRY & COMPANY	Service Revenues		EBITDA before other items	
	Reported	Organic	Reported	Organic
Norway	2%	2%	2%	2%
Sweden	3%	4%	5%	6%
Denmark	2%	3%	10%	10%
Finland	7%	8%	8%	9%
Nordic adj	3%	4%	4%	4%
Grameenphone	1%	6%	-1%	4%
Pakistan	10%	6%	-12%	-14%
Asia adj	2%	6%	-3%	2%
Infrastructure adj	NA	N/A	-1%	0%
Connexion	6%	7%	-9%	-9%
Maritime	2%	2%	-53%	-53%
Linx	N/A	N/A	-97%	-97%
Amp adj	4%	5%	-72%	-43%
<b>Telenor Group</b>	<b>3%</b>	<b>5%</b>	<b>0%</b>	<b>4%</b>



# Debt maturity profile (NOK bn)



# Net debt reconciliation

NOK bn	Q2 2024	Q2 2023
Non-current interest-bearing liabilities	66.9	74.9
Non-current lease liabilities	13.1	13.9
Current interest-bearing liabilities	17.8	13.1
Current lease liabilities	3.8	4.2
Cash and cash equivalents	(13.9)	(12.5)
Fair value hedge instruments	0.0	(0.0)
Financial instruments	(0.3)	(0.3)
Non-current license obligations	(3.4)	(4.2)
Current license obligations	(0.8)	(1.3)
<b>Net interest-bearing debt excl. license obligations</b>	<b>83.2</b>	<b>87.8</b>



# Additional information on net interest-bearing debt\* and partly owned companies

## QoQ FX impact on net debt, NOKb

Q1 2024	Q2 2024
+4.0 (NIBD increase)	-2.3 (NIBD decrease)

## Net debt\* in partly-owned subsidiaries:

	Q2 2024	Q2 2023
Grameenphone	1.8	3.7

## Ownership in listed associated companies

	Direct and indirect shares owned by Telenor (30 June)	Share price (28 June)	Market Value of Telenor's interest in NOK	Direct and indirect ownership interest in per cent
True Corporation	10,441,891,702	8.75 THB	26.5 bn	30.2
CelcomDigi	3,883,129,144	3.68 MYR	32.3 bn	33.1



# Return on capital employed, LTM

