



# Telenor Q3 Results

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telenor group

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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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# Third quarter highlights



Continued growth in the Nordics; EBITDA growth of 5%



Asia: True on track, headwinds in Grameenphone



Free cash flow before M&A of NOK 2.8 bn



Improved 2024 outlook

# Sustained momentum in the Nordics



## 2022 – CMD message:

- Low-to-mid single-digit SR growth
- Mid-single-digit EBITDA growth



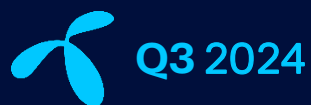
## 2024 - Q3

- Monetising strong networks and VAS
- 4% MSR growth, net subscriber growth
- 5% EBITDA growth



## Preparing for 2025 and beyond

- Sustaining growth in lower-inflation context
- Increasing transformation effects
- Reducing capital intensity



# Temporary macro setback in Bangladesh

## July/August



Socio-political disruption led to significant macro-economic deterioration

## September/October



- Increased stability
- Some early signs of economic activity picking up

## Mitigating actions



- Product and marketing optimization
- Strict capital discipline
- Cash flow protection



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# Q3 2024: Group Financial Highlights



Service revenue growth

**2.1%**



EBITDA growth

**1.8%**



Capex/sales

**14.1%**



Free cash flow before M&A

**NOK 2.8 bn**



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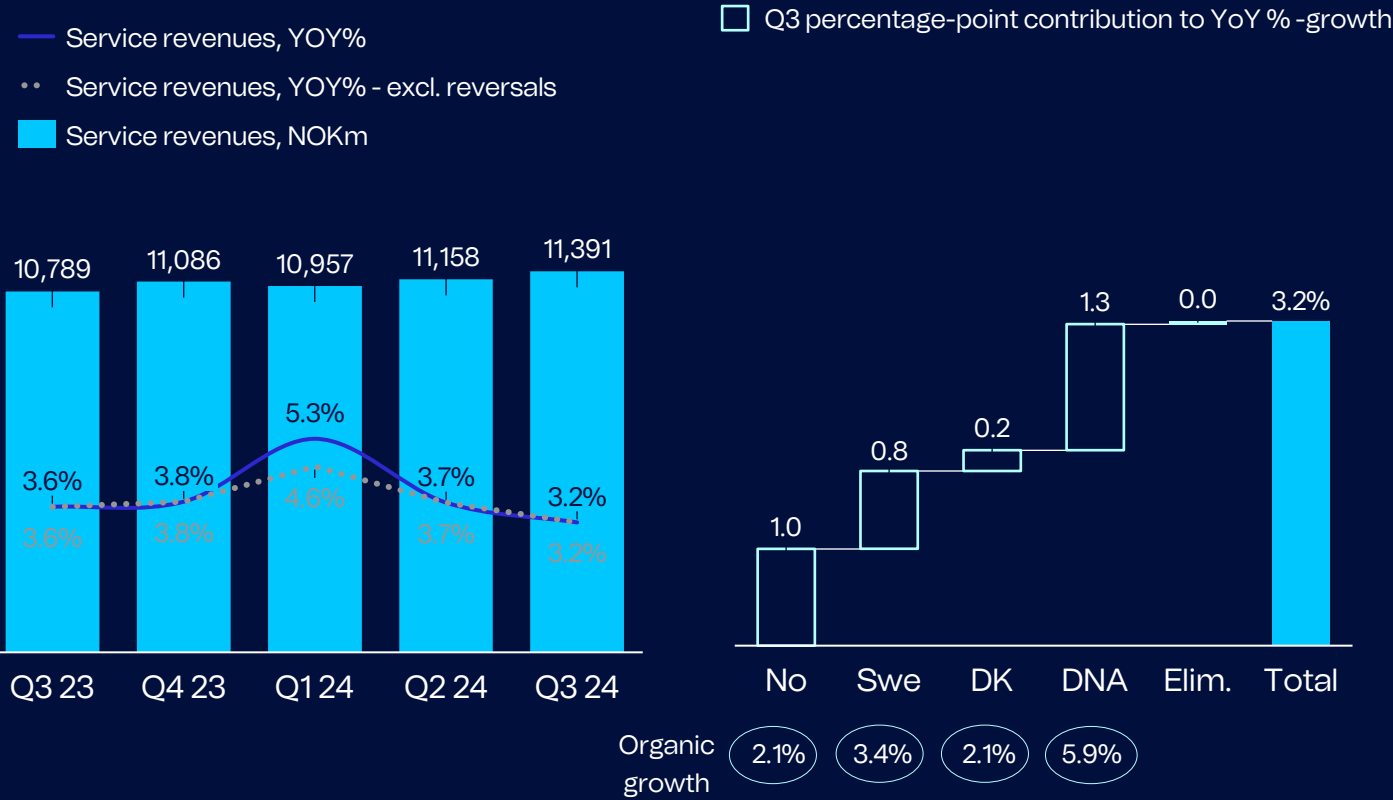
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# Nordics: Continued growth in line with outlook

## Service revenues, Nordics



 Positive mobile net additions across Nordics

 Norway: Competitive strength in mobile, fixed still tough

 Broad-based growth in Sweden and Finland

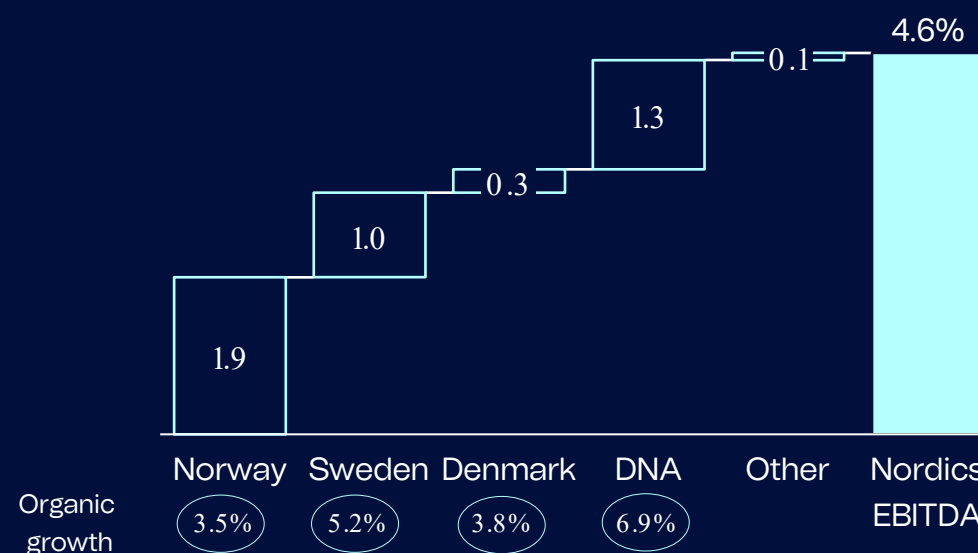
# Nordics' EBITDA growth showing operating leverage across business units

## EBITDA, Nordics

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



□ Q3 percentage-point contribution to YOY %-growth



Q3 2024

Notes: Q1 24 Reversal from Telenor Denmark in Q1 2023, relating to 2018-2019 accounts.

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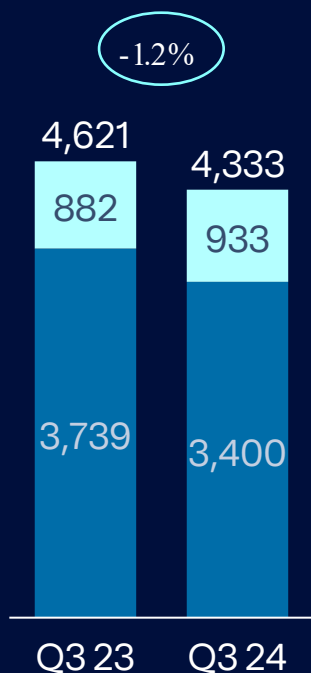
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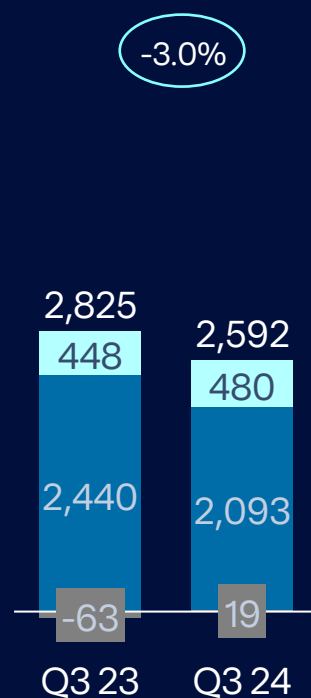
# Asia: Impact from Bangladesh partly offset by growth in Pakistan

## Service revenues:

(NOKm and YOY%)



## EBITDA:



■ Telenor Pakistan  
■ Grameenphone  
■ Other/Elim



**Grameenphone:** Macro challenges impacting financial results



**True:** Successful post-merger execution -> Strengthened confidence on 2025 dividends



**Celcom Digi:** Continued upside on merger benefits; dividend of NOK1.0 bn YTD

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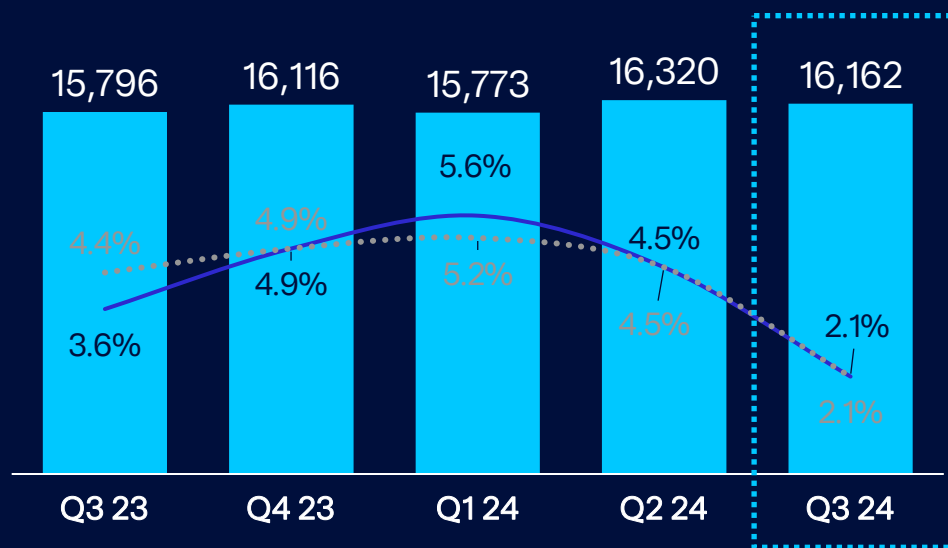
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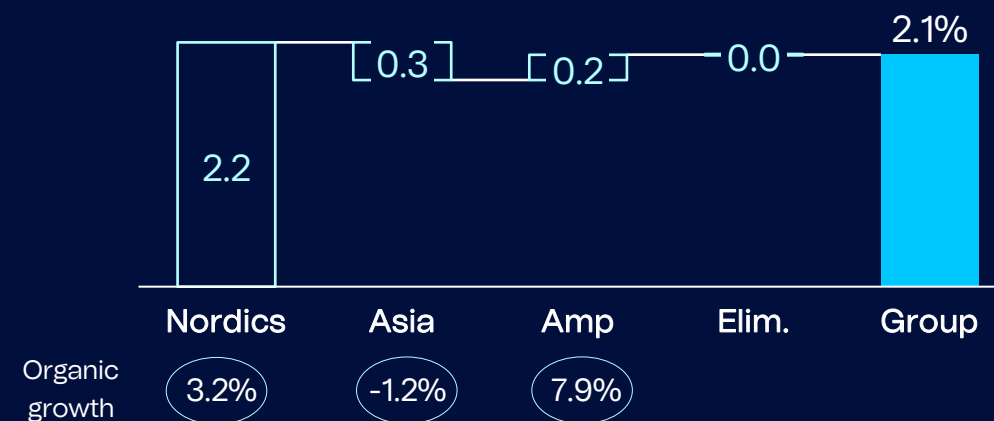
# Group service revenue growth muted by macro contraction in Bangladesh

## Group service revenues

- Service revenues, YOY%
- Service revenues, YOY% - excl. reversals
- Service revenues, NOKm



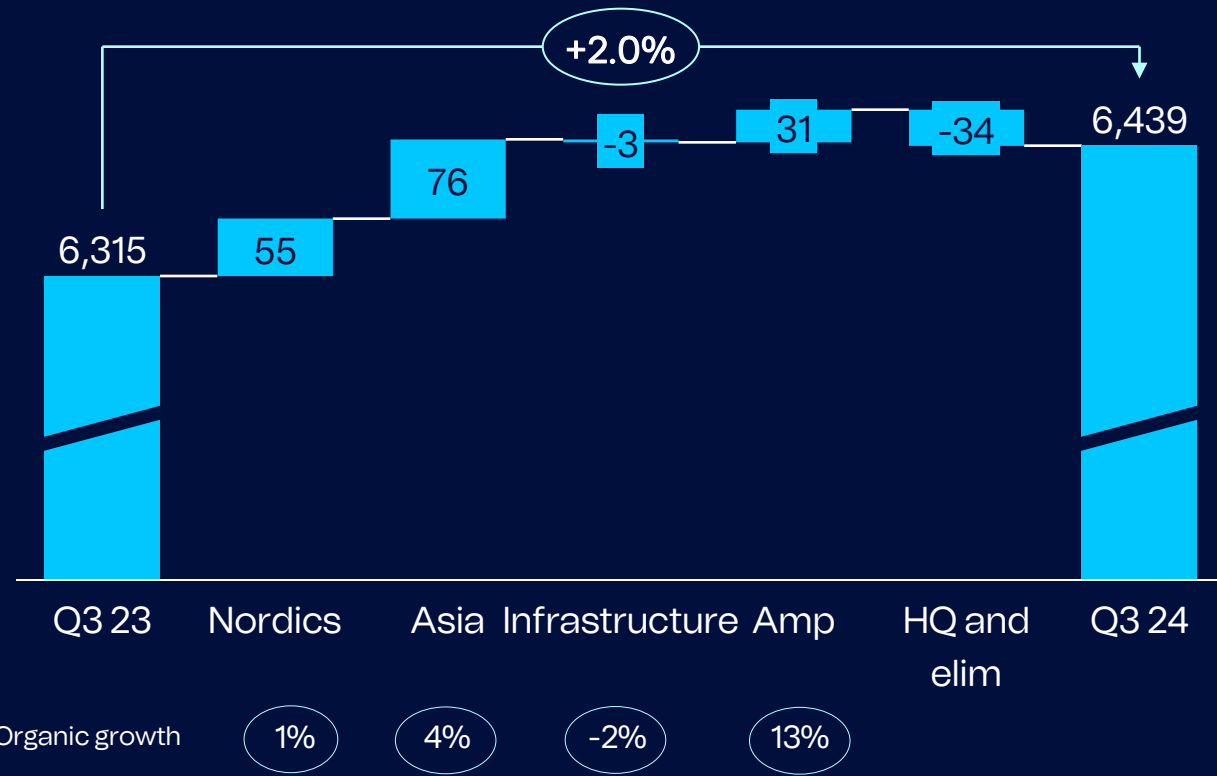
□ Q3 percentage-point contribution to YOY %-growth



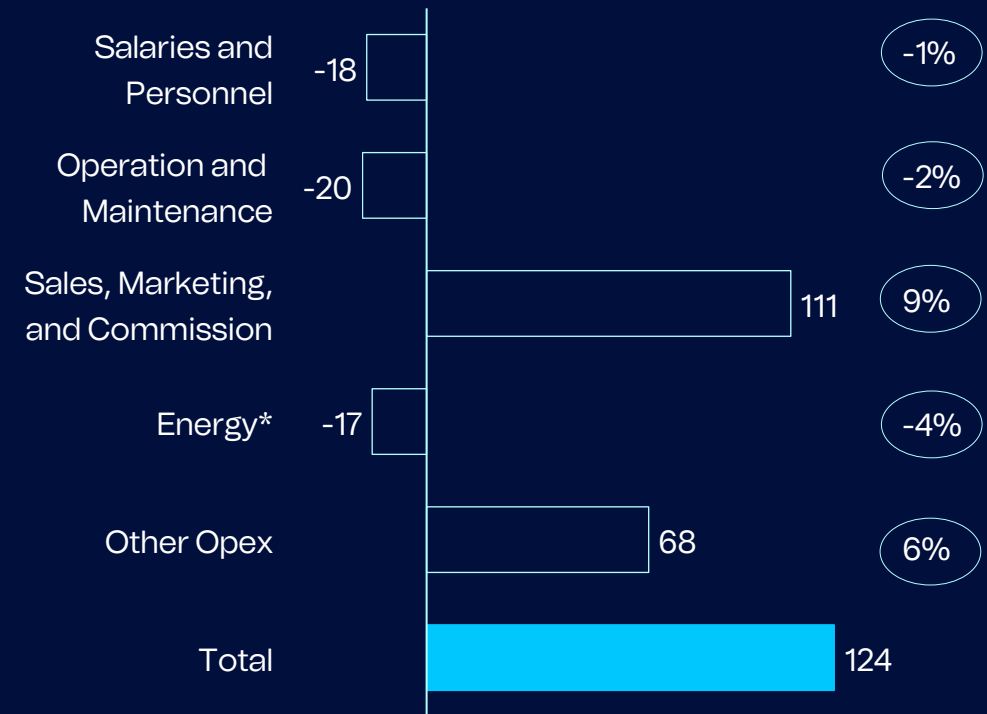


# Opex driven by phasing of sales & marketing expense

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



**Opex YoY-change by category**  
(NOK million and %)

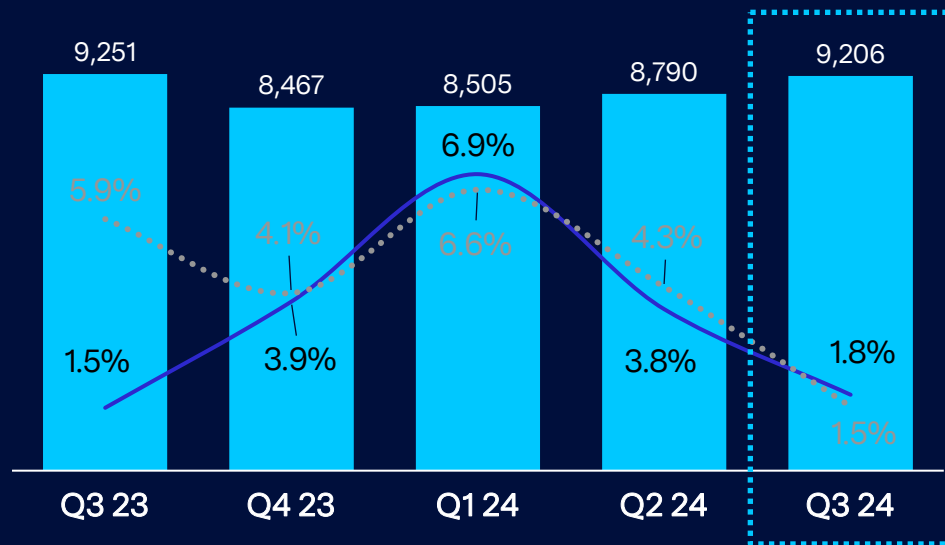


\* + NOK 6m (1.5% YoY growth) excluding reversal in Telenor Pakistan

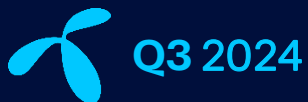
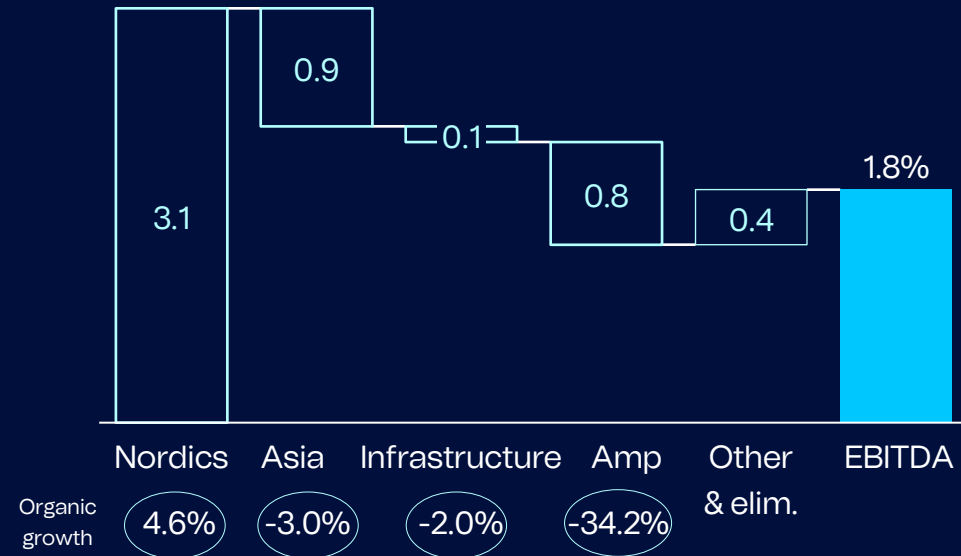
# Group EBITDA growth driven by Nordics

## EBITDA, Group

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



□ Q3 Percentage-point contribution to YOY %-growth



Q3 24 Net reversals in Asia  
 Q3 23 Reversal relating to SIM tax in Pakistan in Q3 22/23.  
 Q1 24 Reversal from Telenor Denmark in Q1 2023, relating to 2018-2019 accounts

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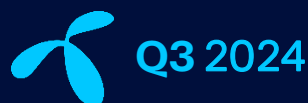


# P&L: stable EBITDA; growth in EPS driven by True effect in financial items

NOK million

	Q3 2023	Q3 2024	Q3 2023	Q3 2024
<b>EBITDA before other income and other expenses</b>	9,251	9,206		
Other income and expenses	-148	-116		
<b>EBITDA reported</b>	9,103	9,090		
Depreciation and amortisation	-4,116	-4,212		
Impairment losses	0	-2		
<b>Operating profit (loss)</b>	4,987	4,877		
Share of net income from associates and joint ventures	23	190		
Net financial income (expenses)	-442	-322		
<b>Profit (loss) before taxes</b>	4,567	4,745		
Income taxes	-1,655	-1,257		
<b>Net income (loss) from continuing operations</b>	2,912	3,488		
Profit (loss) from discontinued operations	-71	158		
<b>Net income (loss)</b>	2,841	3,646		
Net income attributable to:				
Non-controlling interests	391	374		
Equity holders of Telenor ASA	2,451	3,272		
<b>EPS</b>	1.77	2.39		

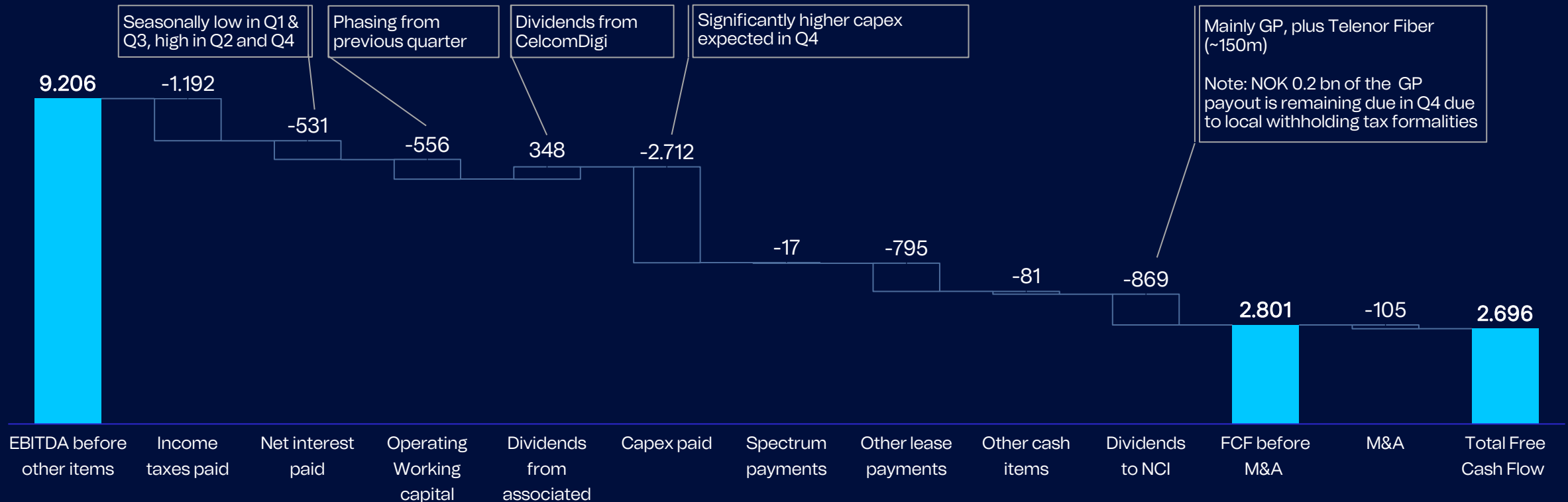
Fair value adjustment related to indirect ownership True of NOK 615m\*



\*Related to the fixed-price share-purchase agreement with the joint venture established as part of the funding arrangement for the True Corp investment. (As of 11 July 2024, Telenor owns 28.6% of the shares directly and 1.6% indirectly (changed from 26.3% and 3.9% in the previous quarter).

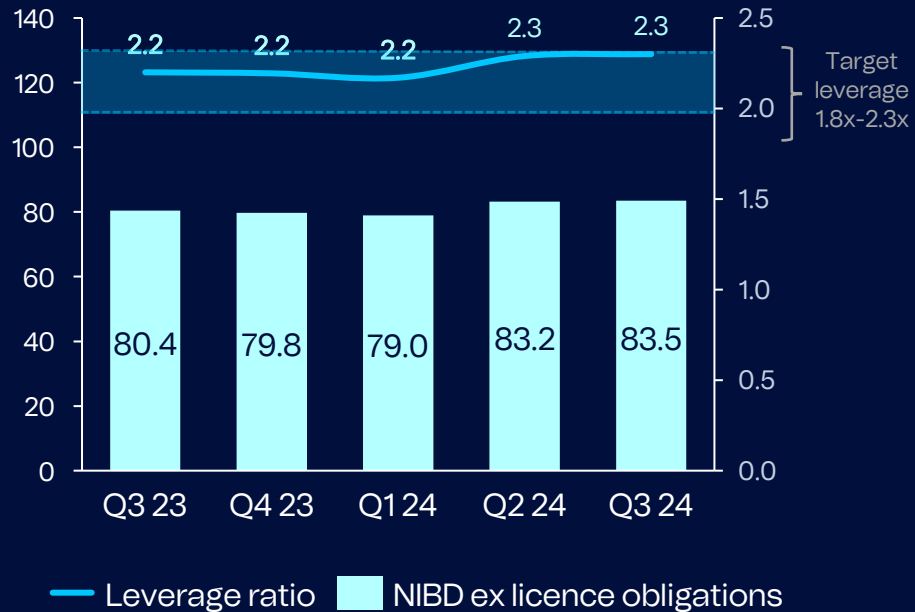
# Free cash flow of 2.8 bn supported by EBITDA and timing effects in Nordics

## Q3 free cash flow, with drivers (NOK million)



# Balance sheet remains strong





## Leverage ratio and NIBD (NOK bn)



## Macro and seasonality factors

-  Macroeconomic uncertainty in Bangladesh
-  FX volatility
-  Inflation and interest rates
-  Seasonality of dividend and other payments

## Short-term considerations

-  Uncertain speed of recovery
-  End-of-quarter EUR/NOK swing factor
-  Positive trend, but not significant leverage factor in the short term
-  Second tranche of 2024 dividend payment in Q4

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# Updated outlook for 2024

## TELENOR NORDICS

	Q3 2024	YTD	2024 Previous	2024 Updated	Mid-term ambition 2023-2025
Organic service revenues growth	3.2%	4.1%	Low-to-mid single-digit	3-4%	Low-to-mid single-digit
Organic EBITDA growth	4.6%	5.6%	Mid single-digit	Around 6%	Mid single-digit
Capex/sales	14.7%	15.5%	Around 17%	< 17%	~NOK 2 bn lower in 2025 vs 2022

## TELENOR GROUP

Organic EBITDA growth	1.8%	4.1%	Mid single-digit	3-4%	
FCF before M&A	NOK 2.8 bn	NOK 8.3 bn	NOK 9-10 bn	NOK 9.5-10.0 bn	FCF before M&A covering dividends





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# Q&A

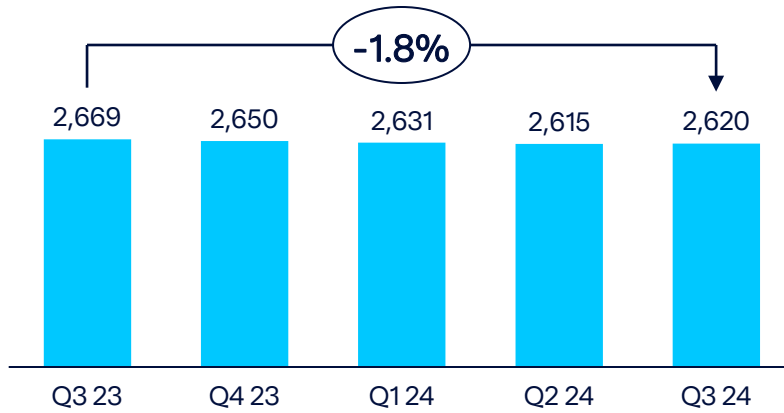


# Appendix



# Norway

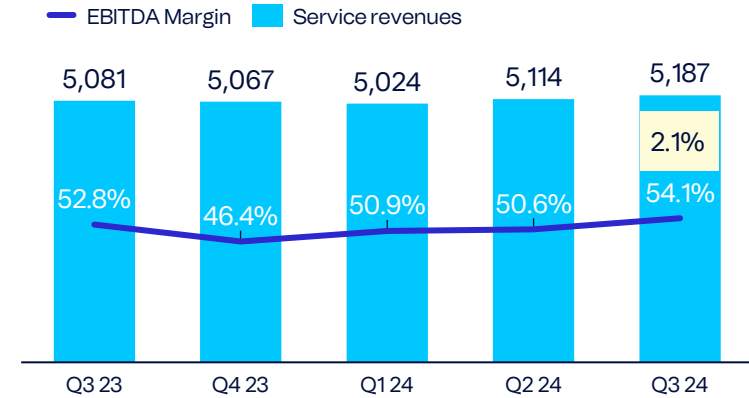
Mobile subscribers ('000)



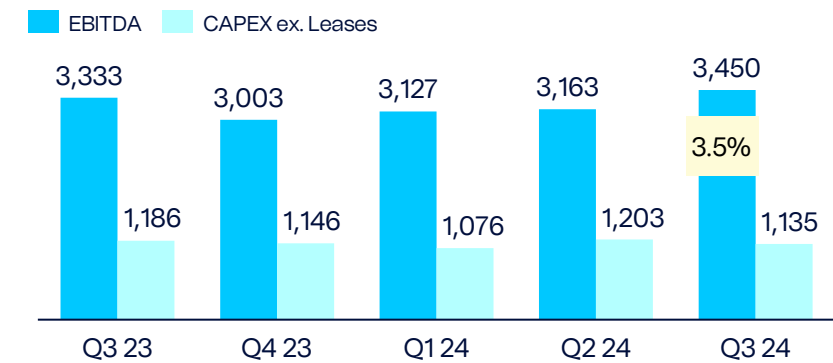
Mobile ARPU (NOK/month)



Service revenues (NOK m) and EBITDA margin

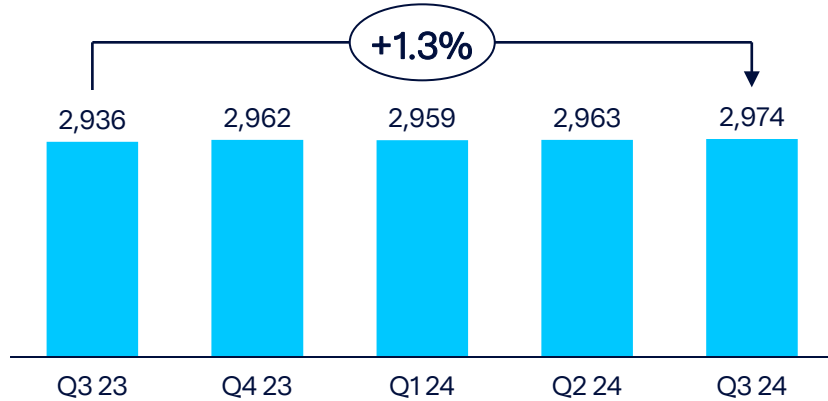


EBITDA and capex (NOK m)

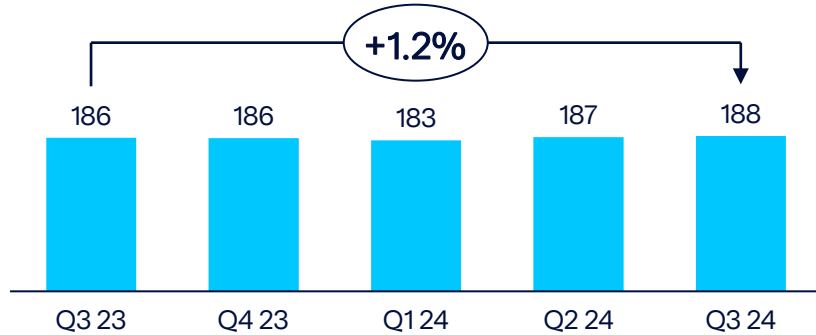


# Sweden

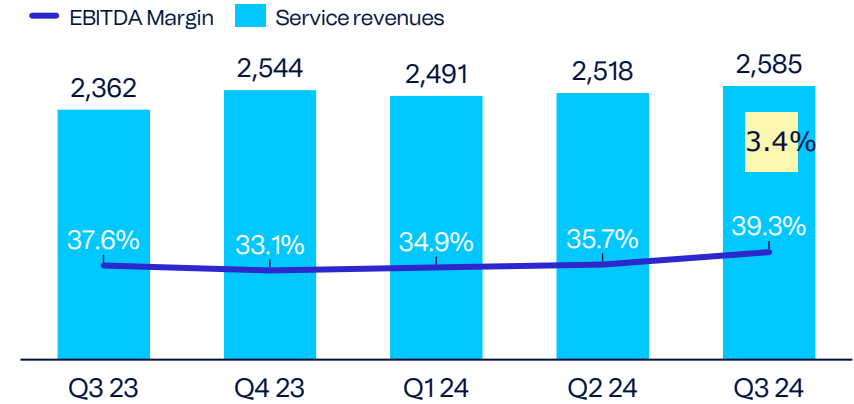
Mobile subscribers ('000)



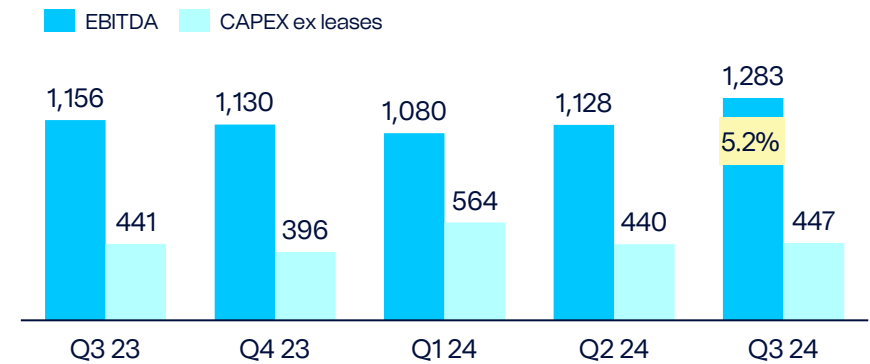
Mobile ARPU (SEK/month)



Service revenues (NOK m) and EBITDA margin

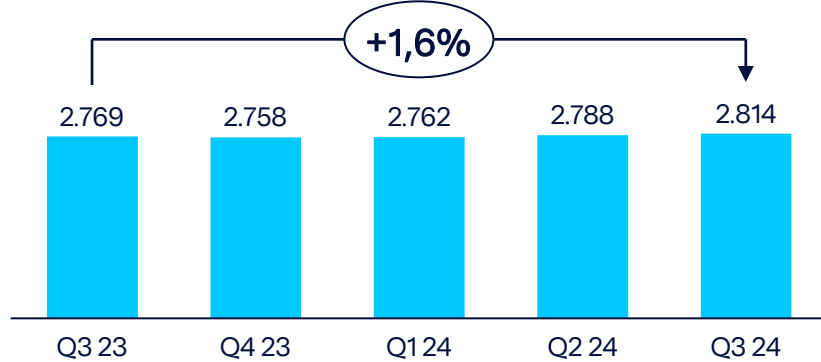


EBITDA and capex (NOK m)

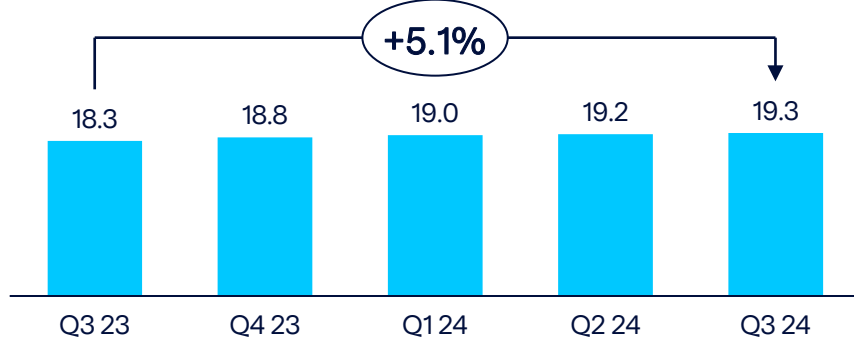


# Finland

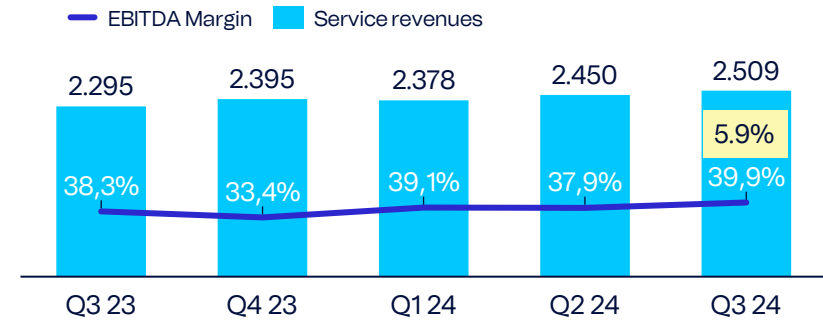
Mobile subscribers ('000)



Mobile ARPU (EUR/month)



Service revenues (NOK m) and EBITDA margin

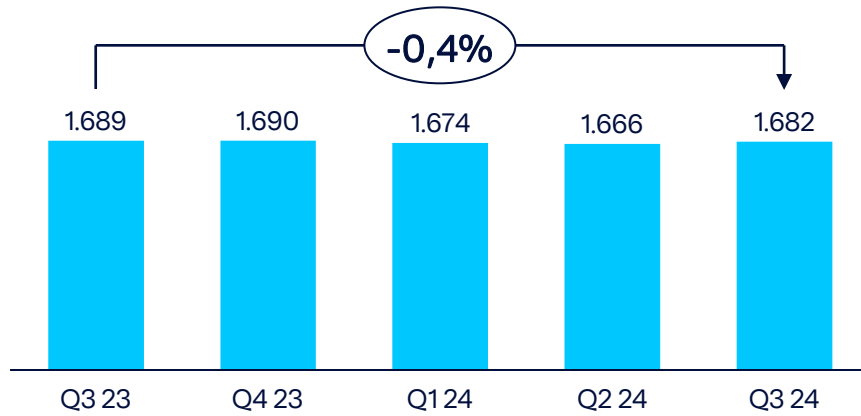


EBITDA and capex (NOK m)

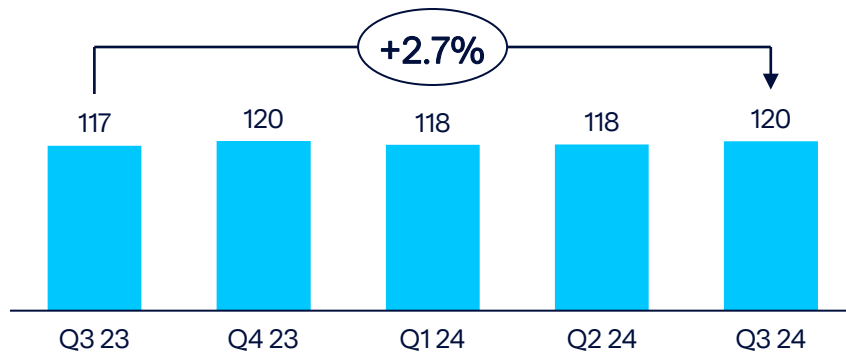


# Denmark

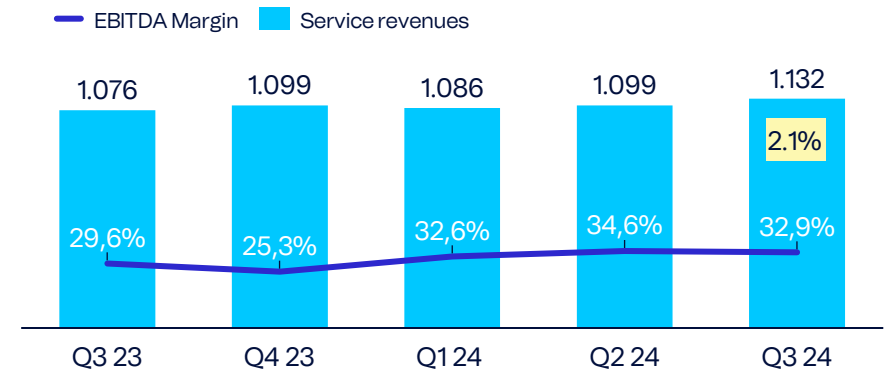
Mobile subscribers ('000)



Mobile ARPU (DKK/month)



Service revenues (NOK m) and EBITDA margin



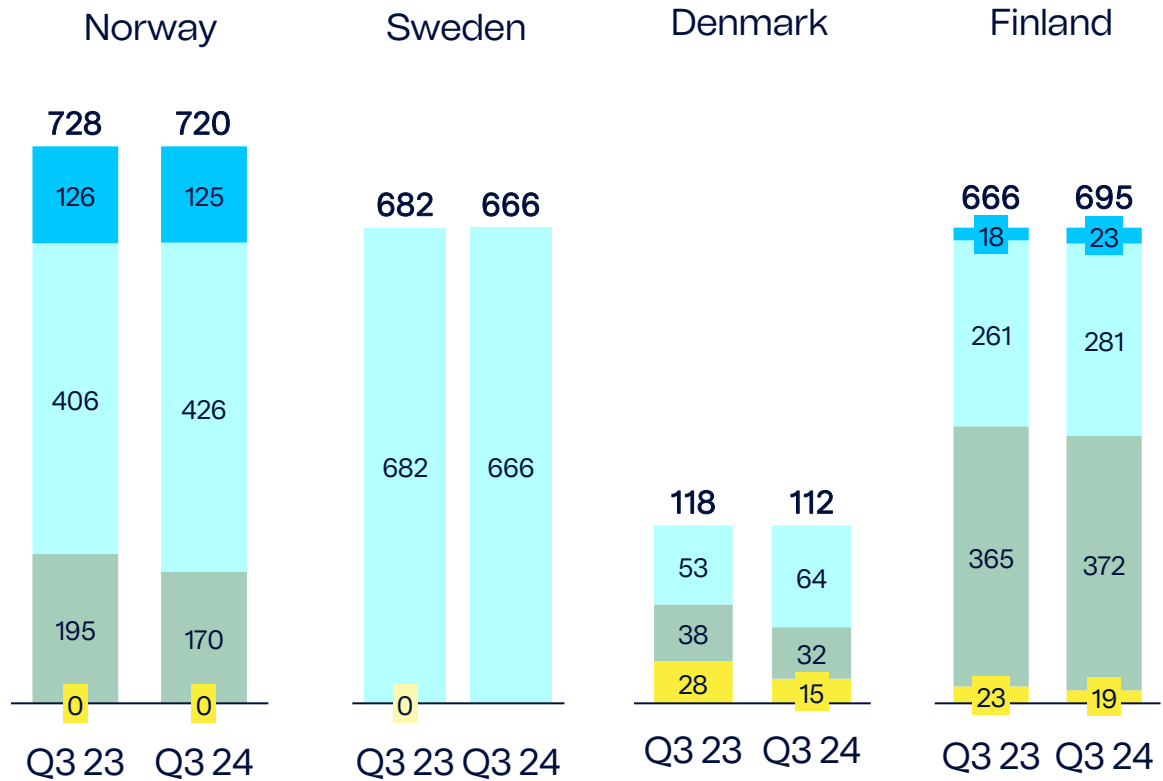
EBITDA and capex (NOK m)



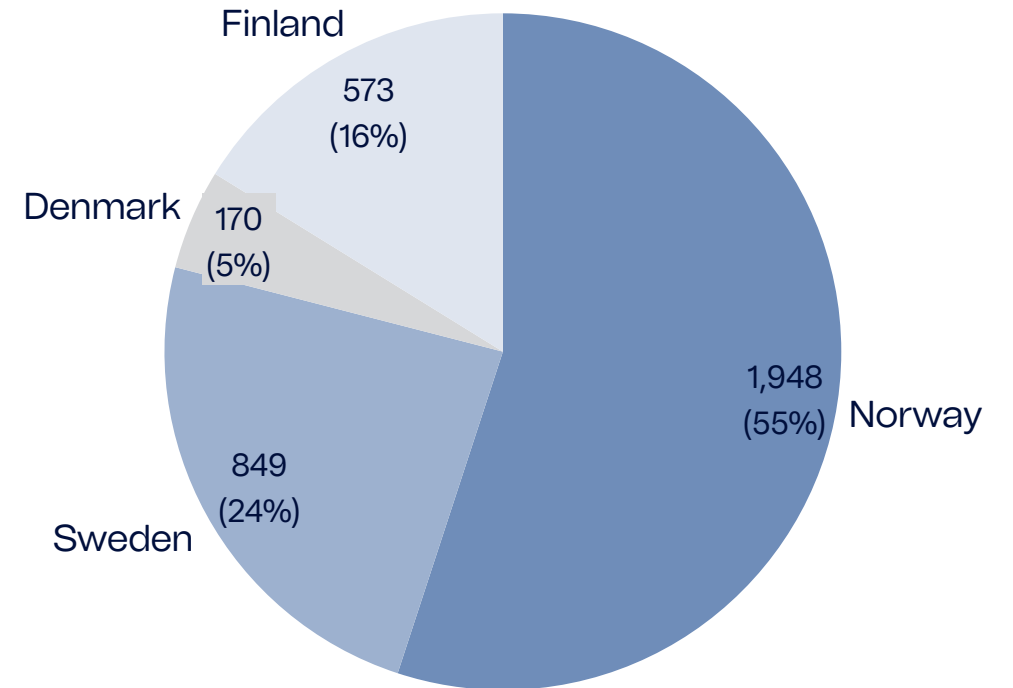
# Q3 2024: Nordics fixed broadband

Total fixed broadband subscriptions ('000)

FWA Fibre Cable DSL



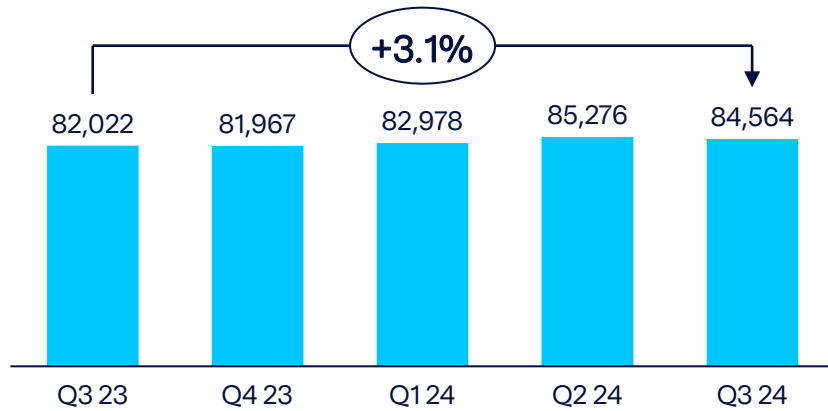
Nordic fixed service revenues, NOKm and share of total (%)



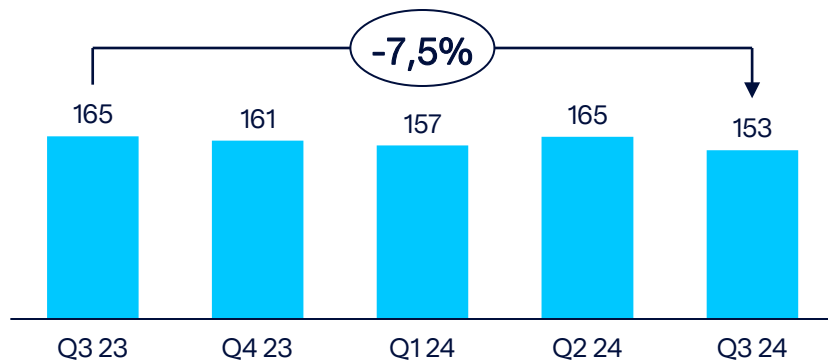


# Bangladesh

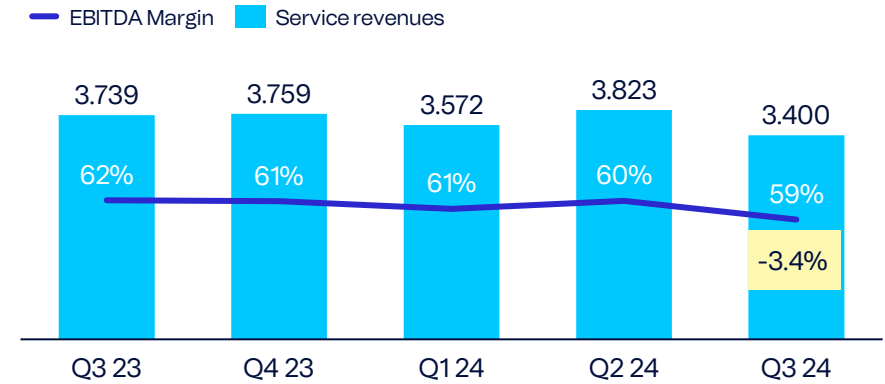
Mobile subscribers ('000)



Mobile ARPU (BDT/month)



Service revenues (NOK m) and EBITDA margin

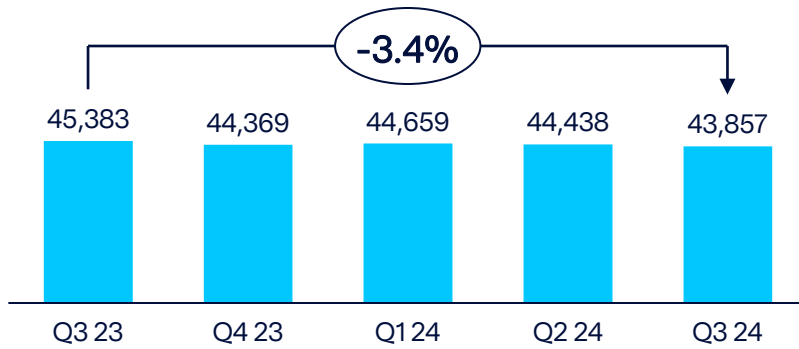


EBITDAboi and capex (NOK m)



# Pakistan

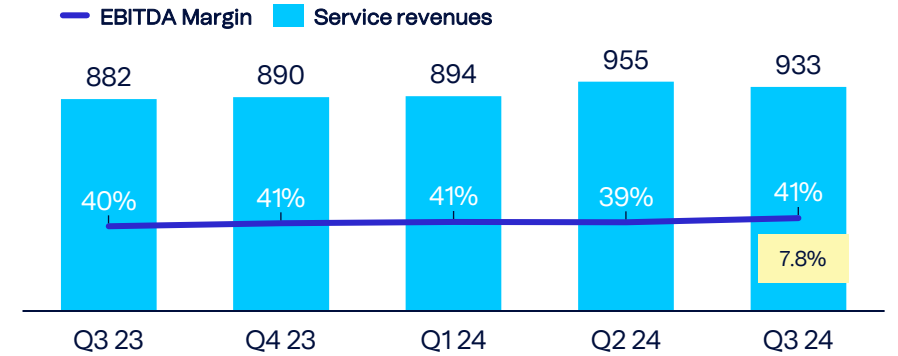
Mobile subscribers ('000)



Mobile ARPU (PKR/month)



Service revenues (NOK m) and EBITDA margin



EBITDA and capex (NOK m)

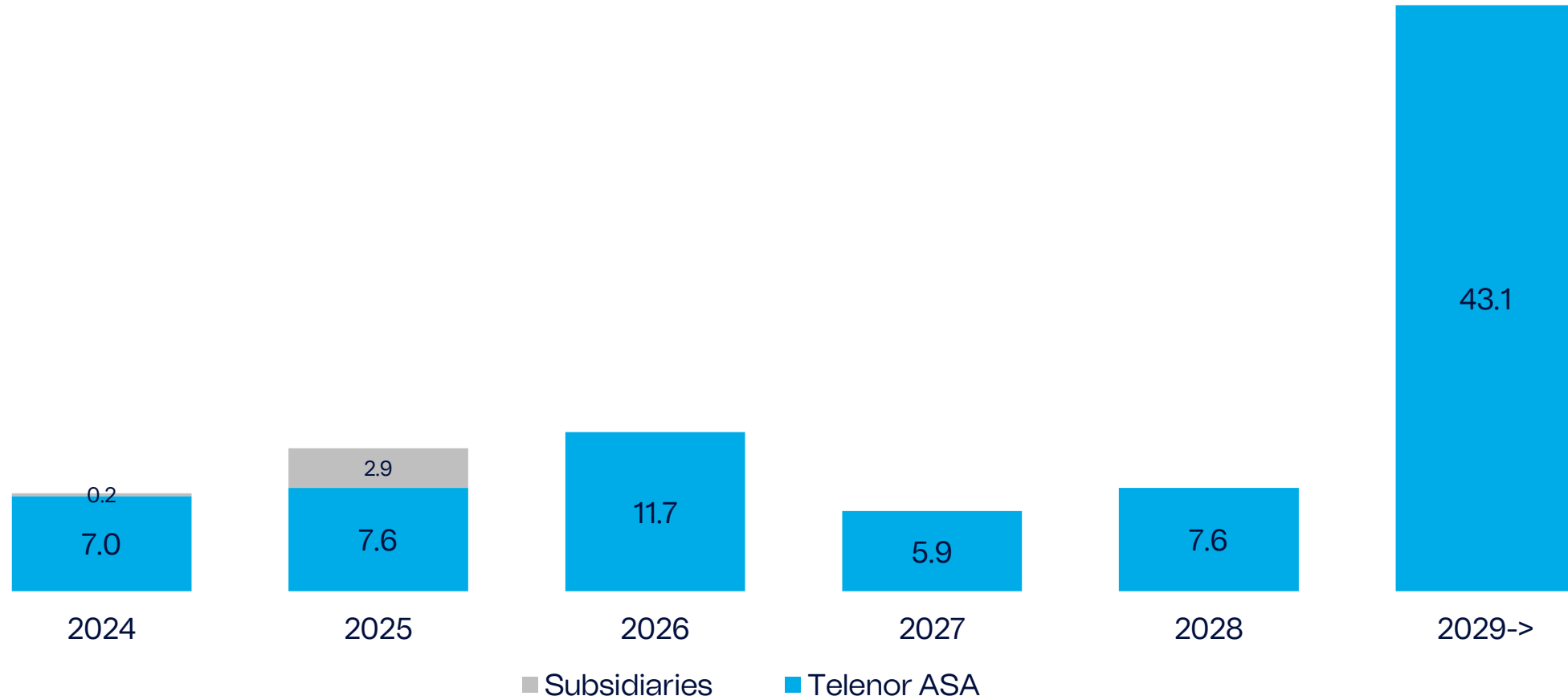


# Q3 growth in Service Revenues and EBITDA

COUNTRY & COMPANY	Service Revenues		EBITDA before other items	
	Reported	Organic	Reported	Organic
Norway	2%	2%	4%	4%
Sweden	9%	3%	11%	5%
Denmark	5%	2%	7%	4%
Finland	9%	6%	10%	7%
Nordic adj	6%	3%	7%	5%
Grameenphone	-9%	-3%	-14%	-9%
Pakistan	6%	8%	7%	9%
Asia adj	-6%	-1%	-8%	-3%
Infrastructure adj	NA	N/A	-1%	-2%
Connexion	11%	5%	4%	-2%
Maritime	6%	6%	-1%	-1%
Linx	N/A	N/A	-66%	-66%
Amp adj	11%	8%	-64%	-34%
<b>Telenor Group</b>	<b>2%</b>	<b>2%</b>	<b>0%</b>	<b>2%</b>



# Debt maturity profile (NOK bn)



# Net debt reconciliation

NOK bn	Q3 2024	Q3 2023
Non-current interest-bearing liabilities	68.9	72.3
Non-current lease liabilities	13.6	13.6
Current interest-bearing liabilities	18.4	5.7
Current lease liabilities	3.9	4.3
Cash and cash equivalents	(16.7)	(9.7)
Fair value hedge instruments	0.0	(0.0)
Financial instruments	(0.3)	(0.3)
Non-current license obligations	(3.4)	(4.3)
Current license obligations	(0.8)	(1.3)
<b>Net interest-bearing debt excl. license obligations</b>	<b>83.5</b>	<b>80.4</b>

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

## QoQ FX impact on net debt, NOKb

Q2 2024	Q3 2024
-2.3 (NIBD decrease)	+2.4 (NIBD increase)

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

	Q3 2024	Q3 2023
Grameenphone	3.6	2.6

## Ownership in listed associated companies

	Direct and indirect shares owned by Telenor (30 September)	Share price (28 September)	Market Value of Telenor's interest in NOK	Direct and indirect ownership interest in per cent
True Corporation	10,457,672,234	11.20 THB	38.2 bn	30.3
CelcomDigi	3,883,129,144	3.72 MYR	36.9 bn	33.1



# Return on capital employed, LTM

