



TELENOR GROUP

Fourth quarter 2022

Sigve Brekke, CEO

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

Executing on CMD plan

Leading Nordic telco

Strengthen positions in Asia

Crystallisation of Infrastructure values

Portfolio development in Amp



Environmental enabler for our partners and customers



Social and digital inclusion



Governance - Raising standards

Delivering on our strategy

Growth in the Nordics

5% Nordic mobile service revenue growth

Successful M&A

Closed merger in Malaysia and Fibre deal in Norway

Modernisation continuing

Copper decommission completed

Record results

Net income of NOK 45 bn in 2022

Creating CelcomDigi

the leading telecom operator in Malaysia

- The largest telecom tech company on Bursa Malaysia
- Telenor's 33.1% ownership share equals NOK ~38bn
- Transaction closed 30 November, with Telenor recognizing a gain of NOK 33bn in Q4
- Material value creation through realization of NOK ~18bn of identified synergies
- Merger expected to be dividend accretive for Telenor from 2024 onwards



Closing in on completion of **merger in Thailand**

- The dtac and True transaction has entered final phase and closing is expected in Q1
- Creating a telecom tech frontrunner across mobile, broadband and television
- Clear benefits and synergy potential from scale advantages, investment capabilities and competence
- Strategic owners and equal partners with CP Group, each with ~30% ownership



dtac
+ true

Creating the #1 operator	Combined number of customers 55 million*	Telenor and CP equal owners with approximately 30% ownership
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Norwegian fibre transaction crystallises infrastructure values

- Transaction closed 1 February
- Sold 30% of the Norwegian fibre business to KKR and Oslo Pensjonsforsikring at enterprise value NOK 36 billion
- Network of 130,000 km of cables connecting upwards of 560,000 homes
- Strong partners supporting further value creation through continued investments in Norwegian fibre

Homes
connected

560

thousand

Retaining financial
and operational
control with

70%

ownership

Proceeds to
Telenor of NOK

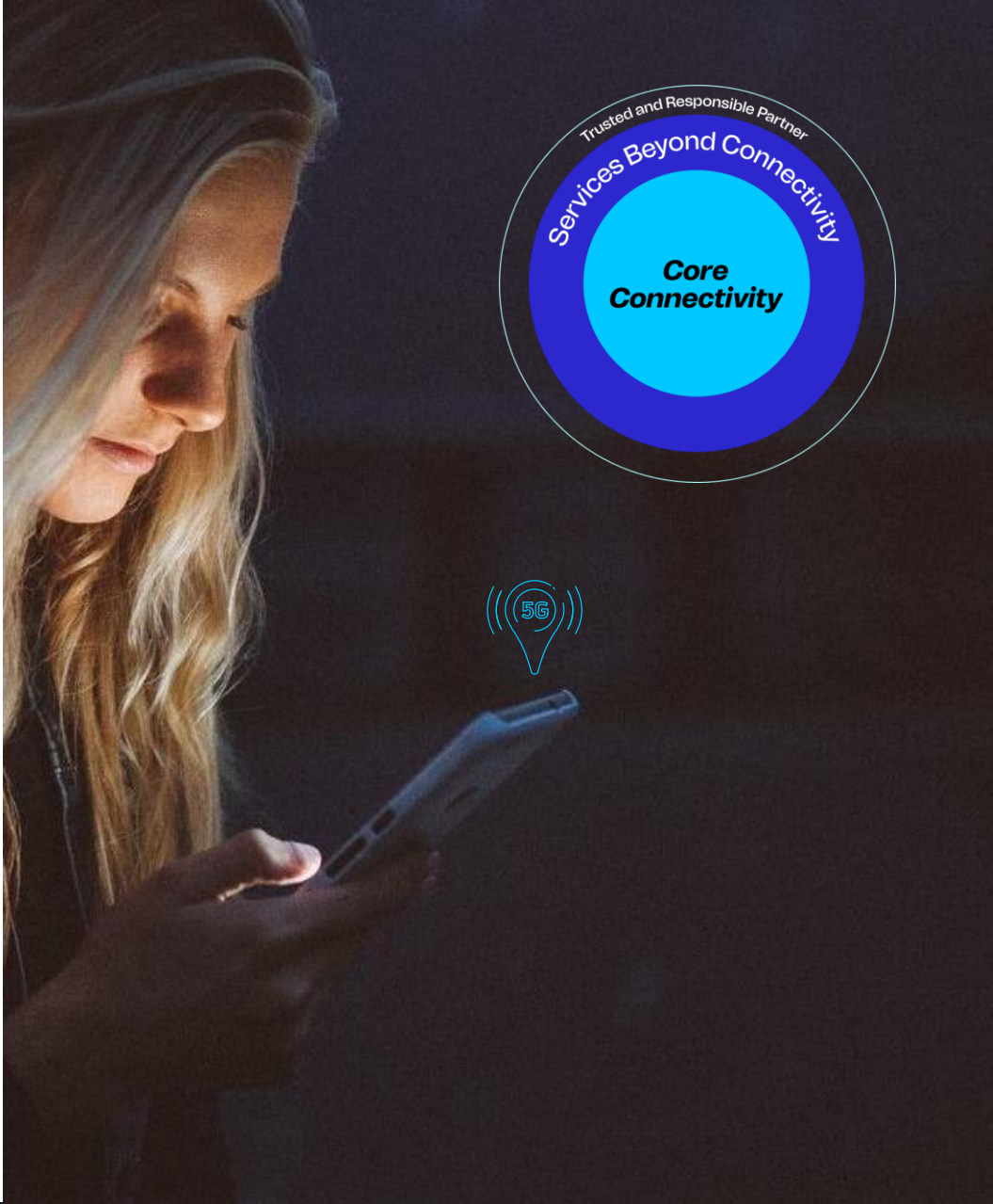
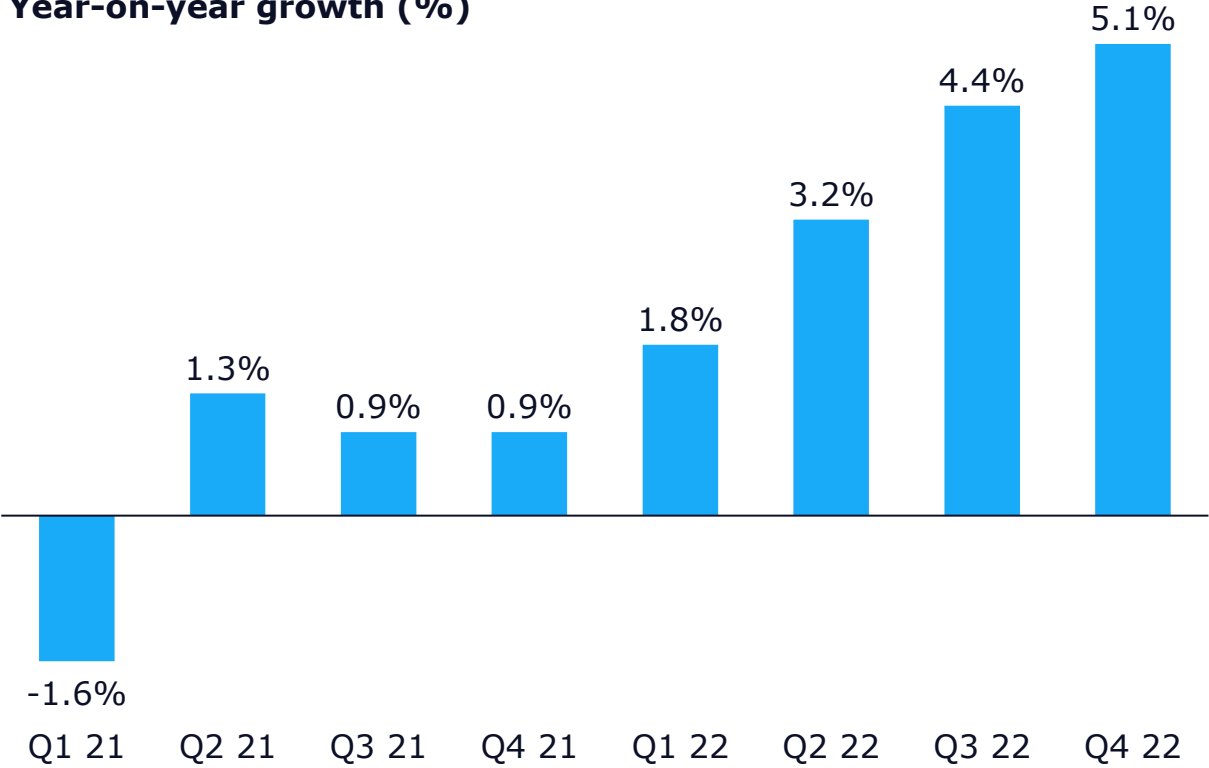
10.8

billion



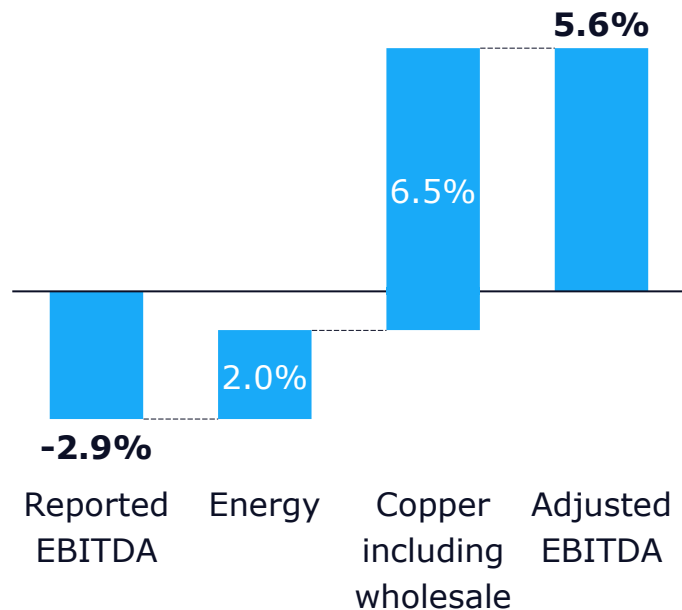
Strong trends in **Nordic Mobile Service Revenues**

Year-on-year growth (%)

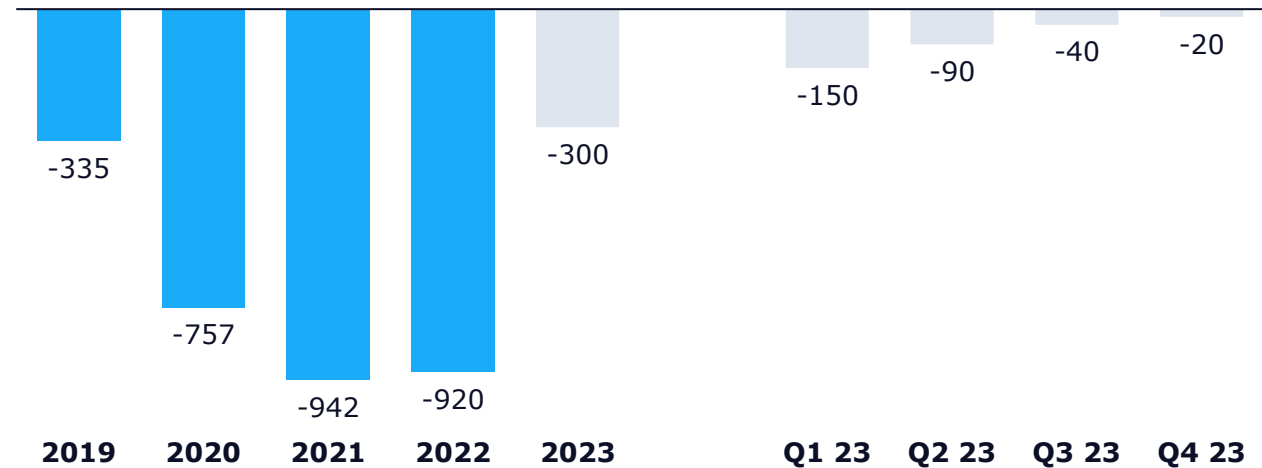


Nordic Modernisation: Legacy free Norwegian operation

EBITDA growth in Norway
Q4 2022



YOY EBITDA headwind from copper (excl. energy)
NOK million



- Last POTS and retail DSL lines decommissioned according to plan in December 2022
- EBITDA headwind easing into 2023





Next phase of **modernising Telenor Norway**

Enabler for change



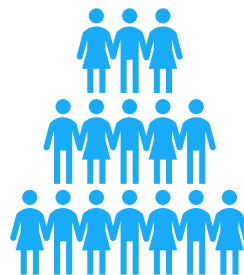
Finalising copper decommission
Enabling structural initiatives

Nordic collaboration



Nordic collaboration on
Tech, IT and shared services

New Norwegian organisation



Teams organised around customer value
Estimated around 400 fewer FTEs and consultants



Executing on the value creation strategy

CMD²⁰/₂₂
Capital Markets Day

First 12 months milestones:

Carve-outs and modernisation

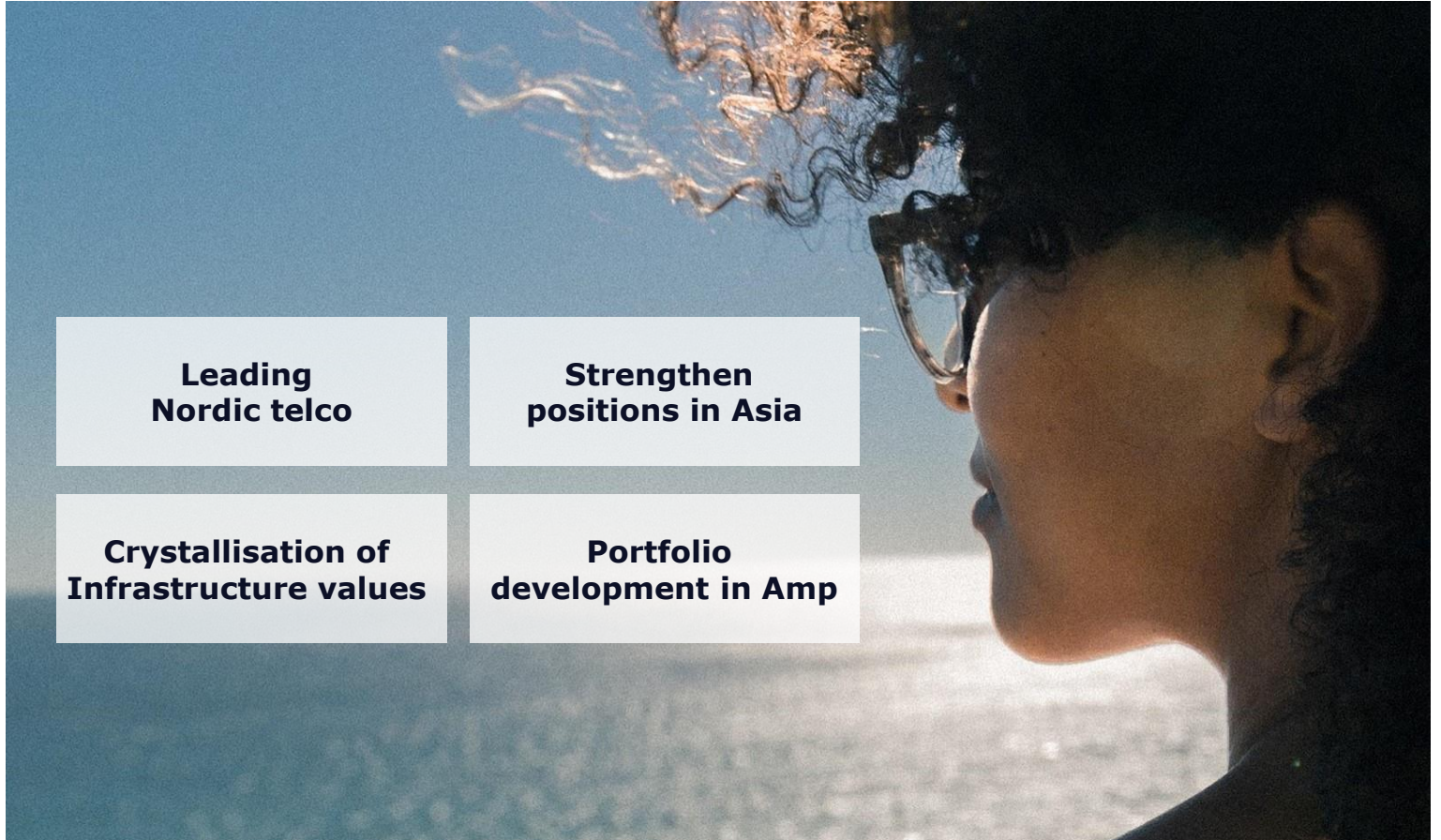
- ✓ Closed merger in Malaysia
- ✓ Closed fibre transaction in Norway
- ✓ Copper decommission
- ↻ Closing merger in Thailand
- ↻ Nordic modernisation agenda

**Leading
Nordic telco**

**Strengthen
positions in Asia**

**Crystallisation of
Infrastructure values**

**Portfolio
development in Amp**





TELENOR GROUP

Fourth quarter 2022

Tone Hegland Bachke, CFO

Fourth quarter and full year **highlights**

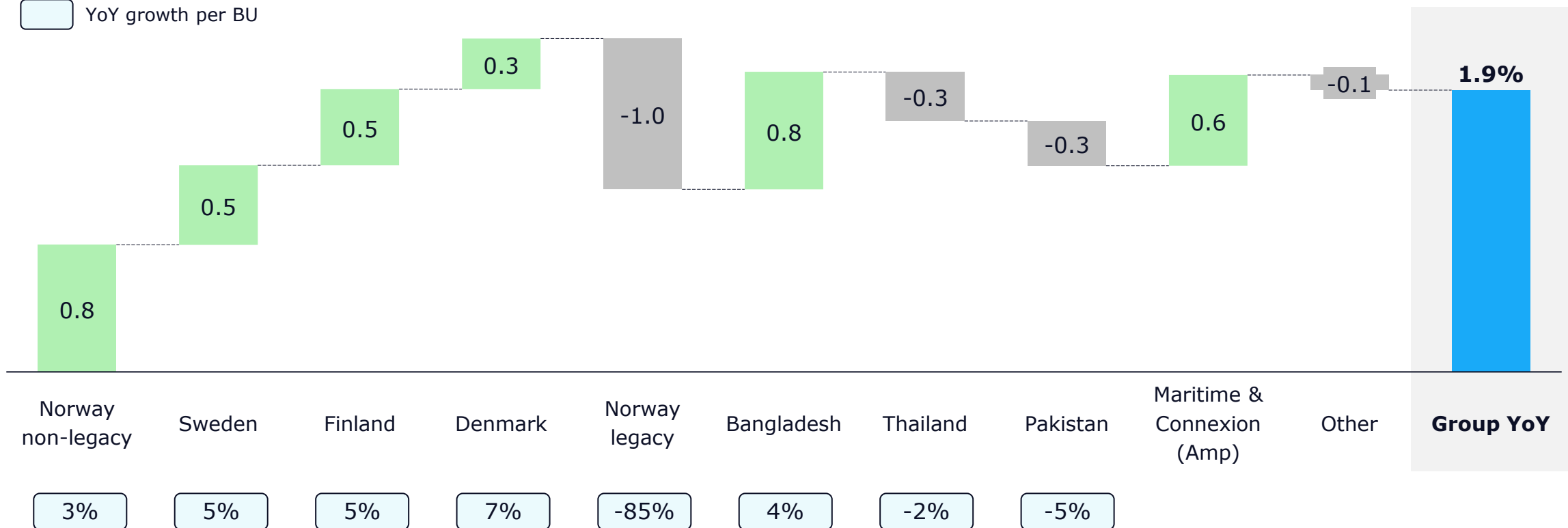
	Organic Service revenues	Organic EBITDA	Capex/Sales	Free Cash Flow
Q4 2022	+2%	0%	18%	NOK 1bn
FY 2022	+2%	+1%	17%	NOK 11bn
2022 outlook	Low single digit growth ✓	Around 2021 level ✓	16-17% ✓	

Service Revenue growth reflecting strength in the Nordics

Q4 2022

%-points contribution to YoY %-growth

YoY growth per BU

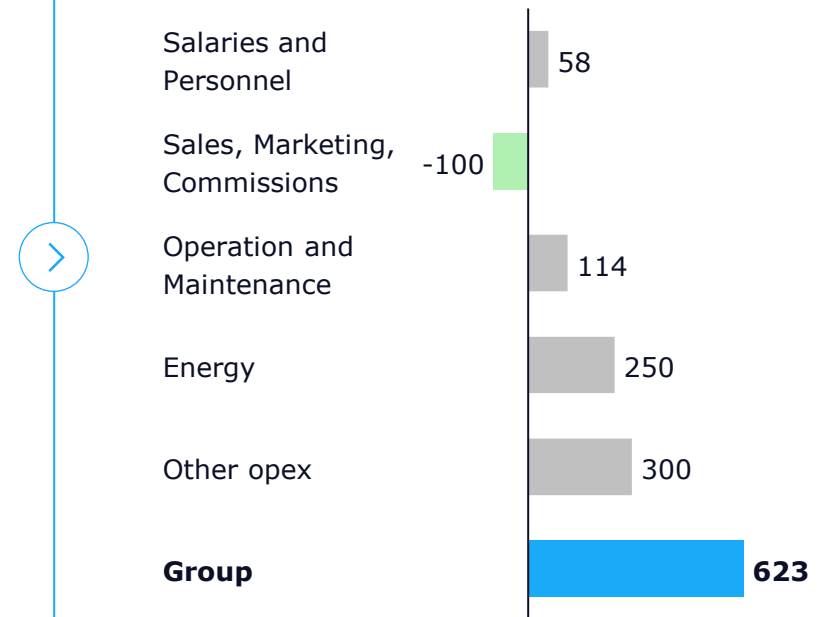


OPEX increased by 5% in Q4, excluding energy

Quarterly opex
Q4 YoY change NOK million*



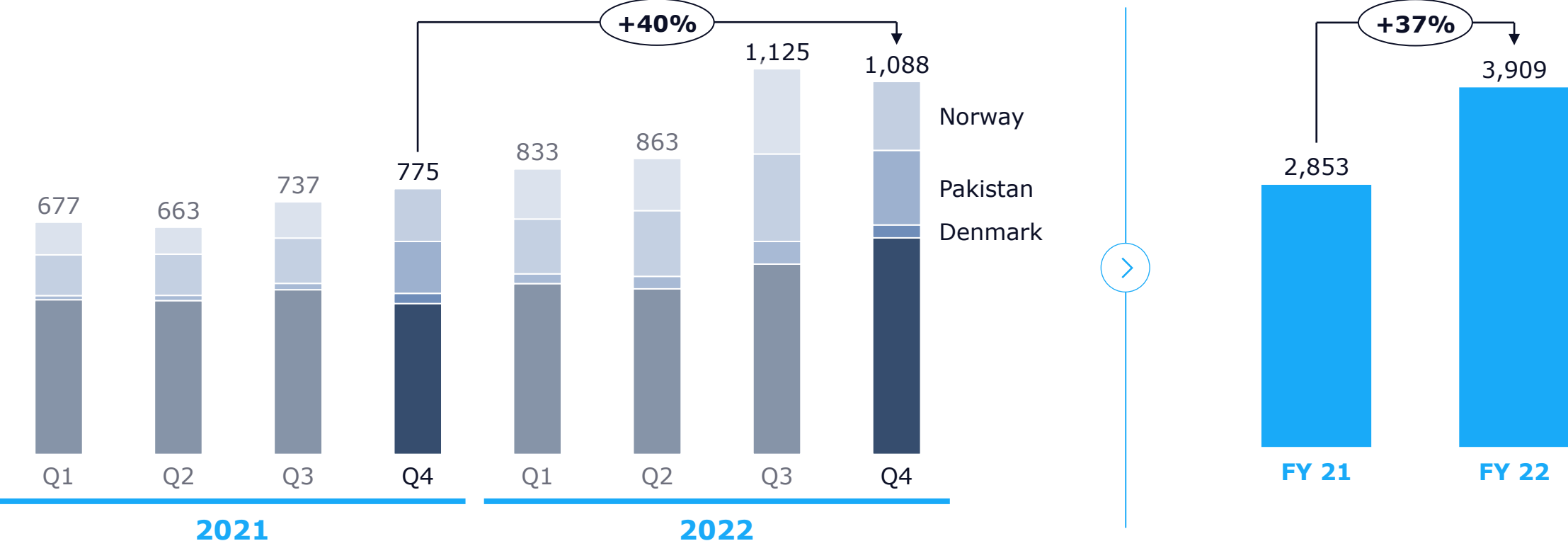
Opex by category
Q4 YoY change NOK million*



Lower energy costs for 2022 than indicated at CMD

Energy cost development*

NOK million



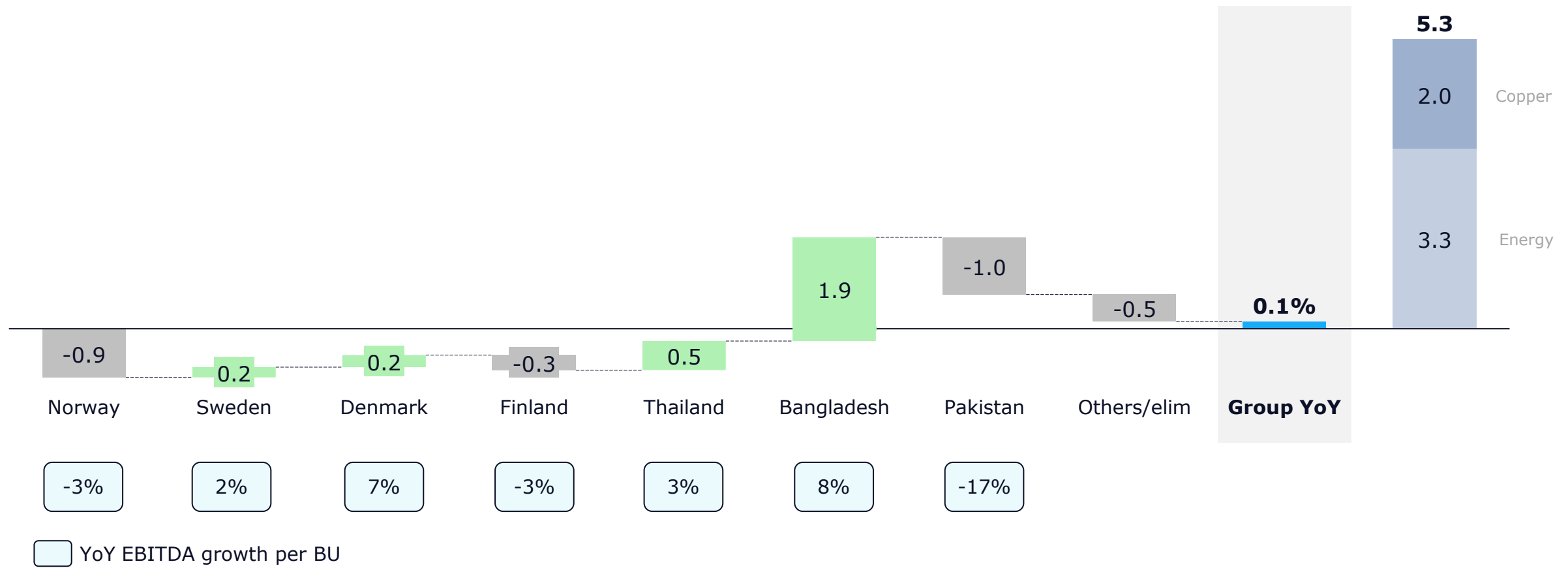
*FX adjusted
Net of pass-through of cost to external tenants



Organic **EBITDA** remained stable

Q4 2022 YoY change

%-points contribution to YoY % EBITDA growth



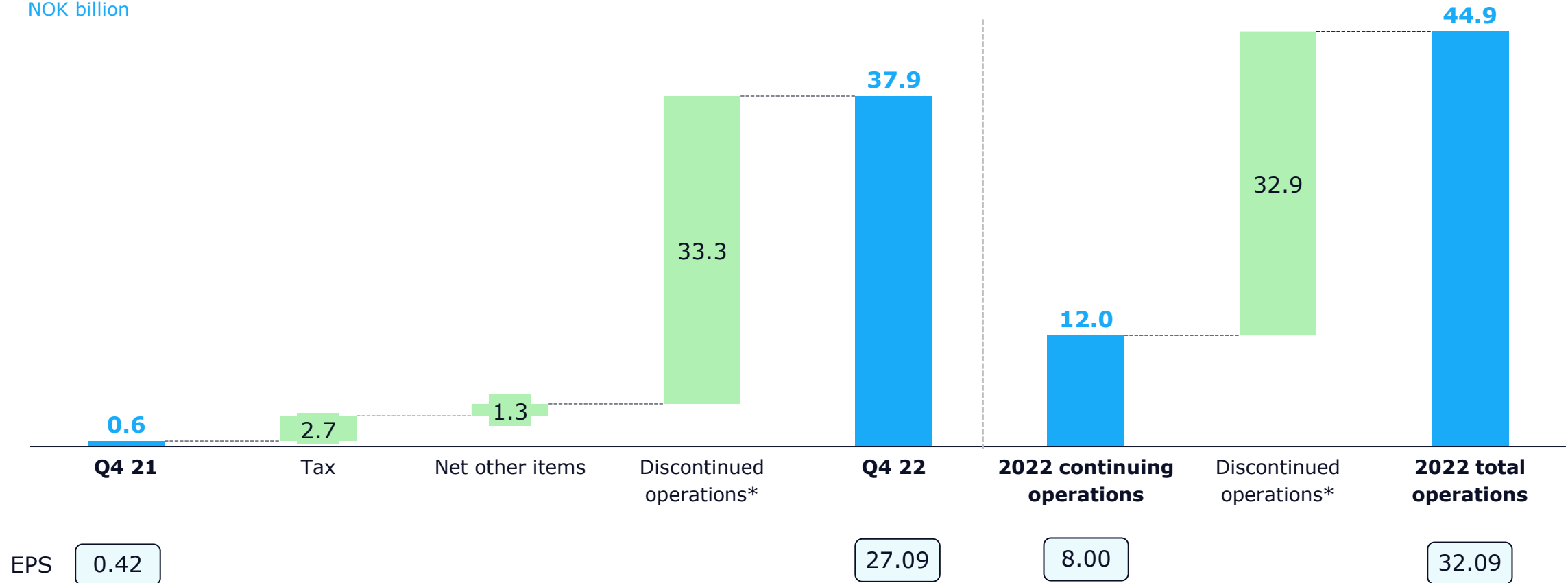
Organic **EBITDA** growth of 1% in 2022



Net income to equity holders of NOK 45 billion

Net income to equity holders of Telenor

NOK billion

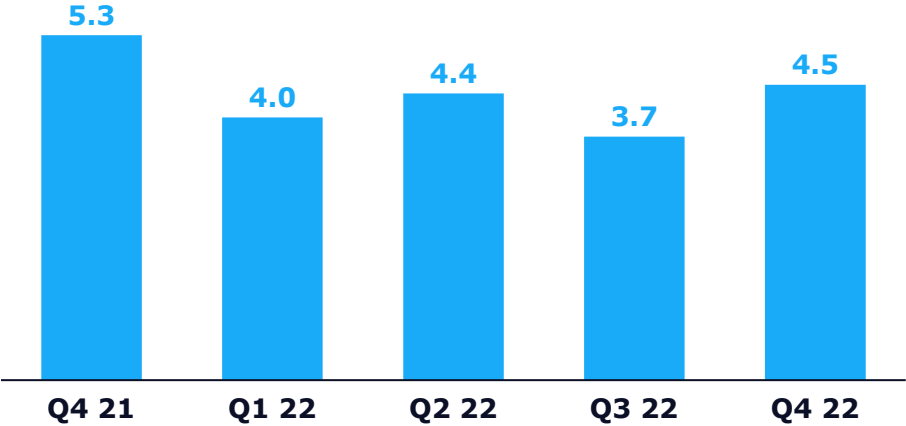


Capex to sales of 17% in 2022

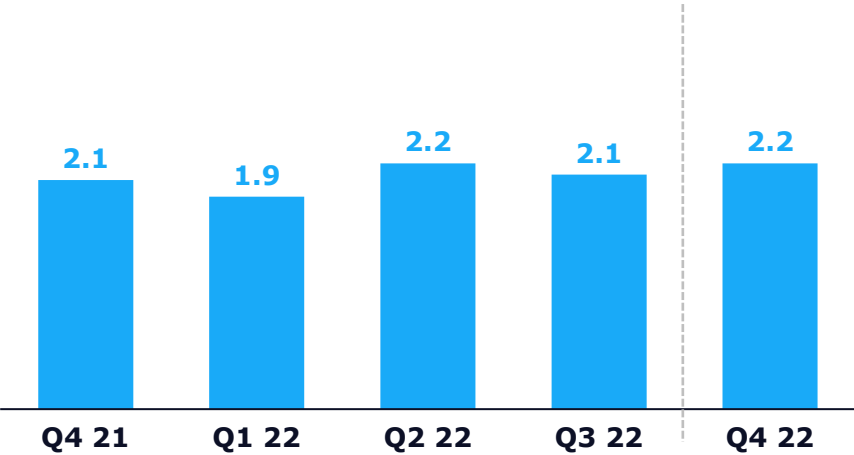
-Leverage within target range

Capex ex. licenses and spectrum

NOK billion



Leverage ratio *



- Leverage ratio from Q4 2022 onwards includes dividends from associates

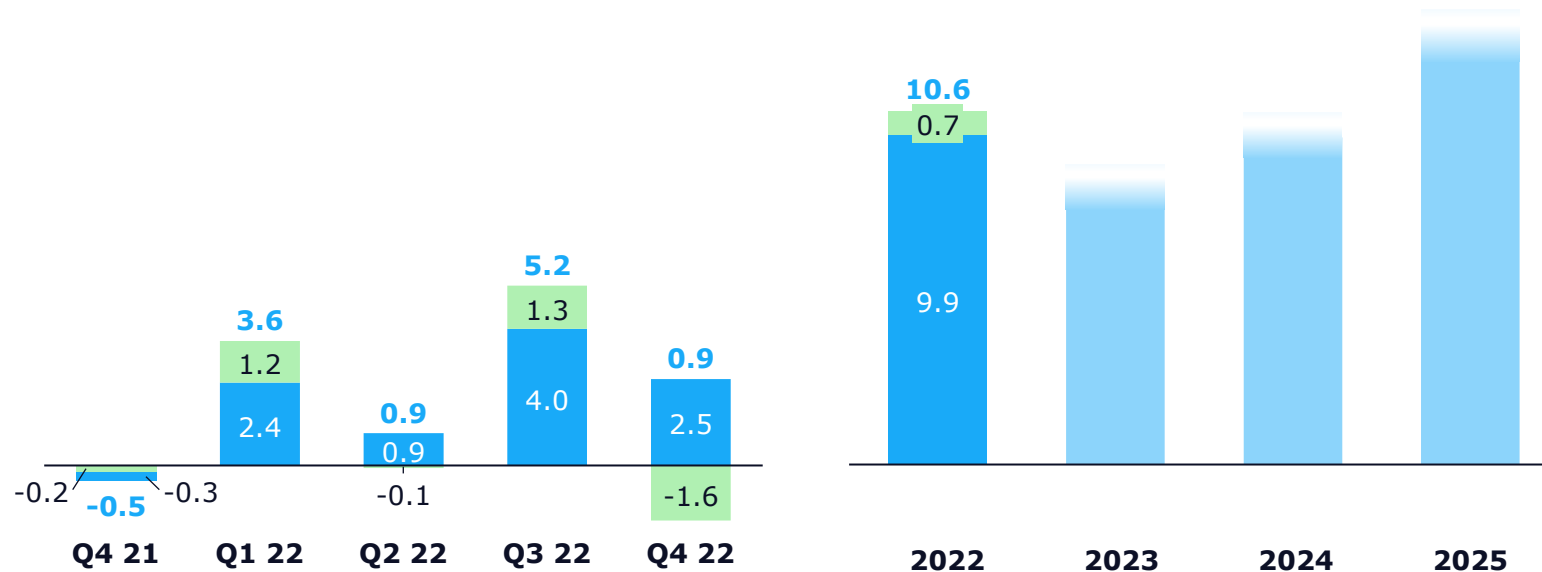
- Leverage ratio = Net debt / [EBITDA before other items + dividends from associated companies]
- Leverage ratio before Q422 includes Digi



Free Cash Flow of NOK 10.6 billion in 2022

Free cash flow

NOK billion



■ FCF excl. M&A and disposals
 ■ M&A and disposals
 ■ Outlined FCF forecast excl. new spectrum, M&A and disposals from CMD

Mid-term outlook

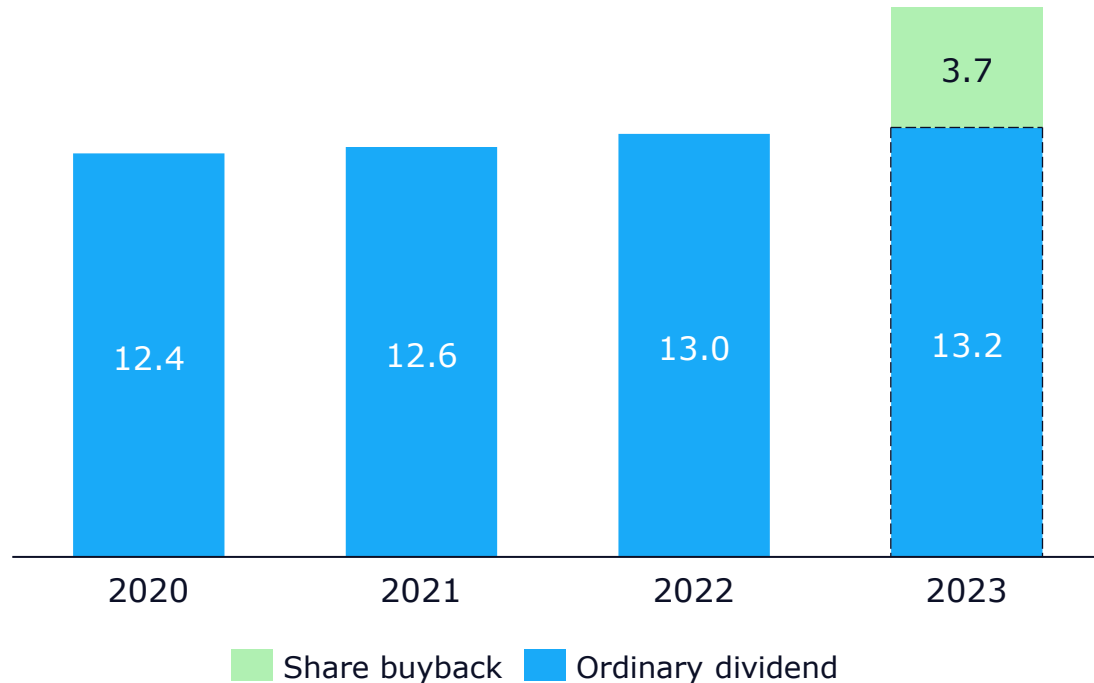
- Outlook for FCF excl. M&A unchanged from CMD
- 2023 FCF impacted by deconsolidation of Digi and Dtac, only partly offset by dividends
- Asian dividend ramp-up in 2024 and 2025 backed by synergy realization
- FCF improvement in the Nordics throughout the period



Proposed shareholder remuneration

Shareholder remuneration

NOK billion



Share buyback

- Sold 30% of the Norwegian fibre business
- The board intends to use 35% of the proceeds for share buyback
- Agreement in place to redeem a proportionate share of the Norwegian state holding
- Buyback programme to start in February

2022 dividend proposal

- Proposing dividend of **NOK 9.4 per share** for FY 2022, in line with dividend policy and subject to approval by AGM
- First tranche of NOK 5.0 per share in May, second tranche of NOK 4.4 per share in October



Outlook Telenor Nordics

Nordics	2023	Mid-term
Organic Service Revenues growth	Low to mid single-digit	Low to mid single-digit
Organic EBITDA growth	Low to mid single-digit	Mid single-digit
Capex/sales	Around 17%	Nordic capex ~NOK 2 bn lower in 2025 vs 2022

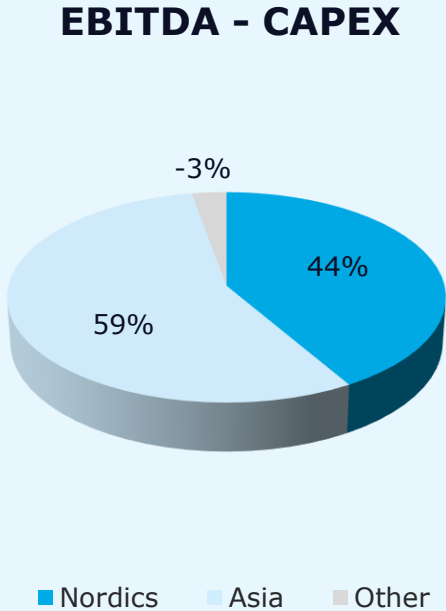
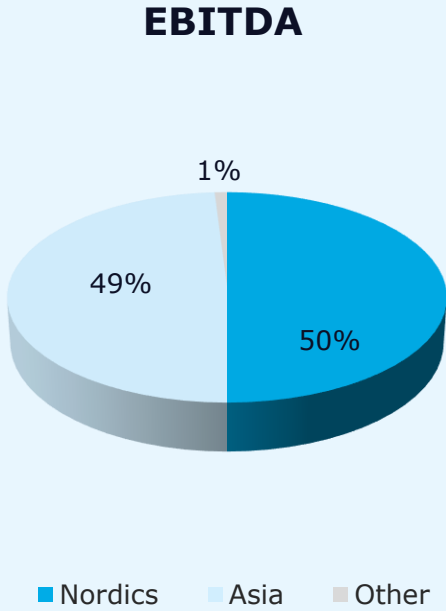
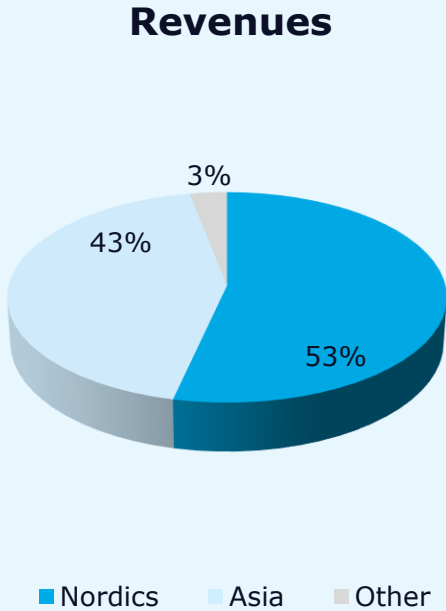


TELENOR GROUP

Fourth quarter 2022

Appendix

Geographic split of key financials 2022

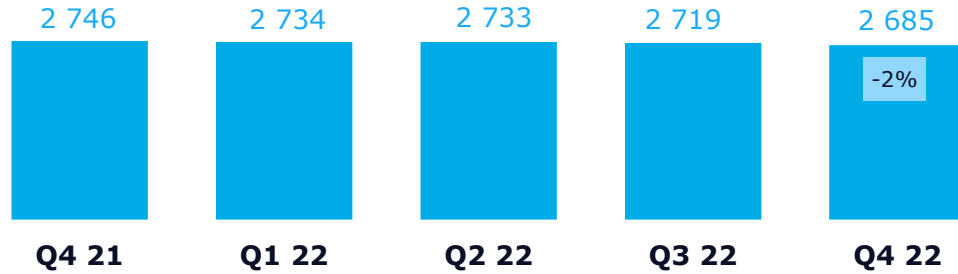


EBITDA before other items. Capex excl. licences.

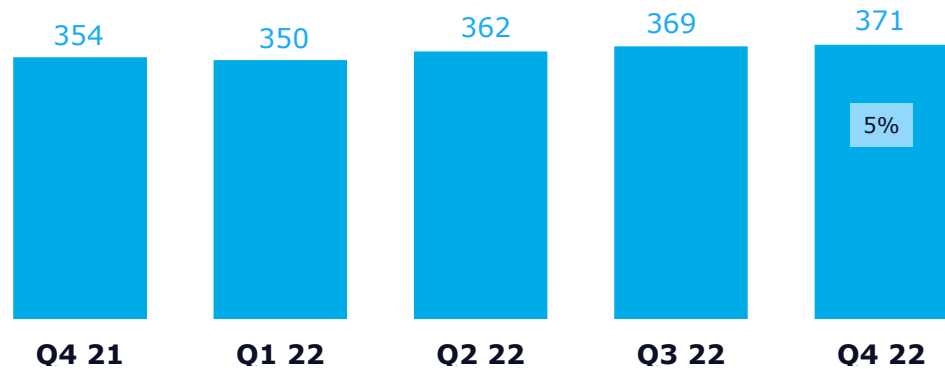


Norway

Mobile subscribers ('000)

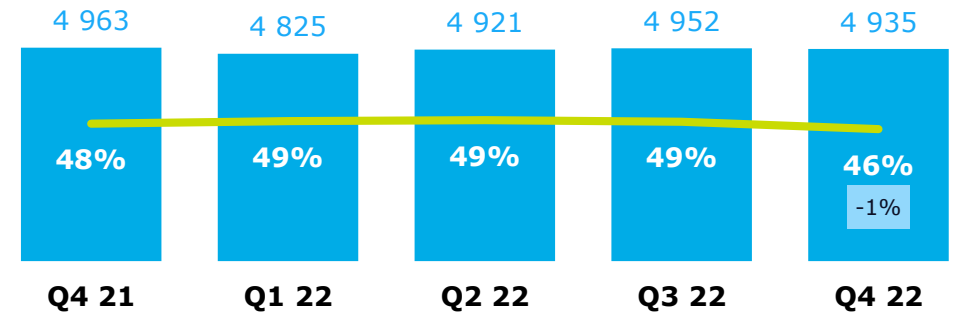


Mobile ARPU (NOK/month)

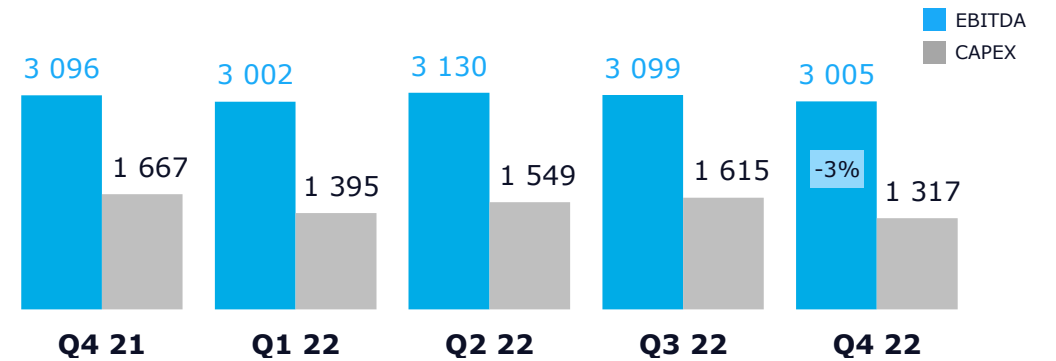


Organic growth assuming fixed currency, adjusted for acquisitions and disposals. EBITDA before other items. Capex excl. licence fees

Service revenues (NOK m) and EBITDA margin



EBITDA and capex (NOK m)

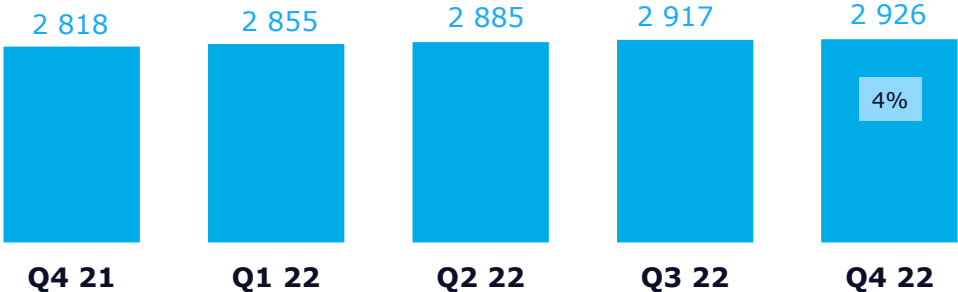


Organic growth YoY

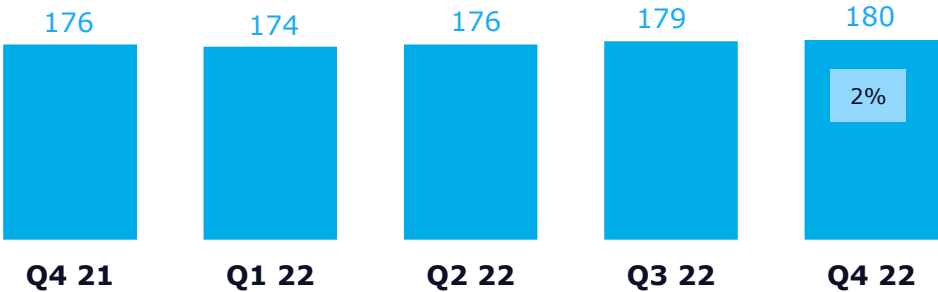


Sweden

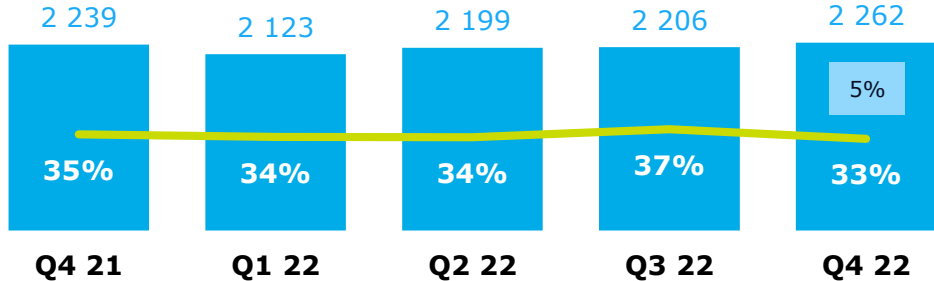
Mobile subscribers ('000)



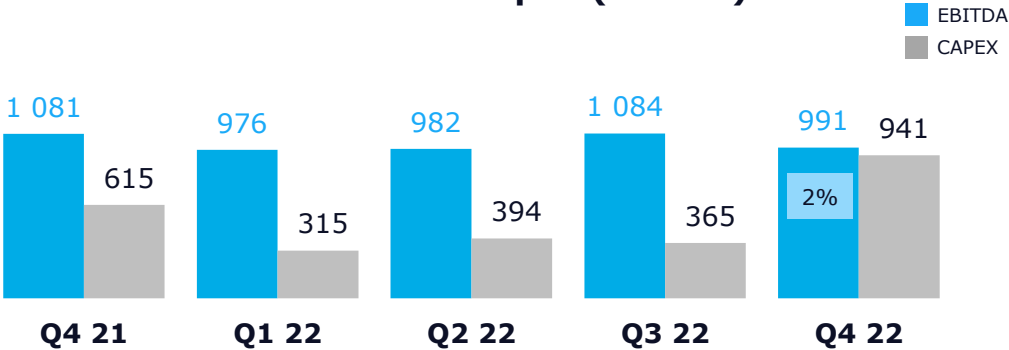
Mobile ARPU (SEK/month)



Service revenues (NOK m) and EBITDA margin



EBITDA and capex (NOK m)

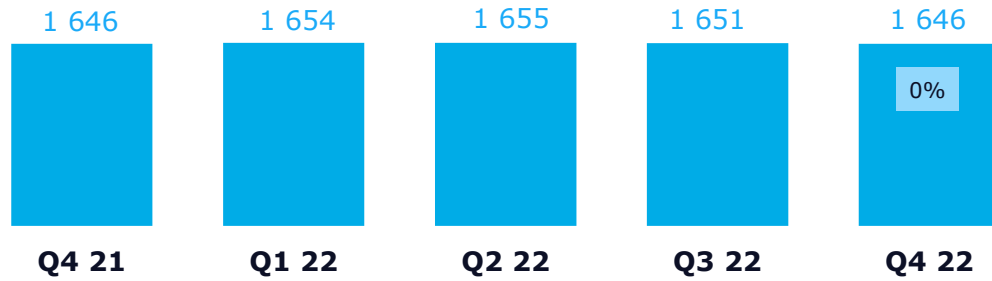


Organic growth assuming fixed currency, adjusted for acquisitions and disposals. EBITDA before other items. Capex excl. licence fees

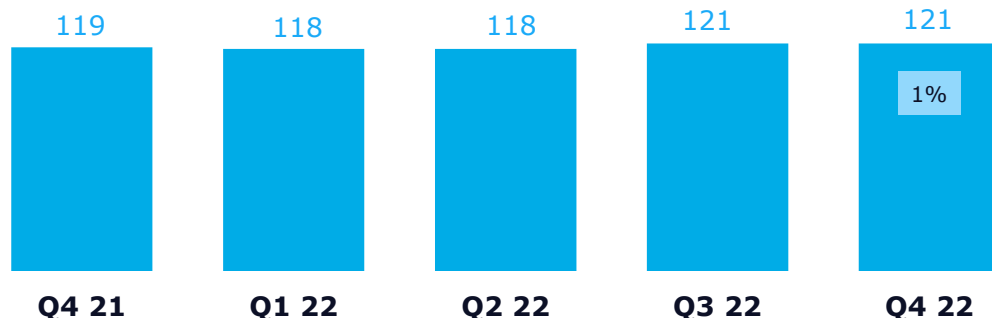


Denmark

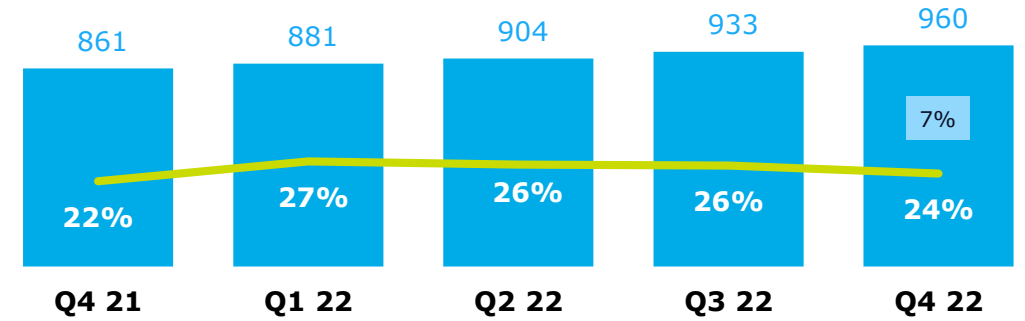
Mobile subscribers ('000)



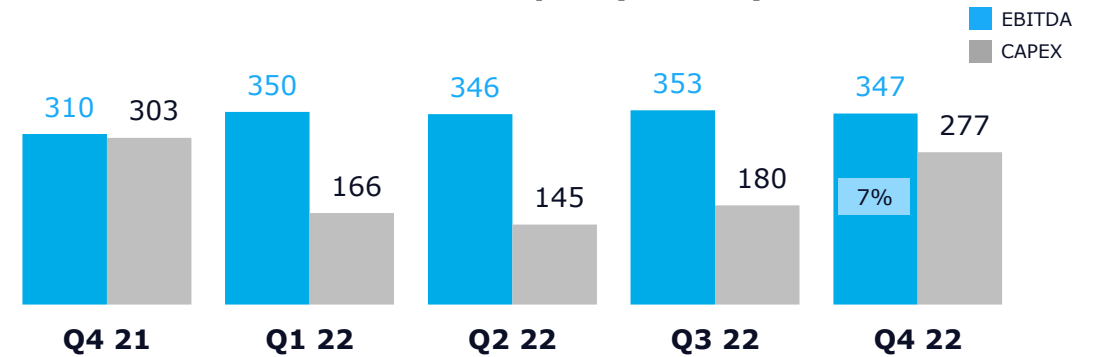
Mobile ARPU (DKK/month)



Service revenues (NOK m) and EBITDA margin



EBITDA and capex (NOK m)



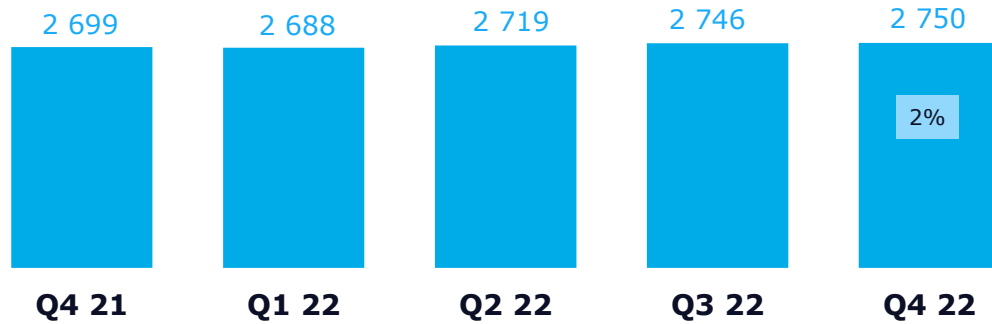
Organic growth assuming fixed currency, adjusted for acquisitions and disposals. EBITDA before other items. Capex excl. licence fees

Organic growth YoY

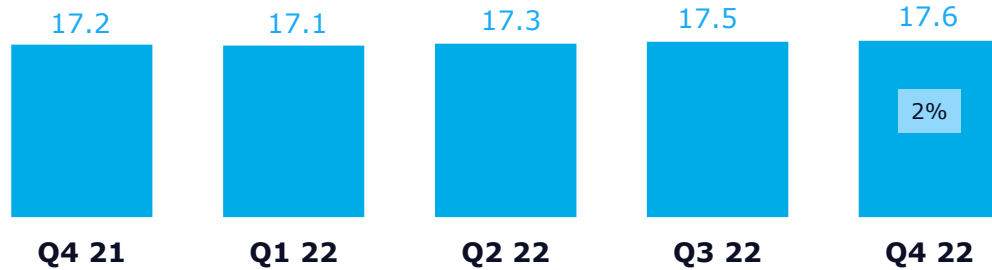


Finland

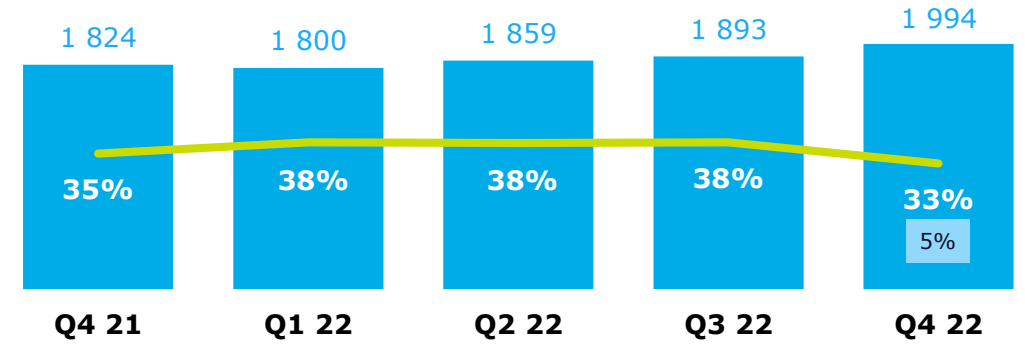
Mobile subscribers ('000)



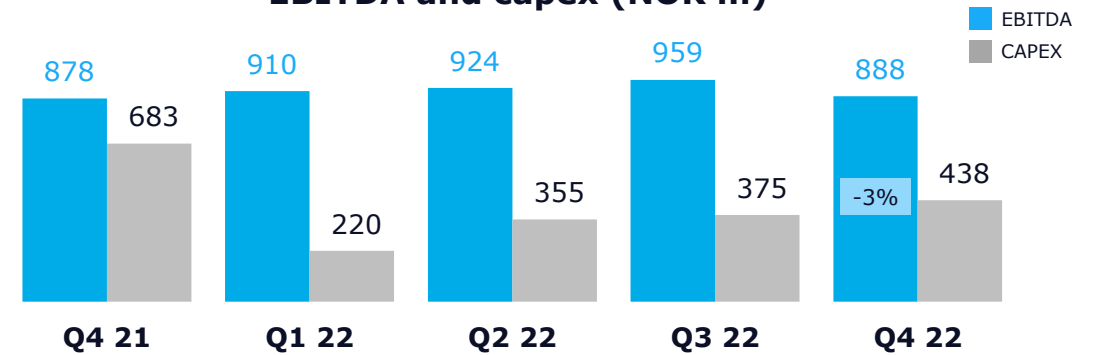
Mobile ARPU (EUR/month)



Service revenues (NOK m) and EBITDA margin



EBITDA and capex (NOK m)

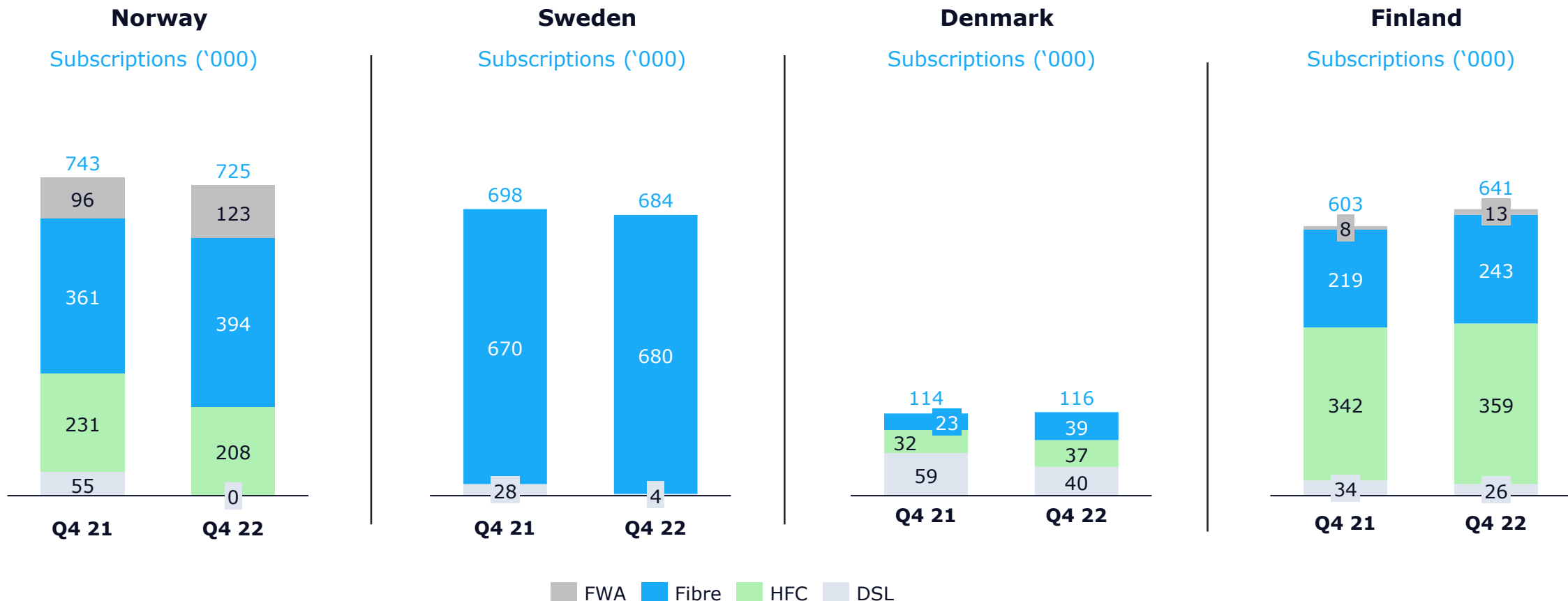


Organic growth assuming fixed currency, adjusted for acquisitions and disposals. EBITDA before other items. Capex excl. licence fees

Organic growth YoY

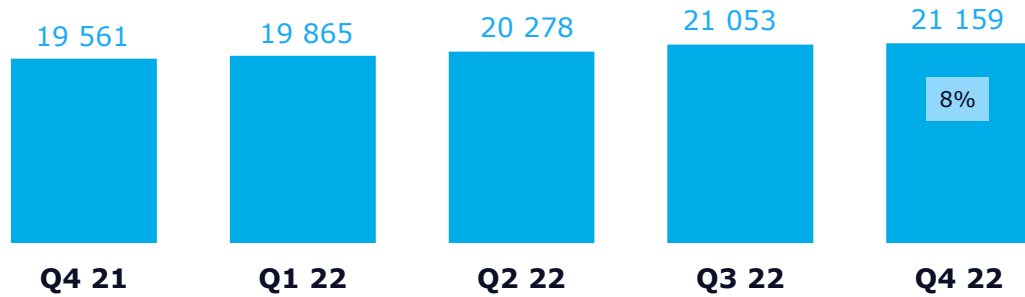


Additional information – Nordics

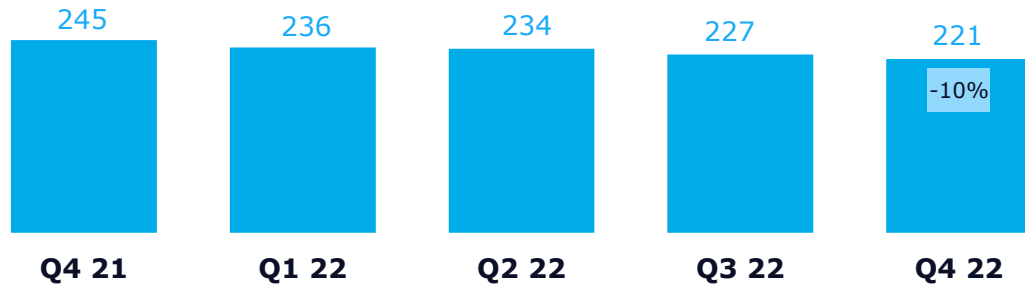


Thailand (dtac)

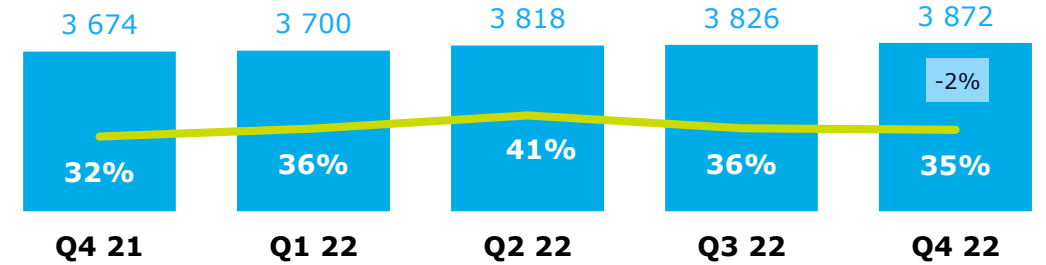
Mobile subscribers ('000)



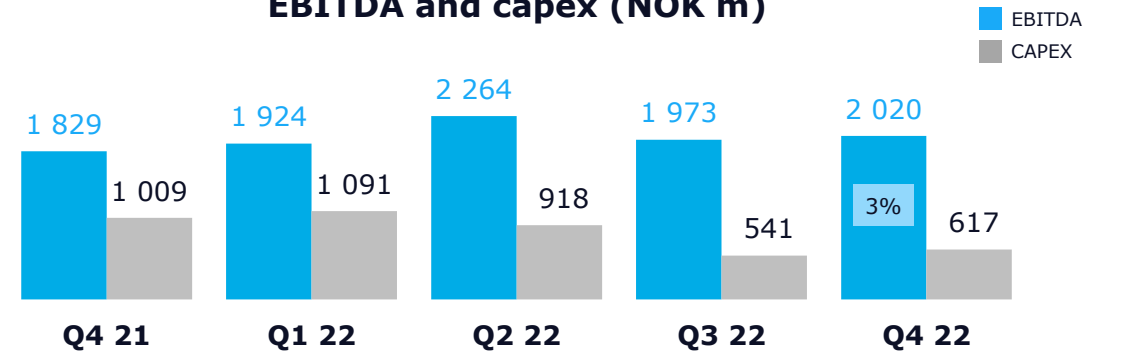
Mobile ARPU (THB/month)



Service revenues (NOK m) and EBITDA margin



EBITDA and capex (NOK m)



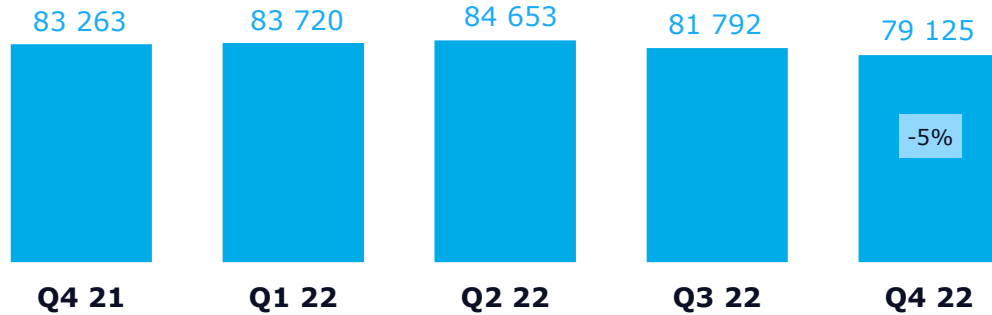
Organic growth assuming fixed currency, adjusted for acquisitions and disposals. EBITDA before other items. Capex excl. licence fees

Organic growth YoY

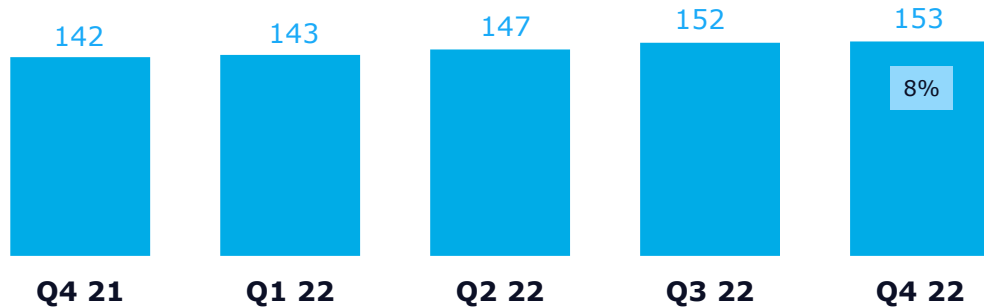


Bangladesh (Grameenphone)

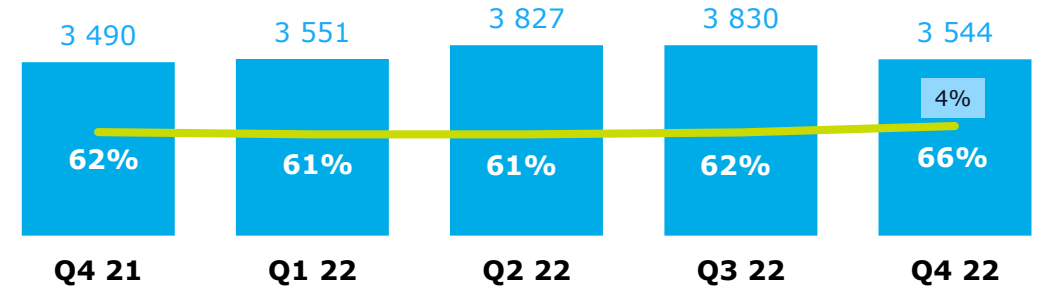
Mobile subscribers ('000)



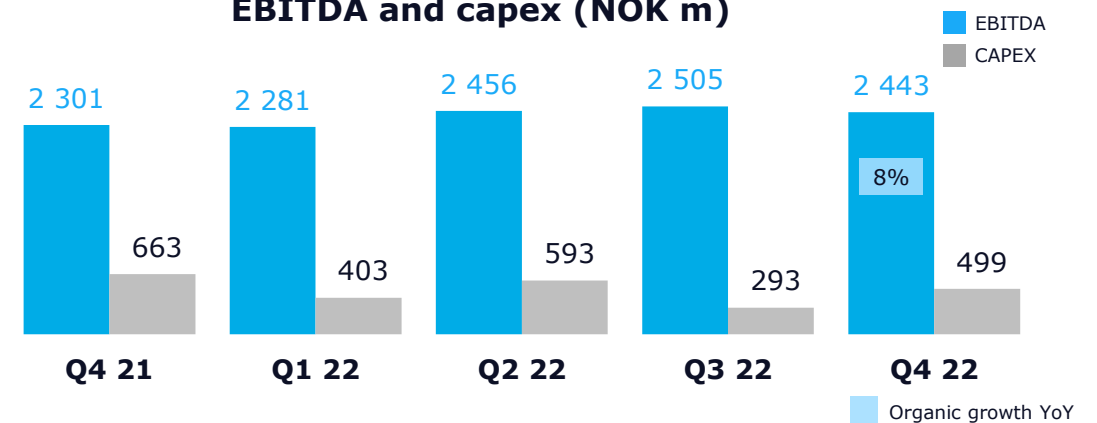
Mobile ARPU (BDT/month)



Service revenues (NOK m) and EBITDA margin



EBITDA and capex (NOK m)

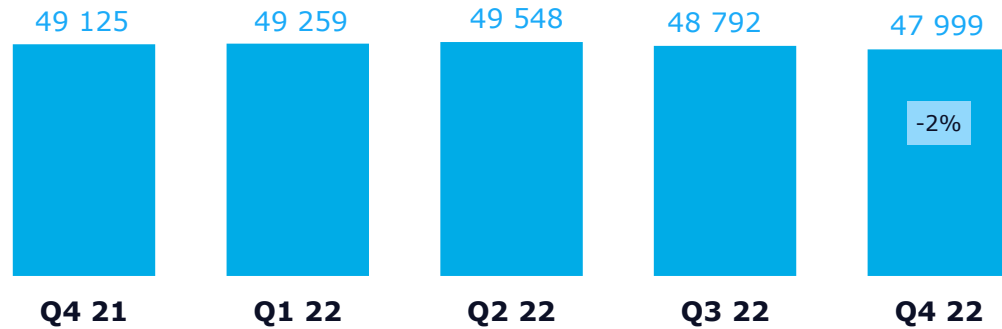


Organic growth assuming fixed currency, adjusted for acquisitions and disposals. EBITDA before other items. Capex excl. licence fees

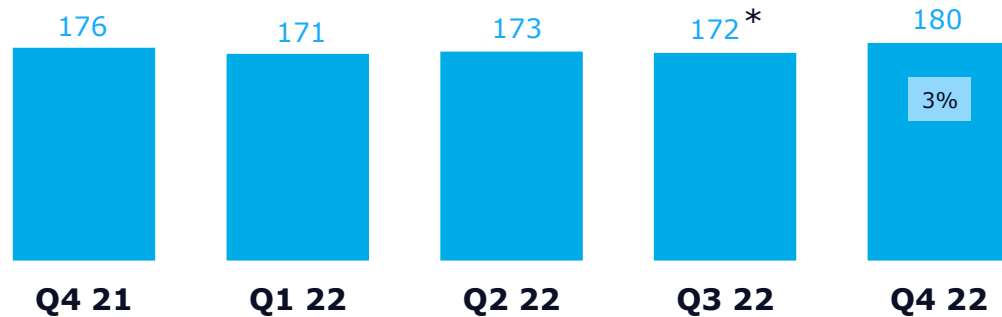


Pakistan

Mobile subscribers ('000)

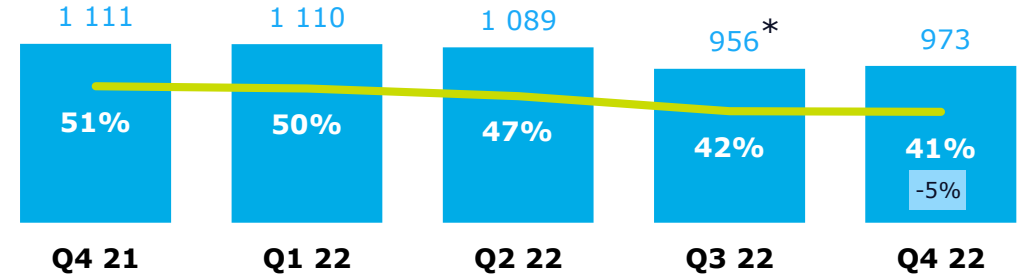


Mobile ARPU (PKR/month)

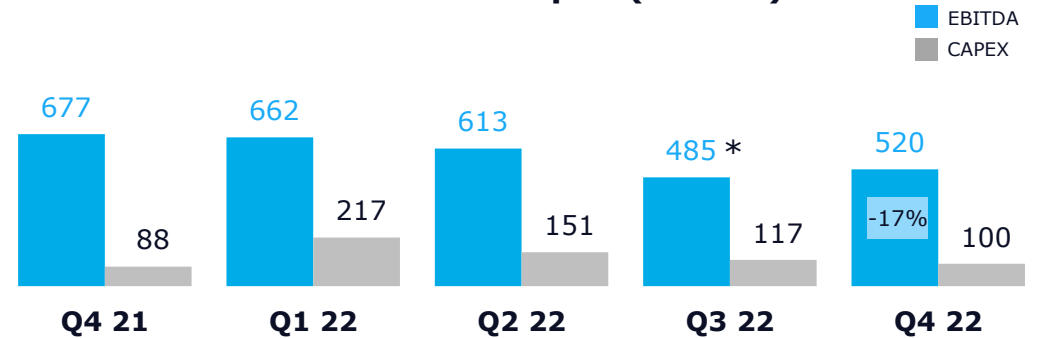


Organic growth assuming fixed currency, adjusted for acquisitions and disposals. EBITDA before other items. Capex excl. licence fees

Service revenues (NOK m) and EBITDA margin



EBITDA and capex (NOK m)



Organic growth YoY



Q4 growth in **Service Revenues** and **EBITDA**

Country	Service revenues		EBITDA	
	Reported	Organic	Reported	Organic
Norway	-1%	-1%	-3%	-3%
Sweden	1%	5%	-8%	2%
Denmark	11%	7%	12%	7%
Finland	9%	5%	1%	-3%
Thailand	5%	-2%	10%	3%
Bangladesh	2%	4%	6%	8%
Pakistan	-12%	-5%	-23%	-17%
Telenor Group	3%	2%	0%	0%



Net income of **NOK 45 billion** for 2022

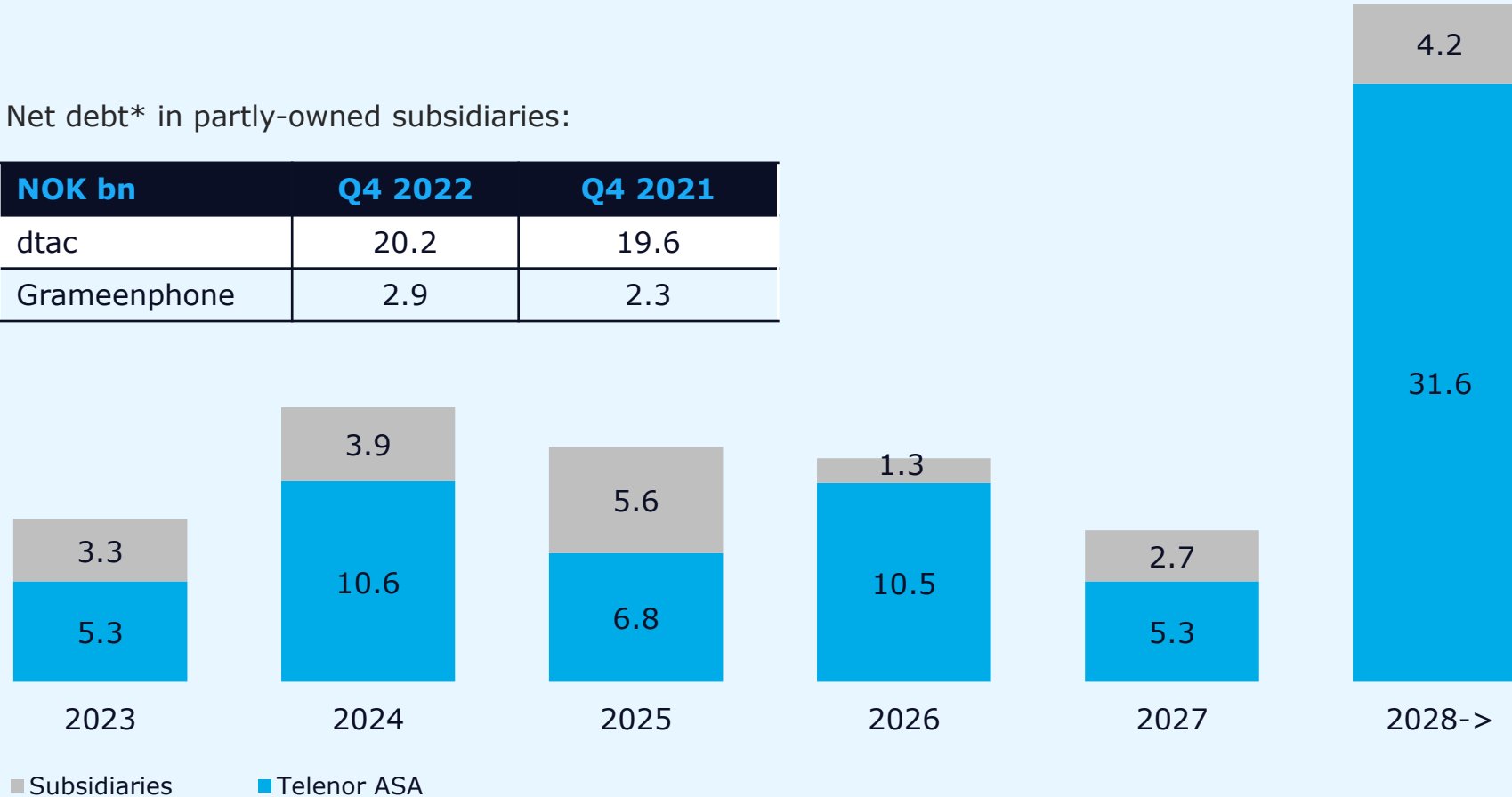
NOK m	2021	2022	Q4 2021	Q4 2022
Revenues	97 153	98 953	24 865	25 402
EBITDA before other items	42 656	42 374	10 148	10 146
Other items	(1 754)	743	(1 205)	(338)
EBITDA	40 902	43 117	8 943	9 809
Depreciation & amortization and Impairments	(23 247)	(25 771)	(5 805)	(5 896)
Operating profit	17 654	17 346	3 137	3 913
Associated companies and JVs	(459)	(303)	(173)	(37)
Net financials	(3 472)	(6 312)	(793)	(593)
Taxes	(5 008)	2 914	(1 028)	1 694
Profit (loss) from discontinued operations	(4 123)	33 716	145	33 148
Minorities	3 063	2 449	702	220
Net income - Telenor equity holders	1 528	44 913	587	37 906
Earnings per share (NOK)	1.09	32.09	0.42	27.09



Debt maturity profile (NOK bn)

Net debt* in partly-owned subsidiaries:

NOK bn	Q4 2022	Q4 2021
dtac	20.2	19.6
Grameenphone	2.9	2.3



Net debt reconciliation

NOK bn	Q4 2022	Q4 2021
Non-current interest-bearing liabilities	83 297	87 811
Non-current lease liabilities	24 417	28 101
Current interest-bearing liabilities	8 596	9 276
Current lease liabilities	6 674	6 977
Cash and cash equivalents	(9 929)	(15 223)
Fair value hedge instruments	(27)	(1 071)
Financial instruments	(277)	(327)
Non-current license obligations	(11 944)	(12 496)
Current license obligations	(2 931)	(2 264)
Net interest-bearing debt excl. license obligations	97 875	100 783



Balance sheet and key ratios

	31 Dec 2022	31 Dec 2021
Total assets	239 059	225 740
Equity attributable to Telenor ASA shareholders	60 139	26 294
Gross debt*	122 984	132 165
Net debt	97 875	100 783
Dividends from associates and joint ventures	1 376	-
Leverage**	2.2	2.1
Return on capital employed***	14%	8%

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

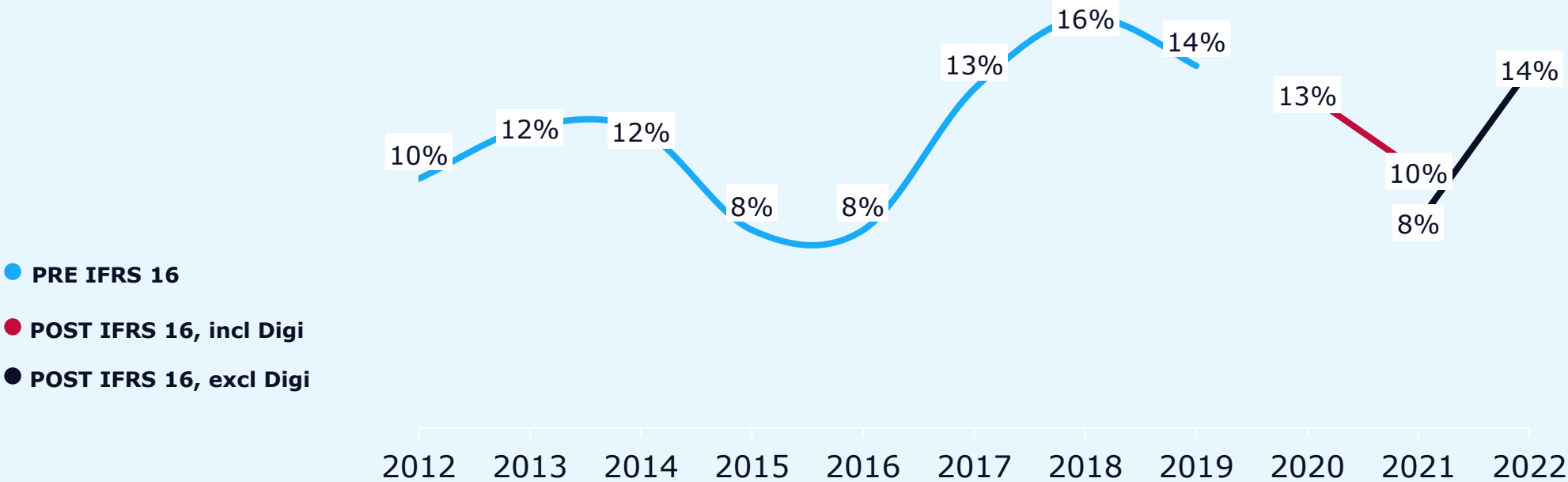
***) 12 months rolling EBITDA; Leverage= Net Debt (EBITDA + Dividends from Associates and Joint Ventures)

***) 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

