



Telenor Q4 2023 results

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07.02.2024

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The comments in the presentation are related to Telenor's development in 2023 compared to the same quarter of 2022, 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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Q4 2023



Steady growth and strong FCF generation



5% Nordic MSR growth
throughout 2023



Structural-agenda
execution



FCF of NOK 5.5 bn in Q4,
NOK 15 bn for 2023



Solid progress on 2023-2025 targets

CMD 20/22

Capital Markets Day

Strategic and financial targets '22-25'; where we are as of Q4 2023

Nordics

-  Low to mid-single-digit service revenue growth 
-  Mid-single-digit EBITDA growth 
-  Opex reductions 1-3% 
-  Nordic transformation 

Asia

-  Strengthen positions
-  De-risking
-  Strategic optionality

Infrastructure

-  Fibre deal
-  Crystallise tower values and explore partnerships
-  Strategic options within data centres

Amp

- Asset-by-asset; develop or divest
- Unlock value through partnerships

Sustainability agenda



On trajectory to deliver on key ESG ambitions



50%+ of vendors committee to SBTs

1.1m trained in Digital Skills in 2023



Nordic transformation to drive customer impact and operational efficiencies



Synergy areas



Network and IT

Accelerate our multi-cloud strategy, next phase of network modernisation

- Boosting share of cloud-based IT applications to 70% in 2024
- Doubling cloud-native network workloads
- Retirement of 2G/3G, removal of legacy equipment (DSL, CATV & TDM)



Shared services

‘One Nordics’ cloud-native common services platform

- Doubling shared cost base in 2024
- Embracing cloud-native analytics and AI to drive synergies, automation and business value



Customer experience

Expand AI deployment to transform CX and go-to-market impact

- Several pilots launched in 2023 – expand and go live through 2024-2025
- Expand common B2B portfolio.
- Common platform for real-time and data-driven pricing to enhance customer experience



Working capital

Programme with substantial NWC improvement potential underway

- Targeting significant improvement in working capital management
- Use 3rd party device financing arrangements where meaningful



Flat opex in 2024 ;
reduction in 2025



Growth and integration to support 2024-2025 cash flows in Asia



	Country	Company	Market position	Focus	
Associated	Malaysia	 celcomdigi	#1	Transformative merger integration <ul style="list-style-type: none">• Leverage market leadership• Single-Grid Execution• Unified distribution and culture	<ul style="list-style-type: none">• FCF generation• Strategic opportunities
	Thailand	 true	#1	<ul style="list-style-type: none">• Return to growth• Single-Grid Execution• Rightsizing of organization	
Consolidated	Bangladesh	 grameenphone	#1	Growth drivers and FCF <ul style="list-style-type: none">• Subscriber and data growth• Growth in data usage• Opex and capex discipline	<ul style="list-style-type: none">• FCF generation• Strategic opportunities
	Pakistan	 telenor	#3	<ul style="list-style-type: none">• Announced divestment to PTCL	



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Q4 and full year 2023: Group Financial Highlights



Service revenue growth

2023

4.0%

Q4

4.9%



EBITDA growth

2.8%

3.9%



Capex/sales

15.8%

14.8%



Free cash flow before M&A
(NOK bn)

9.5

4.9



Q4 2023

Q4 and full year 2023: Group Financial Highlights



Service revenue growth

2023 **4.0%**

Q4 **4.9%**



EBITDA growth

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3.9%



Capex/sales

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(NOK bn)

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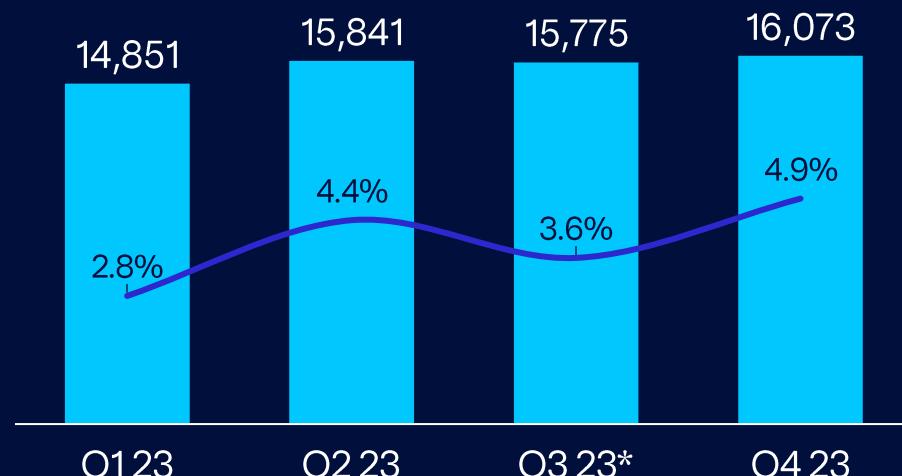


Positive trend in group service revenues

Group service revenues (NOK million)

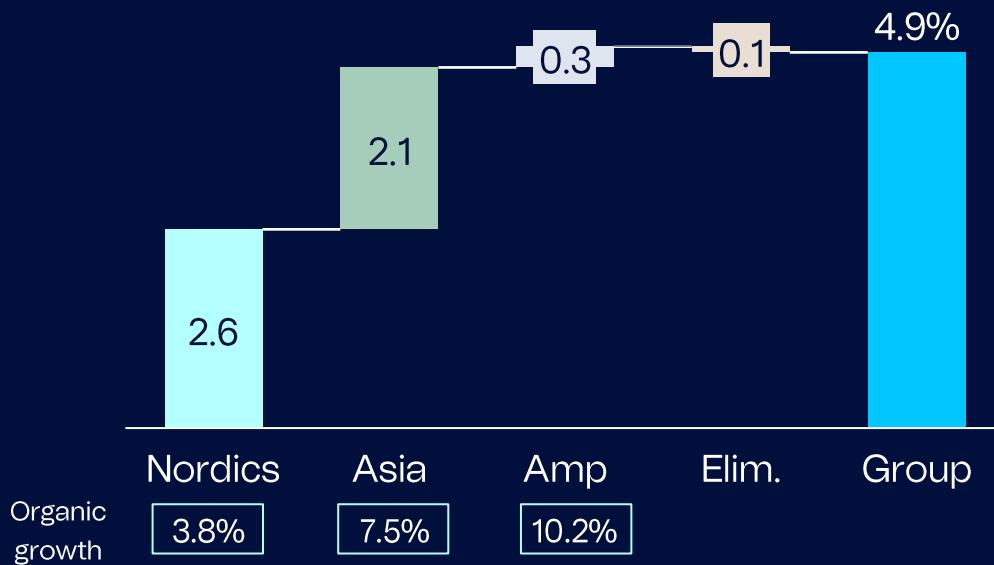
2023

- Service revenue growth
- Reported service revenues, NOKm



Q4

- Percentage-point contribution to YoY %-growth



Q4 2023

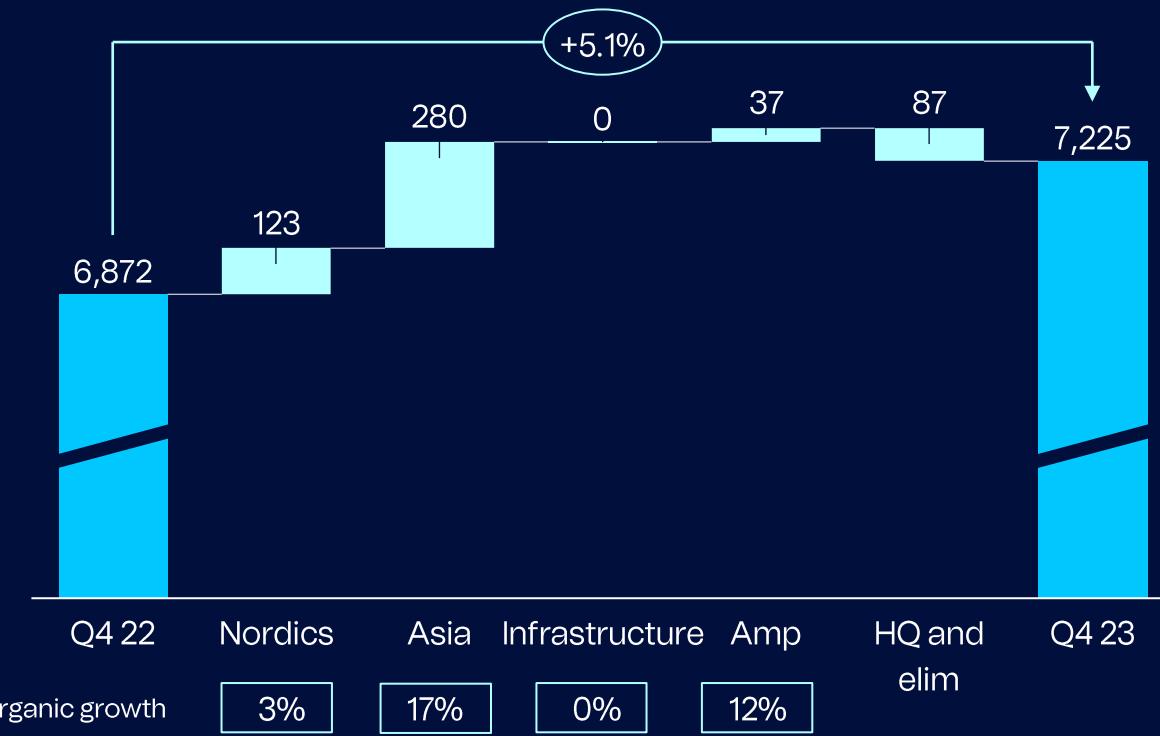
* Q3 growth excl. Q3 22 reversal of sim tax provisions in Telenor Pakistan: 4.4%

Note: Telenor Infrastructure does not book service revenues

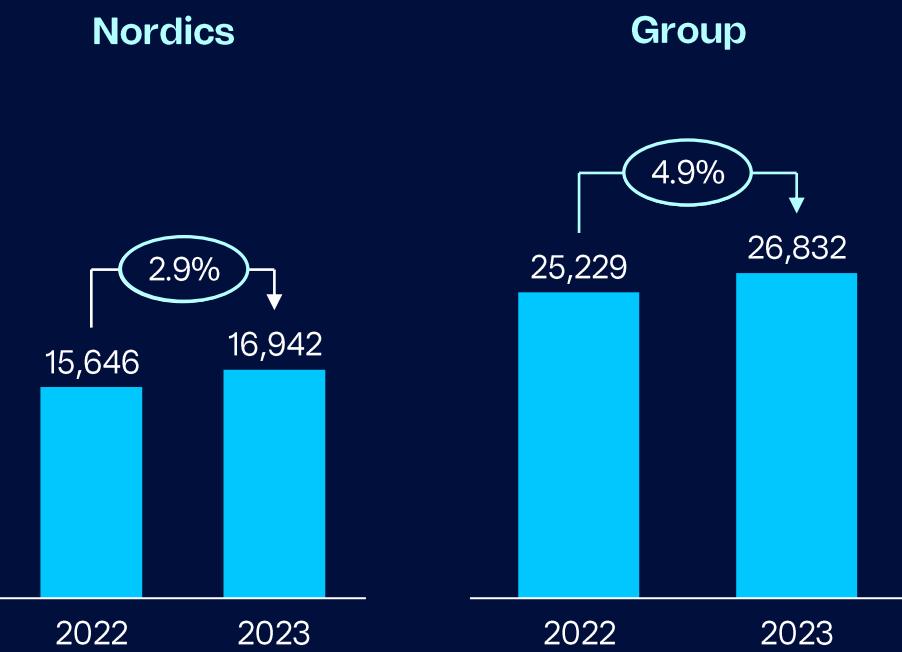
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Opex driven by inflation and energy in Asia; partially offset by Nordic transformation efforts

Organic opex, Group
(NOK million, YoY)



Full-year reported opex and organic growth
(NOKm and YOY%)

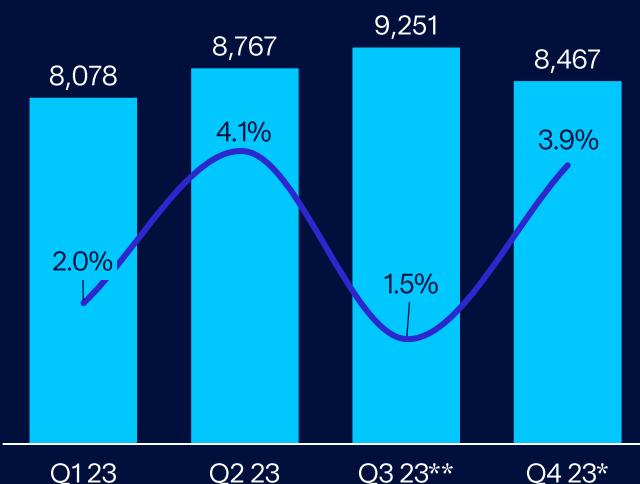


Group-level operating performance driven by Nordics

EBITDA, Group (NOK million)

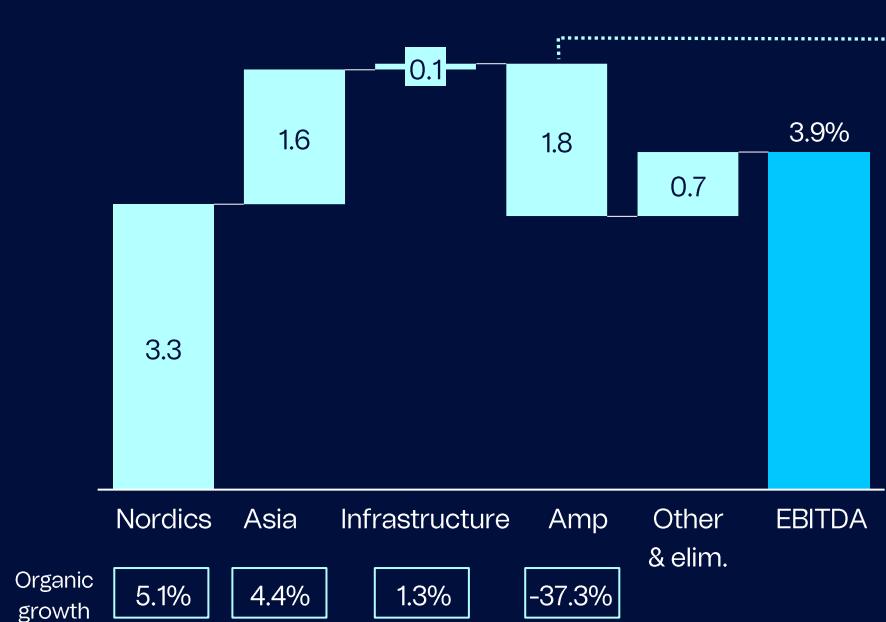
2023

— EBITDA growth ■ Reported EBITDA, NOKm



Q4

□ Percentage-point contribution to YoY %-growth



Amp update

- Q4 growth affected by tough comps and structural headwinds in Linx
- WG2 and Satellite sold
- Focus going forward: developing IoT (Connexion) and security, EBITDA and cash flow reset in 2024
- Updated NAV estimate as of 2023: Around NOK 10 bn (NOK 10-15 bn as of 2022)



Q4 2023

*Q4 growth with flat energy: 4.1%

** Q3 growth excl. Q3 22 reversal of sim tax provisions in Telenor Pakistan: 7.3%

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Nordics' top line growth in line with outlook

Service revenues, Nordics (NOK million)

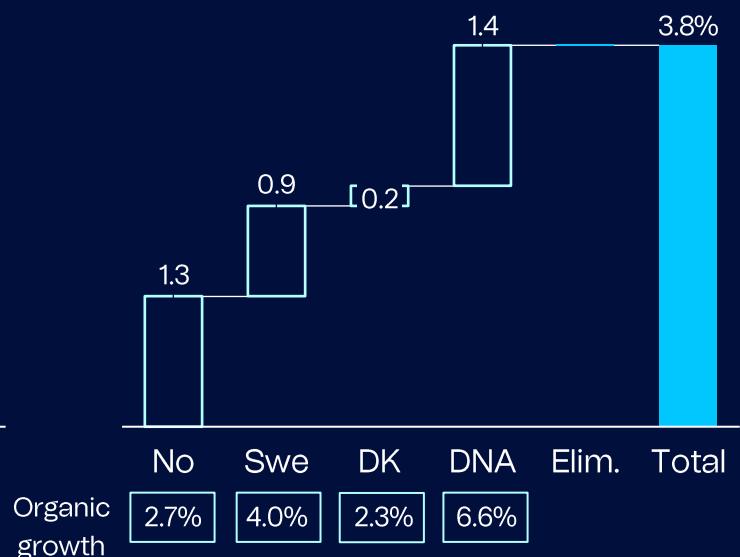
2023

- Mobile service revenue growth
- Total service revenue growth
- Reported service revenues, NOKm



Q4

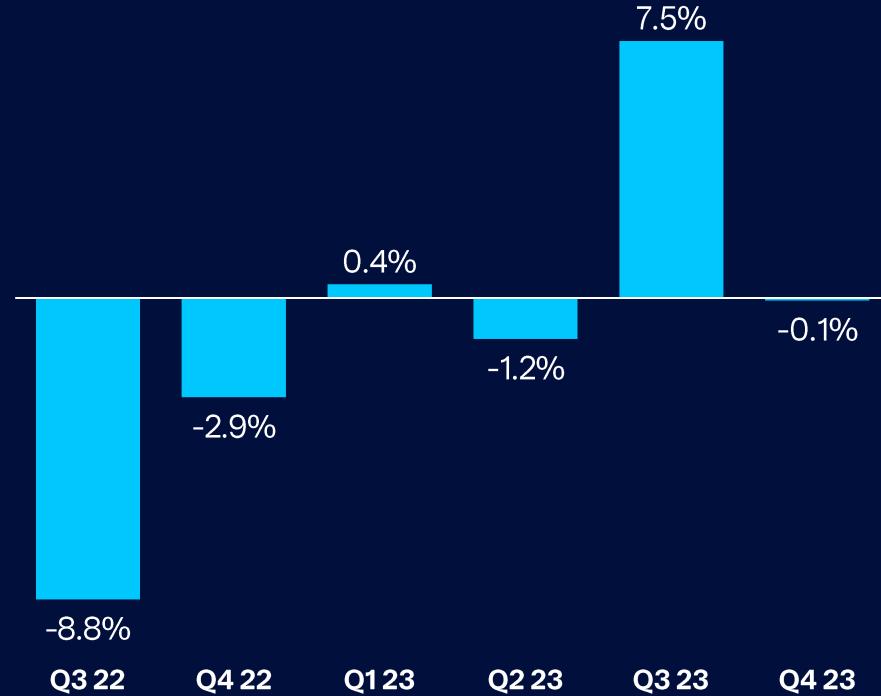
□ Percentage-point contribution to YoY %-growth



Norway EBITDA impacted by device-related headwinds, partly non-cash

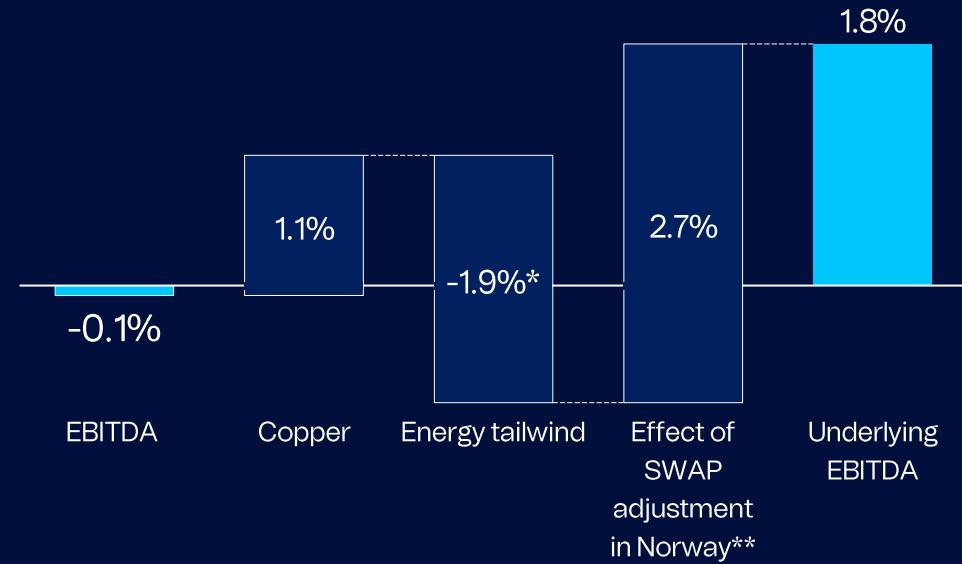
EBITDA, Telenor Norway (NOK million)

% YoY change



Underlying EBITDA, Q4 Telenor Norway

% YoY change



* Norway Energy cost q4 2022: NOK 212 m and q4 2023 NOK 155m.

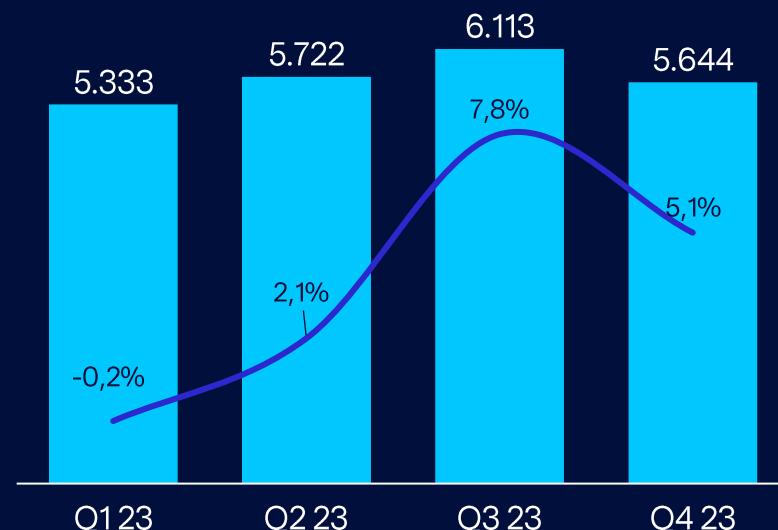
** Swap handset financing programme adjustments are mostly non-cash

EBITDA growth in the Nordic remains strong

EBITDA, Nordics (NOK million)

2023

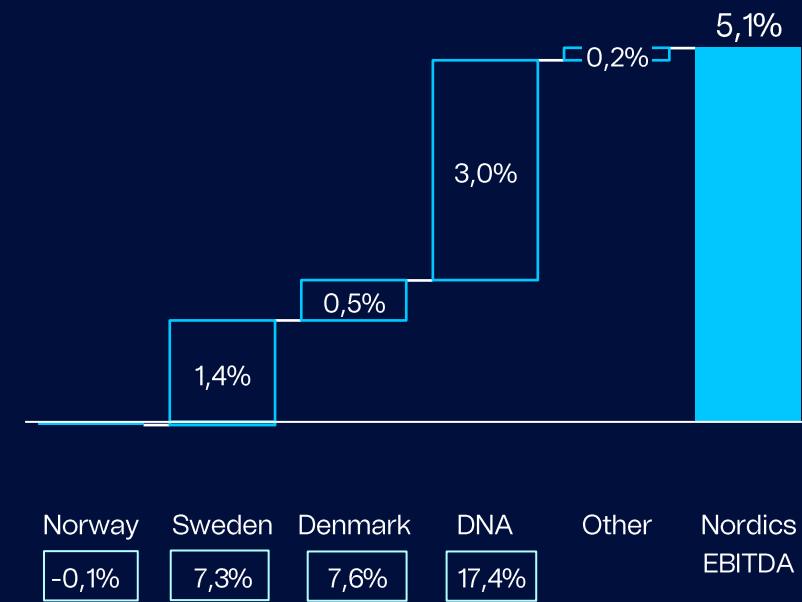
— EBITDA growth ■ Reported EBITDA, NOKm



Q4

□ Percentage-point contribution to YoY %-growth

Organic
growth



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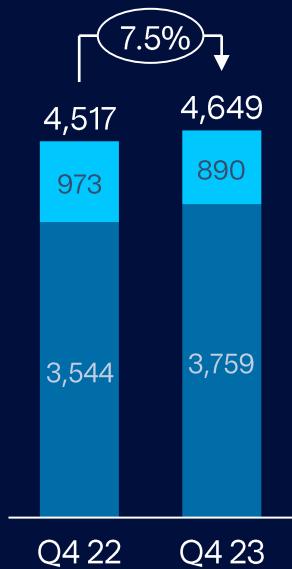
Q4 2023



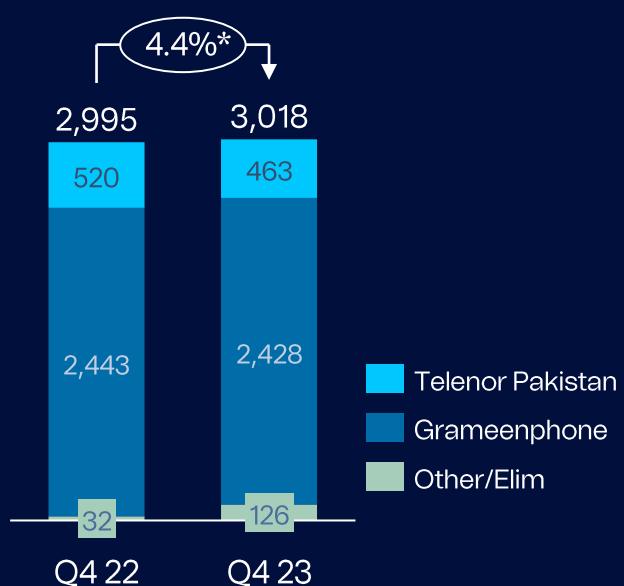
Asia on track

Reported service revenues and EBITDA, organic growth (NOKm and YOY%)

Service revenues:



EBITDA:



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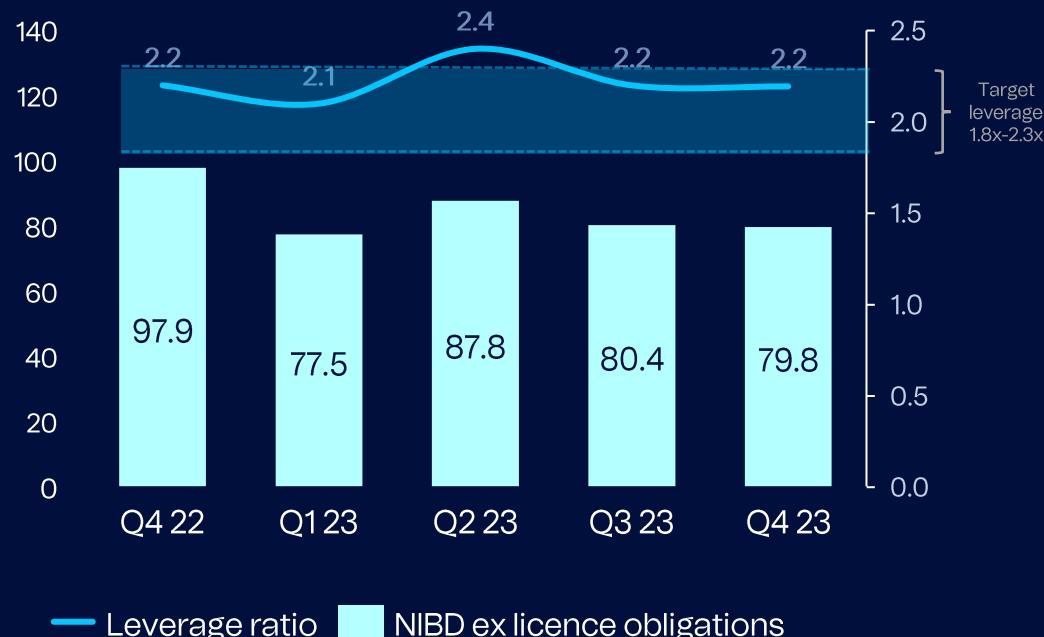
Net income affected by gains and impairments

NOK million

	Q4 2022	Q4 2023	FY 2022	FY 2023	Q4 2023	FY 2023
EBITDA reported	7.711	7.987	34.758	33.524		
Depreciation and amortisation	-4.362	-4.194	-17.114	-16.535		
Impairment losses	-22	-25	-2.502	-25	<ul style="list-style-type: none"> • Impairments: True Corporation, Allente, and Carousell. Total impairments: NOK 8.966m (whereof NOK 8.037m is related to True) • Gain on disposal of WG2 sale (NOK 670m) 	<ul style="list-style-type: none"> • Impairments: True Corporation, Allente, and Carousell. Total impairments: NOK 8.966m (whereof NOK 8.037m is related to True) • Gain on disposal of WG2 sale (NOK 670m)
Operating profit (loss)	3.327	3.769	15.143	16.964		
Share of net income from associated companies and joint ventures	-37	-8.198	-301	-8.466		
Net financial income (expenses)	-381	-1.279	-5.503	-7.400	Impairment of True JV shareholder loan: NOK 695m	Impairment of True JV shareholder loan: NOK 695m
Profit (loss) before taxes	2.909	-5.708	9.339	1.097		
Income taxes	1.775	-1.771	3.009	-4.332		
Net income (loss) from continuing operations	4.684	-7.479	12.348	-3.235		
Profit (loss) from discontinued operations	33.659	63	35.230	18.615	Deconsolidation Digi: NOK 32.652 m (booked in Q4 22).	
Net income (loss)	38.343	-7.416	47.578	15.380	Dtac gain: NOK 18.521 m (booked in Q1 23),	Dtac gain: NOK 18.521 m (booked in Q1 23),
Net income attributable to:						
Non-controlling interests	436	268	2.665	1.646		
Equity holders of Telenor ASA	37.906	-7.683	44.913	13.734		
EPS	27.09	-5.55	32.09	9.9		

Leverage ratio within target range; macro-level volatility to continue

Leverage ratio within target range (NOK bn)

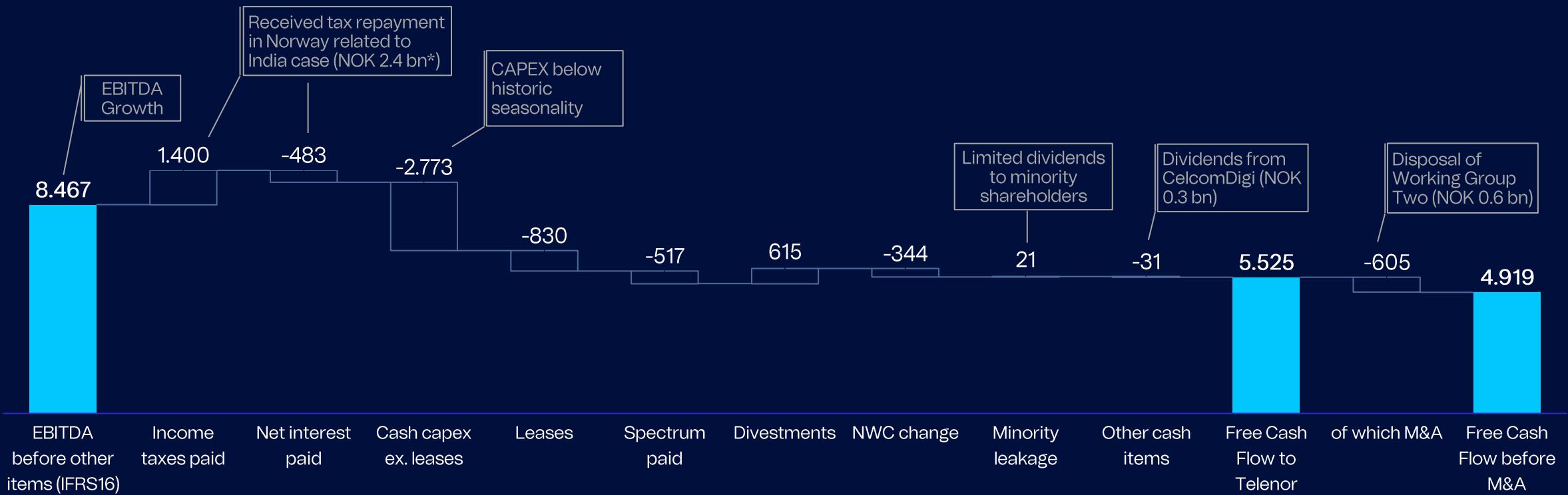


Macro factors

- FX Volatility
- Energy prices and subsidies
- Inflation and interest rates

FCF before M&A of NOK 4.9bn

Q4 free cash flow, with drivers (NOK million)



*NOK 150 m of which is an offset to net interest paid

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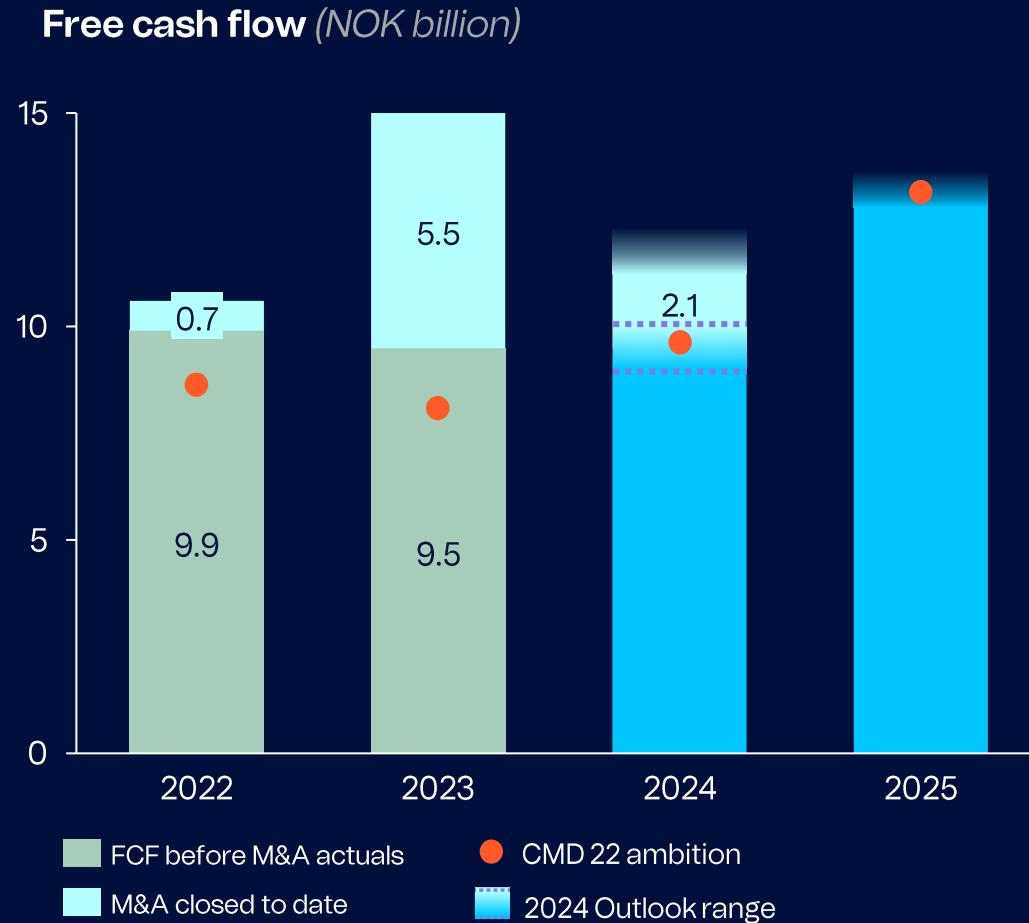
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Q4 2023



Mid-term FCF ambitions on track



Key considerations

- Outperformed FCF ambition for 2022 and 2023...
-despite YOY headwind for 2023 of approx. NOK 2.3 bn from deconsolidation of dtac, Digi and Myanmar
- Additional contribution from strategic M&A, where future Satellite FCFs have been received upfront through the disposal in January 2024
- Ramp-up of dividends from associated companies

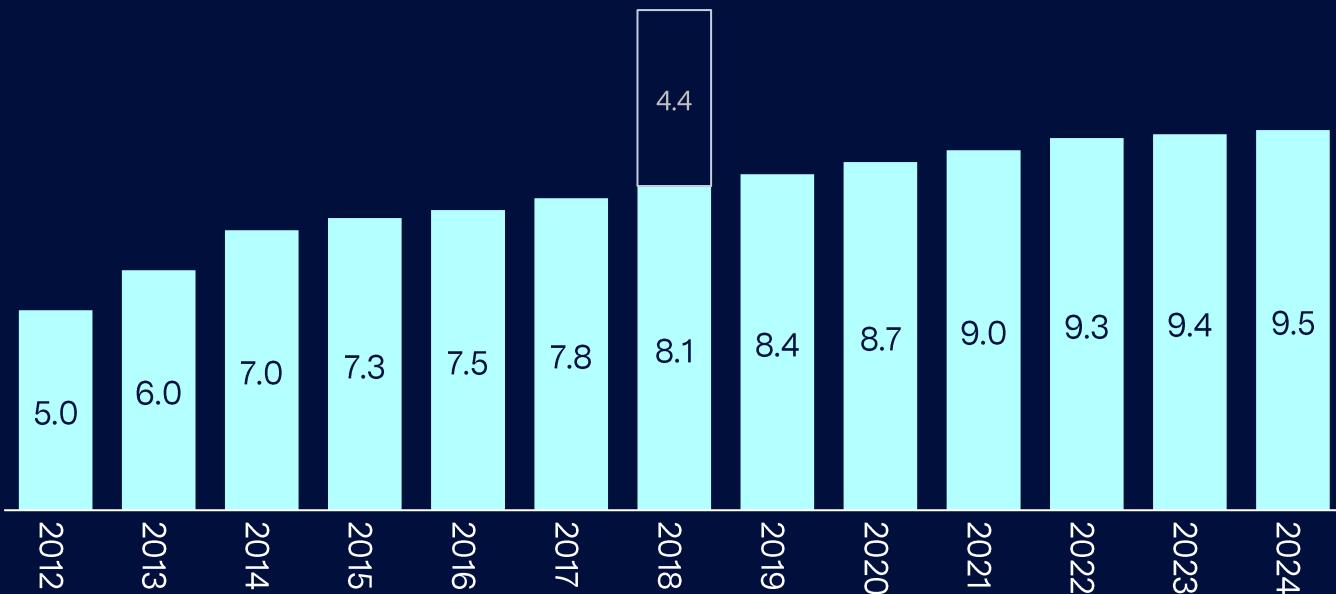


Note: See next page for details on 2024 -2025

Proposed shareholder remuneration

Dividend per share (DPS) (Payout year, NOK)

- Special DPS
- Ordinary DPS



2023 Dividend proposal

- Proposing dividend of NOK 9.50 pr share for FY 2023, in line with dividend policy and subject to approval from AGM
- Paid out in two tranches in 2024:
 - NOK 5.0 pr share (May)
 - NOK 4.50 pr share (October)



2024 Outlook

TELENOR NORDICS

	2023	2024 Outlook	Mid-term ambition 2023-2025
Organic service revenues growth	> 3.4%	> Low single-digit	Low-to-mid single-digit
Organic EBITDA growth	> 3.7%	> Mid single-digit	Mid single-digit
Capex/sales	> 16.7%	> Around 17%	~NOK 2 bn lower in 2025 vs 2022

TELENOR GROUP – added ambitions¹

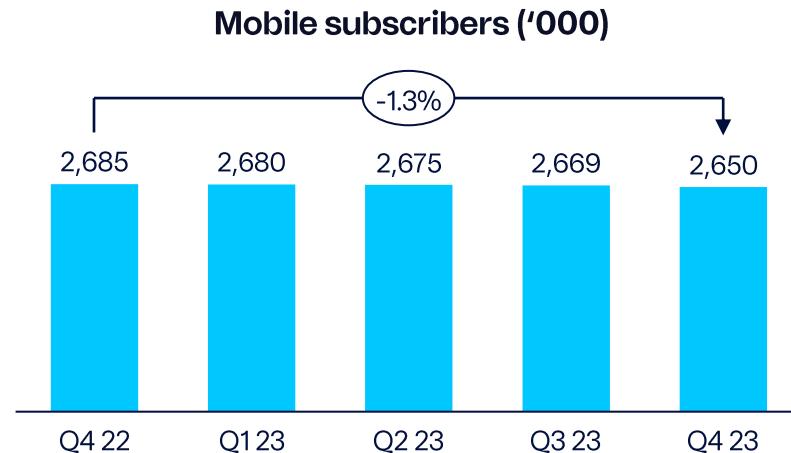
Organic EBITDA growth	> 2.8%	> Mid single-digit ²	
FCF before M&A	> NOK 9.5 bn ¹	> NOK 9-10 bn ²	FCF before M&A covering dividends



Q&A

Appendix

Norway



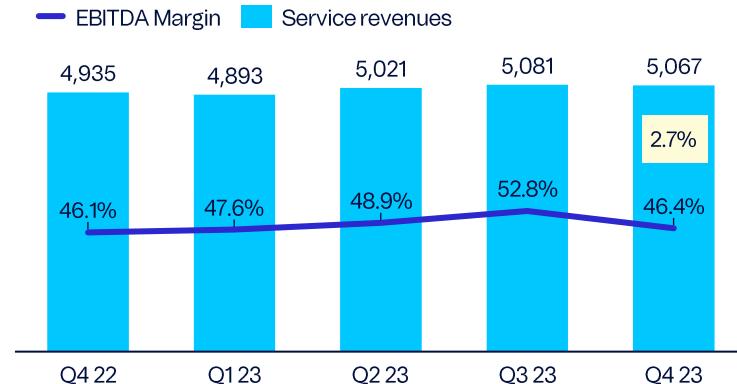
Mobile ARPU (NOK/month)



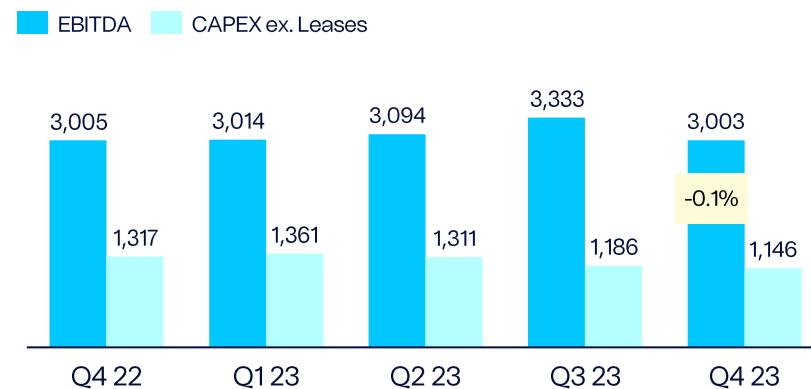
Organic growth, yoy

Organic growth assuming fixed currency, adjusted for acquisitions and disposals.

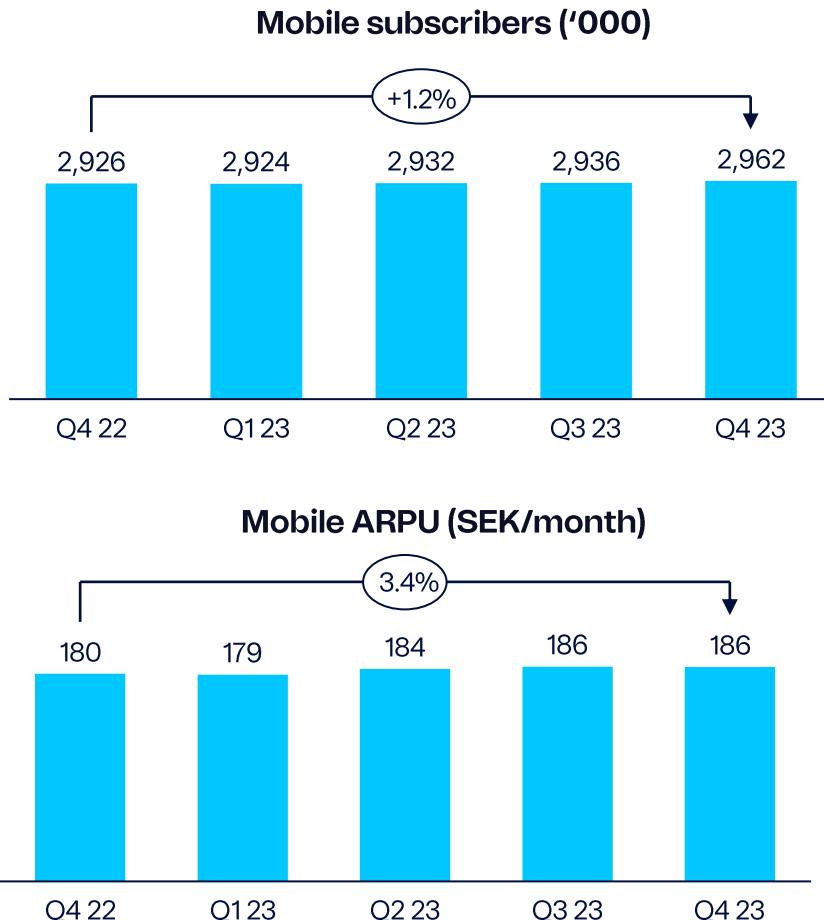
Service revenues (NOK m) and EBITDA margin



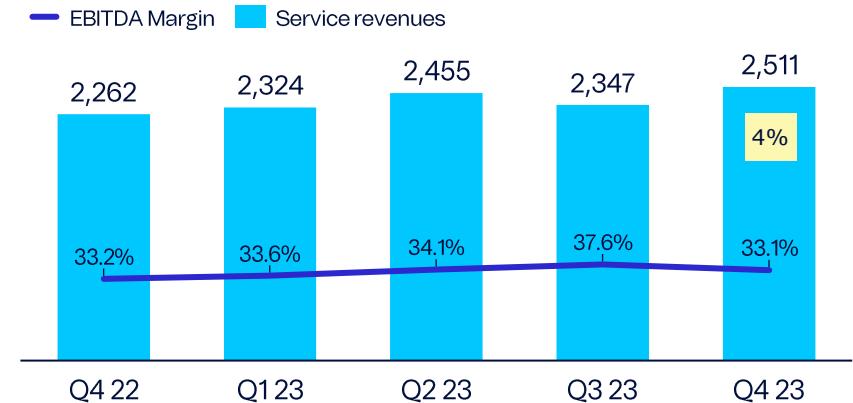
EBITDA and capex (NOK m)



Sweden



Service revenues (NOK m) and EBITDA margin



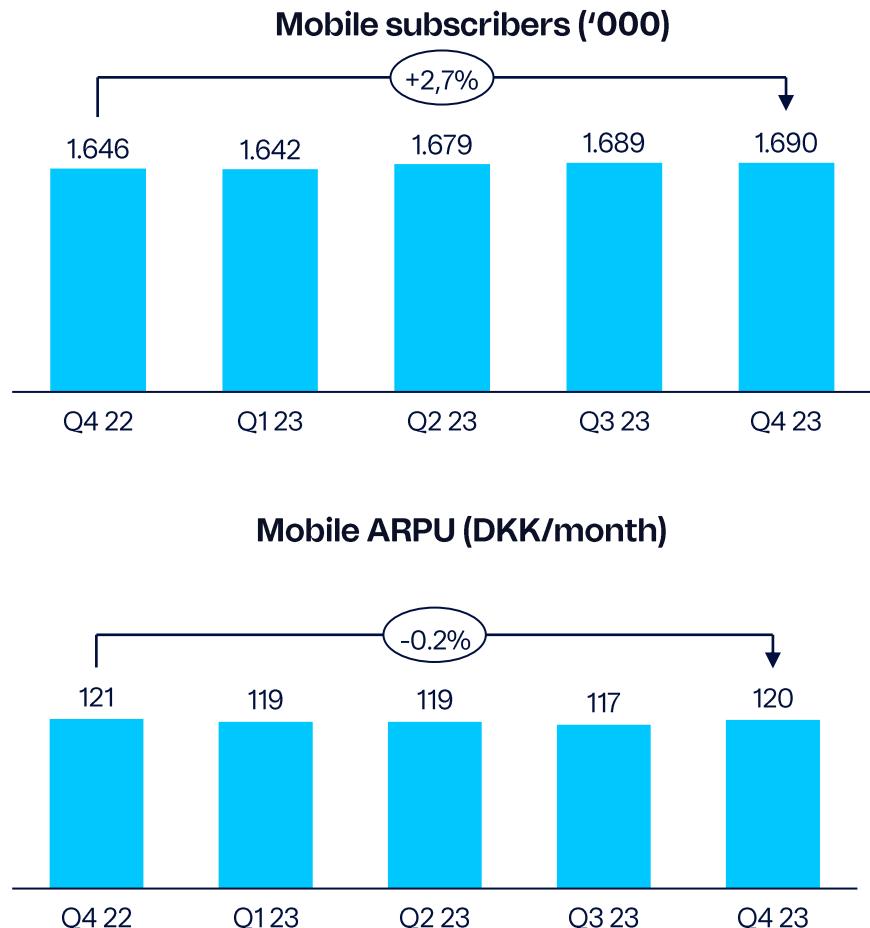
EBITDA and capex (NOK m)



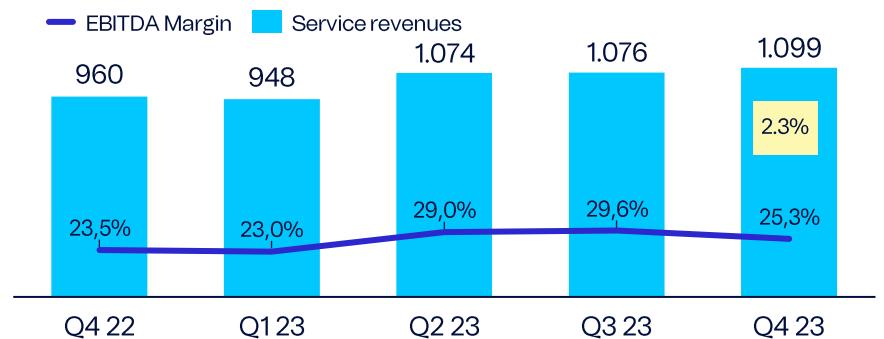
Organic growth, yoy

Organic growth assuming fixed currency, adjusted for acquisitions and disposals

Denmark



Service revenues (NOK m) and EBITDA margin



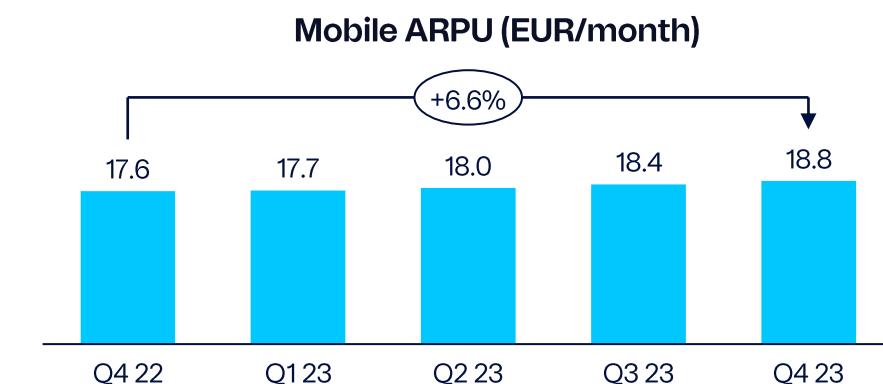
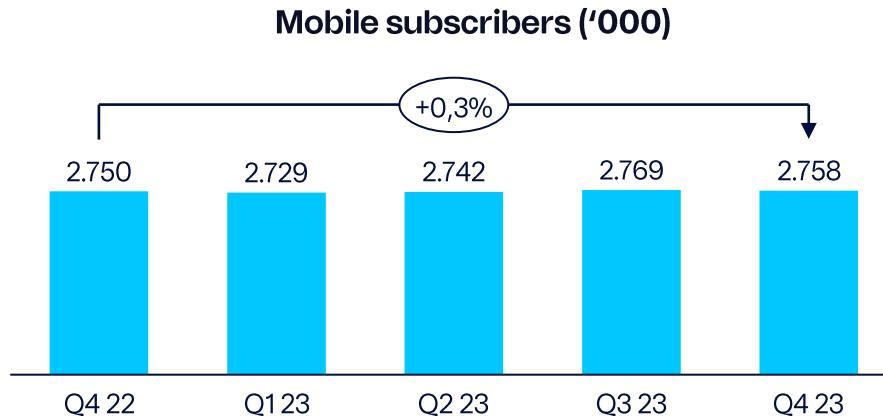
EBITDA and capex (NOK m)



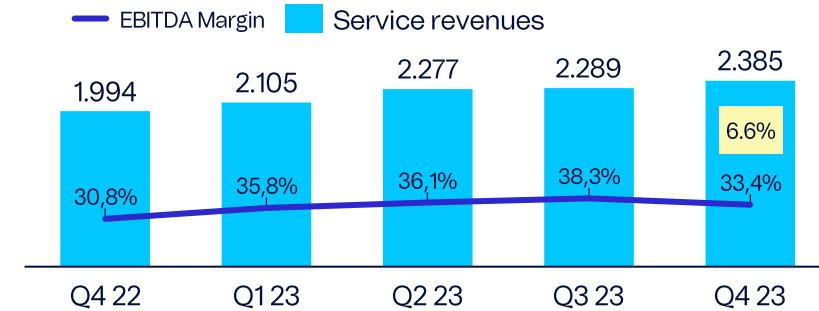
Organic growth, yoy

Organic growth assuming fixed currency, adjusted for acquisitions and disposals.

Finland



Service revenues (NOK m) and EBITDA margin



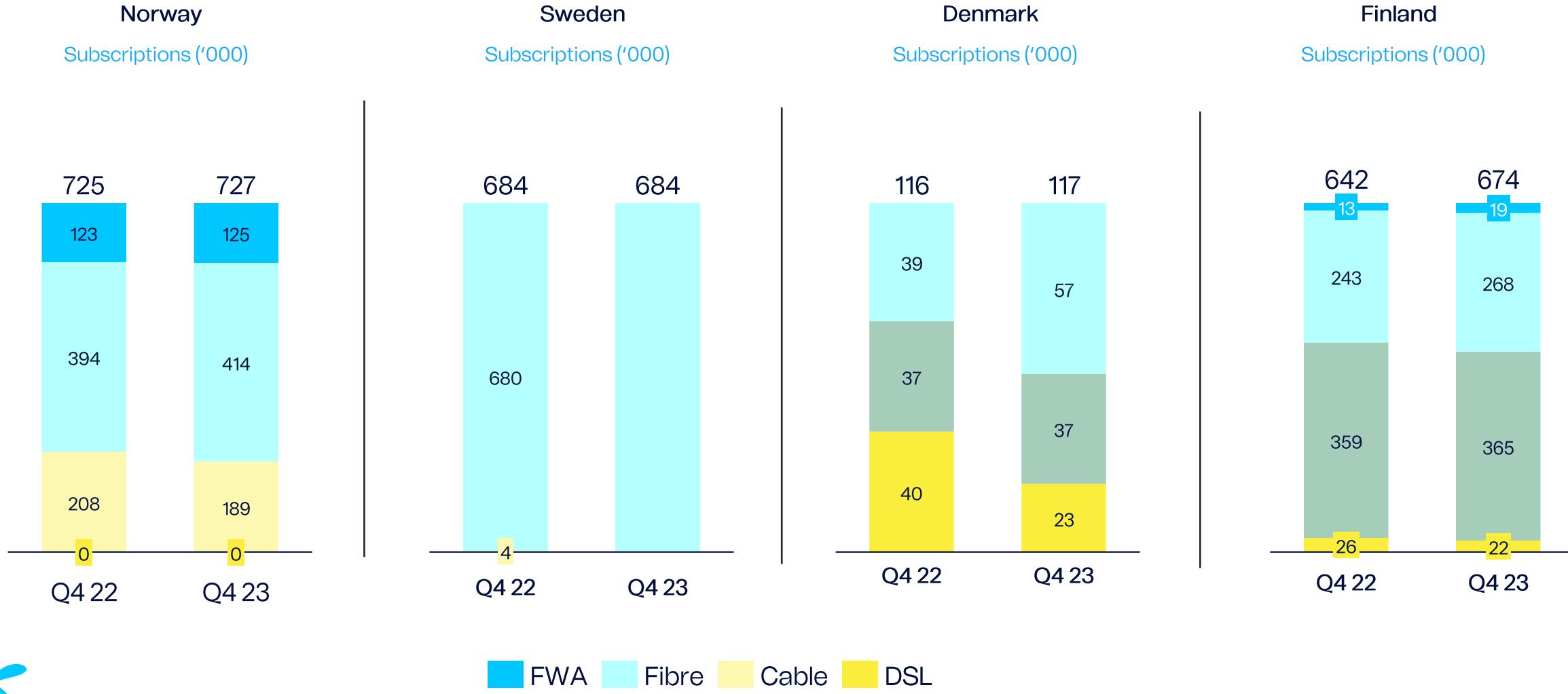
EBITDA and capex (NOK m)



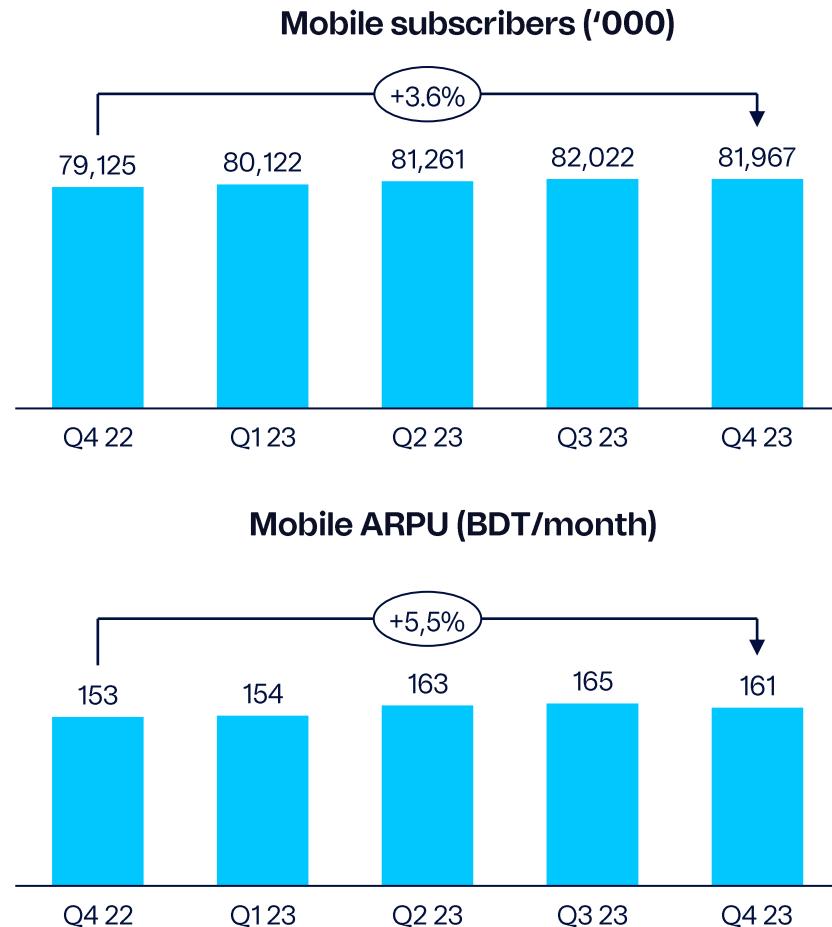
Organic growth, yoy

Organic growth assuming fixed currency, adjusted for acquisitions and disposals.

Additional information – Nordics fixed broadband



Bangladesh



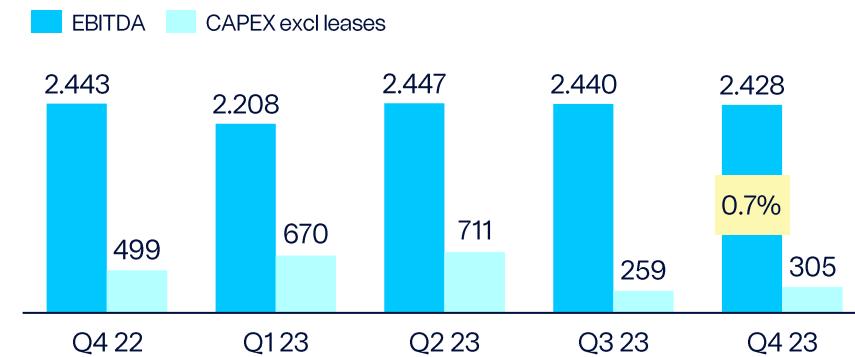
Organic growth, yoy

Organic growth assuming fixed currency, adjusted for acquisitions and disposals.

Service revenues (NOK m) and EBITDA margin



EBITDA and capex (NOK m)

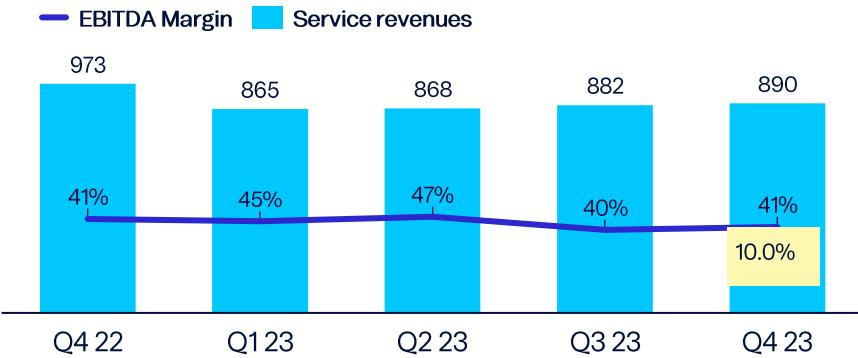


Pakistan

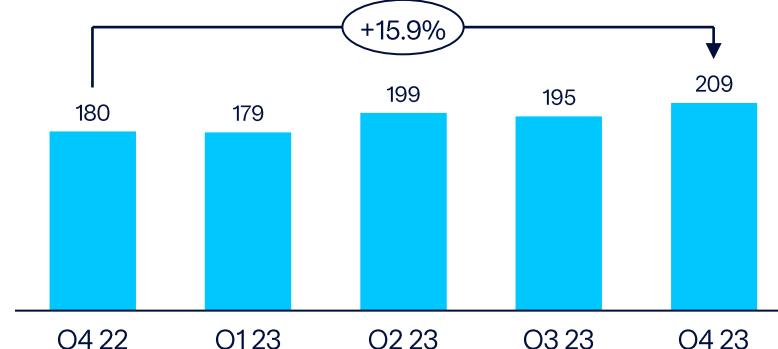
Mobile subscribers ('000)



Service revenues (NOK m) and EBITDA margin



Mobile ARPU (PKR/month)



EBITDAboi and capex (NOK m)



Organic growth. Organic growth assuming fixed currency, adjusted for acquisitions and disposals.

* Underlying - Excluding reversal of SIM tax (NOK 0.6 billion EBITDA)

Q4 growth in Service Revenues and EBITDA

COUNTRY & COMPANY	Service Revenues		EBITDA before other items	
	Reported	Organic	Reported	Organic
Norway	3%	3%	0%	0%
Sweden	11%	4%	15%	7%
Denmark	15%	2%	20%	8%
Finland	20%	7%	31%	17%
Nordic adj	9%	4%	9%	5%
Grameenphone	6%	7%	-1%	1%
Pakistan	-9%	10%	-11%	6%
Asia adj	3%	7%	1%	4%
Infrastructure adj	NA	N/A	5%	1%
Connexion	20%	13%	17%	9%
Maritime	9%	9%	-70%	-70%
Satellite	N/A	N/A	1%	1%
Linx	N/A	N/A	-109%	-109%
Amp adj	14%	10%	-36%	-37%
Telenor Group	7%	5%	5%	4%

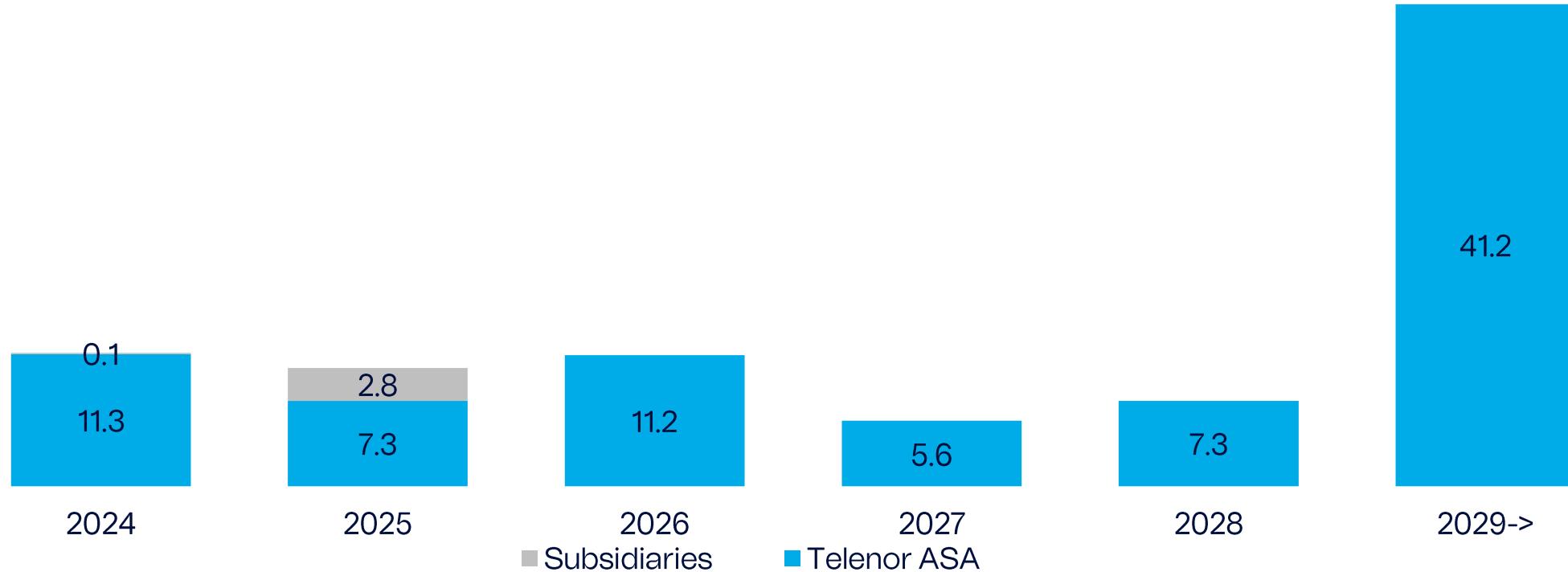


Note: No service revenues in Telenor Infrastructure, Linx, and Satellite

Debt maturity profile (NOK bn)

Net debt* in partly-owned subsidiaries:

NOK bn	Q4 2023	Q4 2022
Grameenphone	1.7	2.9



Net debt reconciliation

NOK bn	Q4 2023	Q4 2022
Non-current interest-bearing liabilities	75.7	82.7
Non-current lease liabilities	13.2	24.4
Current interest-bearing liabilities	11.8	9.2
Current lease liabilities	4.1	6.7
Cash and cash equivalents	(19.6)	(9.9)
Fair value hedge instruments	0.0	(0.0)
Financial instruments	(0.3)	(0.3)
Non-current license obligations	(3.9)	(11.9)
Current license obligations	(1.3)	(2.9)
Net interest-bearing debt excl. license obligations	79.8	97.9



Additional information

QoQ FX impact on net debt, NOKb

Q3 2023	Q4 2023
3.1(NIBD increase)	-0.7 (NIBD reduction)

Ownership in listed associated companies

	Direct and indirect shares owned by Telenor (December 31)	Share price (Dec 31)	Market Value to Telenor NOK	Direct and indirect ownership share %
TrueCorp	10,441,891,702	5.05 THB	15.5 bn	30.2
CelcomDigi	3,883,129,144	4.08 MYR	34.9 bn	33.1

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

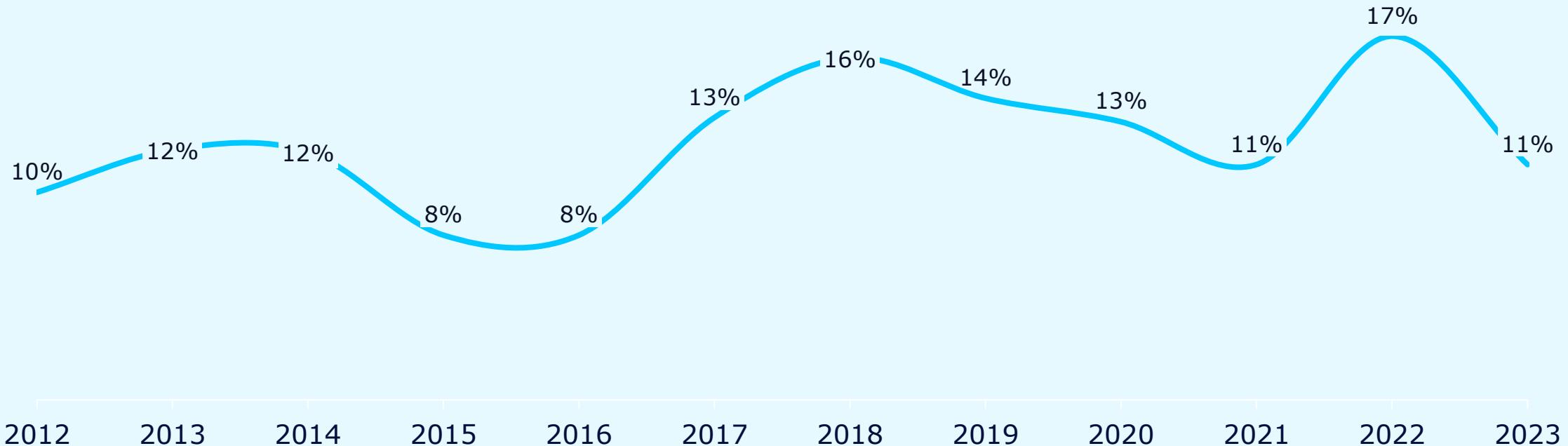
**) 12 months rolling EBITDA; Leverage= Net Debt / (EBITDA before other items + Dividends from Associates and Joint Ventures)

***) 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*



Note: See APM section in quarterly report for ROCE calculation and definition.
2012-2019 numbers including Myanmar
Results before 2019 is pre IFRS 16 and Digi and Dtac is included until the end of 2021.