

Press Release
January 27, 2022

Telia Company in agreement to expand Tower partnership with Brookfield and Alecta - notifies intention to propose return of net transaction proceeds to shareholders

- Brookfield, investing through its Super Core-infrastructure fund, together with Alecta, to acquire 49 percent of Telia Company's tower business in Sweden; expanding the partnership where Brookfield and Alecta have already acquired 49 percent of Telia's tower business in Finland and Norway
- Transaction in line with Telia Company's digital infrastructure strategy which includes partnering to further develop and crystalize asset value
- Transaction price corresponds to an enterprise value for 100 percent of SEK 11,224 million on a cash and debt free basis; the valuation equals 28.2x normalized EBITDA 2021
- Total cash proceeds to Telia Company for the 49 percent stake is expected to be SEK 5,500 million
- Following expected closing of the transaction in Q3 2022, the Board intends to propose that the net proceeds are transferred to shareholders by means of either share buy-backs or an extraordinary dividend; further details on the return mechanism will be provided in due course
- Transaction includes 3,800 network sites with total pro-forma revenue of SEK 649 million and normalized EBITDA of SEK 398 million in 2021 (pre IFRS 16)

Telia Company today announces an agreement to expand its partnership with Brookfield and Alecta to include its tower business in Sweden. The transaction price corresponds to an enterprise value for 100 percent of the shares of SEK 11,224 million on a cash and debt free basis and represents an EV / normalized EBITDA 2021 multiple of 28.2x. The transaction is subject to customary regulatory approvals and closing is expected in Q3 2022, after which the Board intends to propose that the net proceeds from the transaction are transferred to shareholders by means of share buy-backs or an extraordinary dividend, further details on the return mechanism will be provided in due course.

In June 2021, Telia Company announced an agreement to sell a portion of its tower business in Norway and Finland to Brookfield and Alecta, a transaction that was completed on December 29, 2021. The tower assets are placed in Telia Towers AB which is 51 percent owned by Telia Company with the remaining 49 percent owned by Brookfield and Alecta. The strategic partnership is now expanded to include Telia Company's towers in Sweden.

Allison Kirkby, Telia Company President and CEO, says: "Telia has a clear strategy to develop and crystalize its digital infrastructure by joining forces with strategic partners that have a similar long-term view of the value of these assets, and bring unique operating and commercial expertise to Telia. We are therefore delighted to expand our partnership with Brookfield and Alecta to also include our towers in Sweden. This transaction yet again clearly demonstrates the value of, and our leadership in, digital infrastructure. We firmly believe tower infrastructure is an essential foundation for the continued digitalization of the Nordics and Baltics and together with our partners we are committed to develop that digital infrastructure further."

Once the transaction closes Telia Company expects to receive SEK 5,500 million for the 49 percent stake in its Swedish tower business. Telia Company is currently operating in the lower part of its net debt / adjusted EBITDA target range of 2.0-2.5x. With this low leverage foreseen to be sustained, and in line with its commitment to providing an attractive shareholder remuneration, the Board intends to propose that the net



proceeds from the sale are transferred to the shareholders by means of either share buy-backs or an extraordinary dividend. If approved, further details on the return mechanism will be provided in due course.

In connection with closing of the transaction, Telia Company will enter into an anchor tenant agreement with Telia Towers in Sweden.

About Brookfield and Alecta

Brookfield and Alecta are two of the largest owners and operators of real assets in their respective regions. Combined, they have more than USD 650 billion of assets under management, a relevant global data infrastructure platform and deep ties to the Nordic region.

Brookfield is one of the world's largest infrastructure investors, owning and operating assets in the data, utilities, transport, and midstream sectors across North and South America, Europe and Australia. Brookfield Infrastructure Group has an established track record in data, and today owns and operates a tower portfolio of 185,000 contracted sites across six markets, including India, France, the UK and New Zealand. In addition, Brookfield Infrastructure Group operates a portfolio of 20,000 km of fiber and over 50 data centers. Brookfield Infrastructure Group is a part of Brookfield Asset Management, which is listed on the New York and Toronto stock exchanges.

Alecta has over 100 years of history as a trusted investor, managing collectively agreed occupational pensions. They manage approximately 1100 billion SEK for their owners – 2,6 million Swedish private clients, and 35 000 corporate clients.

Telia Company has been advised by Goldman Sachs, Roschier, EY and Altman Solon.

This information is information that Telia Company AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the contact person set out below, at 9 p.m CET on January 27, 2022.

For more information, please contact Irène Krohn, Head of media relations +46 771 77 58 30, visit our Newsroom or follow us on Twitter @Teliacompany.

Forward-Looking Statements

Statements made in the press release relating to future status or circumstances, including future performance and other trend projections are forward-looking statements. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There can be no assurance that actual results will not differ materially from those expressed or implied by these forward-looking statements due to many factors, many of which are outside the control of Telia Company.