

Q1

Interim report

January - March 2024

Continued momentum in Telco

First quarter summary

- Revenue decreased 2.0% to SEK 21,274 million (21,697) and like for like, revenue decreased 1.3%.
- Service revenue increased 1.5% to SEK 18,634 million (18,359) and like for like, service revenue increased 2.2%. For the Telco operations, service revenue increased 2.7% on a like for like basis.
- Adjusted EBITDA increased 3.4% to SEK 7,144 million (6,912) and like for like, adjusted EBITDA increased 4.6%. For the Telco operations, adjusted EBITDA increased 2.1% on a like for like basis.
- Operating income amounted to SEK 2,284 million (1,768).
- Total net income amounted to SEK 757 million (738).
- Total EPS amounted to 0.15 SEK (0.15).
- Operational free cash flow improved to SEK -779 million (-3,620) and the structural part of Operational free cash flow decreased to SEK 413 million (613).
- The leverage ratio was 2.43x at the end of the quarter.
- Dividend of SEK 0.50 per share was paid to shareholders.
- The outlook for 2024 is unchanged.
- After the end of the first quarter the sale of the operations and network assets in Denmark to Norlys at an enterprise value of DKK 6.25 billion, on a cash and debt-free basis, was completed. The proceeds from the transaction will be used to reduce leverage.

Service revenue

18,634
(SEK million)

+2.2% like for like

Adjusted EBITDA

7,144
(SEK million)

+4.6% like for like

CAPEX⁴

3,092
(SEK million)

Structural part of Operational free cash flow

413
(SEK million)

Highlights¹

SEK in millions, except key ratios, per share data and changes	Jan-Mar 2024	Jan-Mar 2023	Chg %	Jan-Dec 2023
Revenue ²	21,274	21,697	-2.0	88,561
Change (%) like for like ²	-1.3			
of which service revenue ²	18,634	18,359	1.5	75,687
change (%) like for like ²	2.2			
change (%) like for like, Telco operations	2.7			
Adjusted EBITDA	7,144	6,912	3.4	30,254
change (%) like for like	4.6			
change (%) like for like, Telco operations	2.1			
Margin (%)	33.6	31.9		34.2
Adjusted operating income	2,675	2,346	14.0	10,862
Operating income	2,284	1,768	29.1	4,980
Total net income ³	757	738	2.7	897
Total EPS (SEK) ³	0.15	0.15	-0.9	0.08
Dividend per share, paid (SEK)	0.50	0.50	-	2.00
Structural part of Operational free cash flow	413	613	-32.7	7,254
Free cash flow per share, rolling twelve months (SEK) ⁴	2.08	-0.31		1.35
CAPEX excl. fees for licenses, spectrum and right-of-use assets	3,092	3,491	-11.4	13,628

1) Continuing operations if not otherwise stated. Telia Denmark classified as discontinued operations from the third quarter 2023. 2) Restated, see Note 1. 3) Refers to continuing and discontinued operations. 4) CAPEX refers to CAPEX excl. fees for licenses, spectrum and right-of-use assets. 4) Refers to new definition, see Note 15 and section Definitions.

CEO comment

“Operational momentum continued in the first quarter, with growth in all telco businesses and progress in the TV and Media turnaround. NPS and service revenue trends in the consumer segment have been encouraging. Immediately after the end of the quarter the sale of Telia Denmark closed as expected, which strengthens our balance sheet.

Commercial progress

In Sweden, fixed service revenue drove our growth in the quarter, and in particular Telia's leading TV experience which has enabled pricing opportunities in the past 12 months, while mobile was stable. The consumer business continued its positive trend in both NPS and in service revenue, which grew 5.0%. This was underpinned in part by our work to improve customer service, with a new record low in incoming contacts for B2C being achieved in March, 40% lower level versus three years ago, following improvements in operational efficiency, IT infrastructure and customer experience. Swedish service revenue growth overall accelerated to 3.5% and, excluding the decline in copper related services, the growth was 5.6%.

Our business in Finland reported a steady service revenue growth at around 2%. Positively, this was underpinned by a further improvement in mobile consumer customer satisfaction and a mobile consumer ARPU increase of 12%, as well as nearly 20% revenue growth in our data center business in Helsinki. Partly, this was offset by a lower mobile customer base and steep declines in fixed legacy services.

Norway has a similar momentum, with service revenue also up around 2% in the quarter, driven both by higher consumer ARPU and strong growth in our mobile wholesale business, however partly offset by slight fixed service revenue decline and lower invoicing fees.

Lithuania reported a healthy mid-single digit growth in service revenue, driven mainly by mobile subscriber and ARPU growth. We launched new self-service customer apps in the quarter to drive customer experience, monetization and lower cost to serve. Fixed-line revenue also grew driven by broadband and business solutions. Estonia had a lower revenue momentum this quarter, as a result of the timing of price changes, but launched a commercial 26Ghz 5G FWA service which offers a fiber like experience via the mobile network. We also won the local tender to provide connectivity, devices and security for the European Union parliamentary election.

TV and Media saw a decline in advertising revenue of 6.3% due to weak market conditions, however the decline was lower than in previous quarters and the majority of it was offset by 5.2% growth in pay TV revenue. We are pleased with the progress in our digital transformation, with growth both in streaming consumption, the streaming customer base, and in our digital advertising revenue.

Importantly, our sustainability agenda continues at full speed, with 55% of our supply chain emissions now covered by Science Based Targets, our A- score from CDP being reconfirmed in the quarter, and another 200,000 individuals reached by our digital inclusion initiatives.

Financial development

In the Telco business, service revenue grew 2.7% and EBITDA grew 2.1%. Excluding a time shift in pension refund, Telco EBITDA grew 3.4%. A weak macro and regulatory effects were notable headwinds



in the quarter, but partly offset by a modest energy cost tailwind. Resource cost efficiency improved, despite salary inflation, due to reductions in costs for consultants.

In total, EBITDA for the group grew 4.6%, helped also by lower losses in TV and Media compared to the first quarter last year, as our agenda to return this unit to profitability made further progress with savings on content and broad-based cost reductions.

Phasing effects of interest, pension refund and working capital reduced our cash flow in the quarter, as expected, but most of this effect was absorbed by increasing EBITDA and lower cash capex.

Our balance sheet is healthy, with a net debt to EBITDA at 2.43x at the end of the quarter. The proceeds from the sale of Telia Denmark, which closed on 2 April, will be used to reduce leverage.

Looking ahead

After the first three months, we are comfortable with the full-year outlook we gave in January, which is unchanged, as are our expectations of cash flow generation being tilted towards the second half of the year.

The focus in my first quarter as CEO has been to analyze the business and build our mid-term plan together with our business unit leaders. I have seen a company with an impressive set of assets and an engaged organization, and, building on a strategy which is sound in all material aspects, our goal is to eliminate barriers and complexities, so that Telia can become simpler and faster in decision making and commercial execution. If we succeed with this, we expect that we can grow our cash flow to above our current dividend level in future years. We plan to share more details of our mid-term ambitions after the summer.

I would like to thank all employees for your work in my first quarter as CEO, and our shareholders for your continued support. I very much look forward to the years ahead.”

Patrik Hofbauer

President & CEO

In CEO comment, all growth rates disclosed are based on the “like for like” definition and EBITDA refers to adjusted EBITDA, unless otherwise stated. See definitions for more information.

Outlook for 2024 (unchanged)

Service revenue, like for like, is estimated to grow by low single digits.

Adjusted EBITDA, like for like, is estimated to grow by low to mid-single digits.

CAPEX, excluding fees for licenses, spectrum and right of use assets, is estimated to be around SEK 14 billion.

The structural part of Operational free cash flow is estimated to be between SEK 7-8 billion.

Leverage and credit rating target

Telia Company targets a leverage corresponding to Net debt/adjusted EBITDA in the range of 2.0-2.5x and a solid investment grade of A- to BBB+.

Dividend policy

Telia Company intends to follow a progressive dividend policy, with a floor of SEK 2.00 per share and an ambition for low to mid-single digit percentage growth.

Dividend to shareholders for 2023

For 2023, the Annual General Meeting (AGM) on April 10, 2024, decided on a dividend of SEK 2.00 per share (2.00), totaling SEK 7.9 billion (7.9). The dividend will be split and distributed in four tranches of SEK 0.50 per share.

First distribution

The AGM decided that the first distribution of dividend was to be distributed by Euroclear Sweden on April 17, 2024.

Second distribution

The AGM decided that the final day for trading in shares entitling shareholders to dividend be set for July 30, 2024, and that the first day of trading in shares excluding rights to dividend be set for July 31, 2024. The record date at Euroclear Sweden for the right to receive dividend will be August 1, 2024. The dividend is expected to be distributed by Euroclear Sweden on August 6, 2024.

Third distribution

The AGM decided that the final day for trading in shares entitling shareholders to dividend be set for October 29, 2024, and that the first day of trading in shares excluding rights to dividend be set for October 30, 2024. The record date at Euroclear Sweden for the right to receive dividend will be October 31, 2024. The dividend is expected to be distributed by Euroclear Sweden on November 5, 2024.

Fourth distribution

The AGM decided that the final day for trading in shares entitling shareholders to dividend be set for February 5, 2025, and that the first day of trading in shares excluding rights to dividend be set for February 6, 2025. The record date at Euroclear Sweden for the right to receive dividend will be February 7, 2025. The dividend is expected to be distributed by Euroclear Sweden on February 12, 2025.

Review of the group, first quarter 2024

Revenue and earnings

Revenue decreased 2.0% to SEK 21,274 million (21,697) and like for like, revenue decreased 1.3%.

Service revenue increased 1.5% to SEK 18,634 million (18,359) and like for like, service revenue increased 2.2% driven by a positive development for the Telco operations.

Adjusted EBITDA increased 3.4% to SEK 7,144 million (6,912) and the adjusted EBITDA margin increased to 33.6% (31.9). Like for like, adjusted EBITDA increased 4.6% driven mainly by Finland, Norway and TV and Media.

Operating income increased to SEK 2,284 million (1,768).

Adjustment items affecting operating income amounted to SEK -391 million (-578).

Adjusted operating income increased to SEK 2,675 million (2,346).

Financial items totaled SEK -1,261 million (-843) of which SEK -1,143 million (-864) related to net interest expenses. The increase in net interest expenses was mainly due to increased interest rates and foreign exchange rates.

Income taxes amounted to SEK -277 million (-324). The effective tax rate was 27.1% (35.0), mainly impacted by reassessed base for Estonian distribution tax and a non-tax deductible capital loss related to the liquidation of a Turkish subsidiary. Adjusted for these items, the effective tax rate would have been 21.4%.

Net income from continuing operations amounted to SEK 745 million (602) and **Net income from discontinued operations** amounted to SEK 12 million (136).

Other comprehensive income increased to SEK 2,448 million (-647) mainly due to higher remeasurements of defined benefit pension plans. 2023 was impacted by negative foreign translation differences.

Cash flow, continuing and discontinued operations

Cash flow from operating activities increased to SEK 3,503 million (1,350) mainly as reduced vendor financing levels had a negative impact on the first quarter 2023.

Cash flow from investing activities amounted to SEK 226 million (-7,593). The first quarter of 2024 was mainly impacted by net disposals of short-term investments.

Cash flow from financing activities amounted to SEK -11,163 million (10,141). The first quarter of 2024 was impacted by higher repayments of borrowings, higher paid dividend as the dividend was divided into four tranches instead of two tranches as in 2023, and lower proceeds from borrowings.

Operational free cash flow, continuing operations

Structural part of Operational free cash flow decreased to SEK 413 million (613) mainly driven by higher paid interest partly offset by decreased Cash CAPEX excluding licenses and spectrum. Furthermore, a rephasing of pension refund of SEK 400 million into the subsequent quarter also had a negative impact.

Operational free cash flow improved to SEK -779 million (-3,620) mainly driven by less negative working capital contribution and decreased Cash CAPEX excluding licenses and spectrum partly offset by higher paid interest.

Financial position

CAPEX excluding right-of-use assets from continuing operations, decreased to SEK 3,095 million (3,491). CAPEX excluding fees for licenses, spectrum and right-of-use assets from continuing operations, decreased to SEK 3,092 million (3,491). Cash CAPEX decreased to SEK 3,367 million (4,157).

Net debt from continuing and discontinued operations was SEK 77,753 million at the end of the first quarter (73,758 at the end of the fourth quarter of 2023). The net debt/adjusted EBITDA ratio increased to 2.43x compared to 2.32x at the end of the fourth quarter 2023. The increase was mainly due to dividend paid to shareholders.

Investments in associates and joint ventures, pension obligation assets and other non-current assets increased to SEK 9,185 million (6,742), mainly due to remeasurements of defined benefit pension plans.

Current interest-bearing receivables decreased to SEK 9,041 million (13,896) mainly due to net divestments of investment bonds.

Current borrowings decreased to SEK 8,795 million (14,069), mainly due to repaid debt, partly offset by new issued debt.

Trade payables and other current liabilities, current tax payables and current provisions decreased to SEK 31,752 million (35,920) mainly due to the last tranche of the dividend being paid out and decrease in liabilities for film and program rights.

Significant events in the first quarter

- On February 28, 2024, Telia Company announced that the sale of Telia Denmark had received regulatory approval from the Danish Competition Council.
- On March 4, 2024, Telia Company announced an invitation to holders of certain outstanding SEK and EUR notes for purchase subject to the conditions and the restrictions described in the tender offer memorandum dated March 4, 2024.
- On March 12, 2024, Telia Company announced that Markus Messerer, Senior Vice President, Chief Strategy & Commercial Officer, will leave the Telia to pursue opportunities outside the company.
- On March 12, 2024, Telia Company announced the results of its tender offer in respect of certain outstanding SEK and EUR notes. Settlement of the aggregate principal amounts of SEK 1,925 million and EUR 350.0 million is expected to take place on March 13, 2024.

Significant events after the end of the first quarter

- On April 2, 2024, Telia Company announced the closing of the sale of its operations and network assets in Denmark to Norlys a.m.b.a. at an enterprise value of DKK 6.25 billion, on a cash and debt-free basis.
- On April 10, 2024, Telia Company announced the resolutions passed at the Annual General Meeting.

Sweden

In the quarter Telia and RISE signed an agreement as a basis for continued joint strategic innovation cooperation with the intention of shortening the lead time from research and innovation to commercialization. Furthermore, Telia again came out on top in the Sustainable Brand Index (SBI), Europe's largest independent brand study on sustainability.

Mobile postpaid subscriptions excluding M2M services increased by ~15,000 in the quarter driven by the consumer segment. TV subscriptions increased by ~16,000 and fixed broadband subscriptions decreased by ~1,000 in the quarter.

Revenue, like for like, decreased 2.0% as increased service revenue was more than offset by lower sales of both mobile and fixed equipment.

Service revenue, like for like, increased 3.5% as mobile service revenue remained rather unchanged and fixed service revenue increased 6.3%. The growth in fixed service revenue was mainly driven by TV following both subscriber base and ARPU expansion, but also from revenue growth for broadband and business solutions. Together this more than compensated for a continued decline in fixed telephony revenue.

Adjusted EBITDA margin increased slightly to 37.0% (36.9) and adjusted EBITDA like for like declined 1.7% as the growth in service revenue was more than offset by around SEK 100 million in lower contribution from pension refund compared to the corresponding period last year, this due to a rephasing of pension refund to the subsequent quarter. Furthermore, a write-down of accounts receivable of around SEK 50 million impacted adjusted EBITDA negatively.

CAPEX excluding fees for licenses, spectrum and right-of-use assets, remained unchanged at SEK 1,026 million (1,026).

Highlights

SEK in millions, except margins, operational data and changes	Jan-Mar 2024	Jan-Mar 2023	Chg %	Jan-Dec 2023
Revenue	8,798	8,980	-2.0	35,869
Change (%) like for like	-2.0			
of which service revenue (external)	7,676	7,413	3.5	30,401
change (%) like for like	3.5			
Adjusted EBITDA	3,256	3,313	-1.7	13,615
Margin (%)	37.0	36.9		38.0
change (%) like for like	-1.7			
Adjusted operating income	1,558	1,587	-1.8	6,655
Operating income	1,480	1,475	0.4	6,226
CAPEX excluding fees for licenses, spectrum and right-of-use assets ¹	1,026	1,026	0.0	3,911
Subscriptions, (thousands)				
Mobile	8,834	8,200	7.7	8,769
of which machine-to-machine (M2M)	4,359	3,676	18.6	4,286
Fixed telephony	297	396	-25.0	313
Broadband	1,376	1,382	-0.5	1,377
TV	1,051	994	5.7	1,034
ARPU, (SEK)				
Mobile, postpaid ¹	246	246	-0.2	247
Broadband ¹	346	324	6.8	334
TV	232	199	16.6	205
Employees ¹	4,394	4,484	-2.0	4,363

1) Restated, see Note 1.

Finland

In the quarter Telia announced plans for a programmable 5G network, implemented first in Telia's partly EU-funded Sirius project, as well as launched a cooperation with Danfoss around optimization of energy solutions for landlords and housing associations.

Mobile postpaid subscriptions excluding M2M services decreased by ~25,000 in the quarter driven by the consumer segment. TV subscriptions decreased by ~5,000 and fixed broadband subscriptions decreased by ~2,000 in the quarter.

Revenue, like for like, decreased 1.3% as increased service revenue could not fully compensate for reduced sales of both mobile and fixed equipment.

Service revenue, like for like, increased 1.9% as mobile service revenue increased 4.4% driven by an improved ARPU in the consumer segment. Fixed service revenue declined 1.2% as growth in both TV and broadband, supported by ARPU expansion, was more than offset by lower business solutions revenue as well as increased pressure on fixed telephony revenue due to a change in regulation.

Adjusted EBITDA margin increased to 31.9% (30.2) and adjusted EBITDA, like for like, increased 3.9% from the combination of service revenue growth and a lower cost level compared to the corresponding quarter last year.

CAPEX excluding fees for licenses, spectrum and right-of-use assets, decreased 33.4% to SEK 332 million (498).

Highlights

SEK in millions, except margins, operational data and changes	Jan-Mar 2024	Jan-Mar 2023	Chg %	Jan-Dec 2023
Revenue	3,910	3,957	-1.2	16,545
Change (%) like for like	-1.3			
of which service revenue (external)	3,434	3,367	2.0	14,080
change (%) like for like	1.9			
Adjusted EBITDA	1,249	1,197	4.4	5,093
Margin (%)	31.9	30.2		30.8
change (%) like for like	3.9			
Adjusted operating income	381	321	18.6	1,444
Operating income	363	286	26.7	-1,574
CAPEX excluding fees for licenses, spectrum and right-of-use assets ¹	332	498	-33.4	1,722
Subscriptions, (thousands)				
Mobile	3,086	3,114	-0.9	3,092
of which machine-to-machine (M2M)	452	392	15.5	426
Fixed telephony	11	14	-19.9	12
Broadband	606	606	0.1	609
TV	659	688	-4.2	664
ARPU, (EUR)				
Mobile, postpaid	19.4	17.9	8.0	18.5
Broadband	11.1	10.7	3.0	10.8
TV	7.0	6.5	7.7	6.4
Employees ¹	2,595	2,819	-7.9	2,642

1) Restated, see Note 1.

Norway

In the quarter Telia Norway and Viaplay Group signed a new and expanded, long-term agreement that strengthens co-operation and ensures Telia customers' access to all Viaplay's channels and streaming services. And, following Telia last year modernizing an average of 23 base stations every week with 5G technology and even better 4G, almost 40% of data traffic now goes over 5G.

Mobile postpaid subscriptions excluding M2M services declined by ~2,000 in the quarter. TV subscriptions declined by ~9,000 and fixed broadband subscriptions decreased by ~7,000 in the quarter.

Revenue, like for like, increased 0.6% as growth for service revenue more than compensated for lower equipment sales.

Service revenue, like for like, increased 2.2% as fixed service revenue decreased 1.8%, driven by business solutions, and mobile service revenue increased 4.7%, driven mainly by ARPU expansion in the consumer segment as well as continued growth for wholesale revenue.

Adjusted EBITDA margin increased to 46.9% (44.7) and adjusted EBITDA like for like increased 5.9% driven by the growth in service revenue coupled with lower operational expenses mainly related to resource costs.

CAPEX excluding fees for licenses, spectrum and right-of-use assets, decreased 18.0% to SEK 532 million (648).

Highlights

SEK in millions, except margins, operational data and changes	Jan-Mar 2024	Jan-Mar 2023	Chg %	Jan-Dec 2023
Revenue	3,608	3,764	-4.1	15,114
Change (%) like for like	0.6			
of which service revenue (external)	3,117	3,198	-2.6	12,854
change (%) like for like	2.2			
Adjusted EBITDA	1,692	1,681	0.6	7,062
Margin (%)	46.9	44.7		46.7
change (%) like for like	5.9			
Adjusted operating income	729	726	0.4	2,730
Operating income	681	645	5.6	2,197
CAPEX excluding fees for licenses, spectrum and right-of-use assets ¹	532	648	-18.0	2,694
Subscriptions, (thousands)				
Mobile	2,355	2,383	-1.2	2,340
of which machine-to-machine (M2M)	196	213	-8.1	181
Fixed telephony	13	14	-7.3	14
Broadband	492	501	-1.7	499
TV	466	484	-3.8	474
ARPU, (NOK)				
Mobile, postpaid ¹	294	286	2.8	293
Broadband ¹	249	252	-1.0	248
TV ¹	300	286	4.8	294
Employees ¹	1,410	1,537	-8.3	1,459

1) Restated, see Note 1.

Lithuania

In the quarter Telia was again recognized as the leader in mobile communications according to a report from the communications regulator and Telia was also awarded as the most sustainable operator in Lithuania according to Sustainable Brand Index (SBI).

Mobile postpaid subscriptions excluding M2M services increased by ~10,000 in the quarter. TV subscriptions decreased by ~1,000 and fixed broadband subscriptions decreased by ~1,000 in the quarter.

Revenue, like for like, increased 0.8% as service revenue growth more than compensated for lower sales of both mobile and fixed equipment.

Service revenue, like for like, increased 4.5% mainly driven by a positive development for mobile service revenue, which increased 7.6%, following an increased number of subscriptions as well as ARPU increasing by 6.2%. Fixed service revenue grew 1.9% driven mainly by increased revenue from broadband and business solutions.

Adjusted EBITDA margin increased to 38.2% (36.5) and adjusted EBITDA like for like increased 5.5% due to continued growth in service revenue.

CAPEX excluding fees for licenses, spectrum and right-of-use assets, increased 5.5% to SEK 185 million (175).

Highlights

SEK in millions, except margins, operational data and changes	Jan-Mar 2024	Jan-Mar 2023	Chg %	Jan-Dec 2023
Revenue	1,337	1,322	1.1	5,516
Change (%) like for like	0.8			
of which service revenue (external)	1,058	1,009	4.8	4,259
change (%) like for like	4.5			
Adjusted EBITDA	511	483	5.8	2,019
Margin (%)	38.2	36.5		36.6
change (%) like for like	5.5			
Adjusted operating income	307	274	11.8	1,152
Operating income	300	265	13.4	1,115
CAPEX excluding fees for licenses, spectrum and right-of-use assets ¹	185	175	5.5	663
Subscriptions, (thousands)				
Mobile	1,626	1,599	1.7	1,643
of which machine-to-machine (M2M)	307	320	-4.0	321
Fixed telephony	151	169	-10.2	155
Broadband	425	427	-0.5	426
TV	260	258	0.8	261
ARPU, (EUR)				
Mobile, postpaid	12.6	12.1	4.5	12.5
Broadband	14.5	13.7	6.5	14.1
TV	12.1	12.1	0.0	12.1
Employees ¹	1,629	1,674	-2.7	1,628

1) Restated, see Note 1.

Estonia

In the quarter Telia announced plans for continued fixed network modernization and expansion, including plans to extend the current fiber network by another ~9,000 households across the country. Also, the sixth nationwide Telia Digital Cleanup Day was performed, and once again several records were set as hundreds of organizations and thousands of people deleted large amounts of data and recycled thousands of useless electronic devices.

Mobile postpaid subscriptions excluding M2M services decreased by ~3,000 in the quarter. TV subscriptions decreased by ~4,000 and fixed broadband subscriptions decreased by ~3,000 in the quarter.

Revenue, like for like, was flat as increased service revenue was offset by lower equipment sales.

Service revenue, like for like, increased 1.3% as mobile service revenue remained rather unchanged and fixed service revenue increased 2.3% from a positive development for predominately business solutions and to some less extent also broadband.

Adjusted EBITDA margin increased to 41.1% (38.9) and adjusted EBITDA like for like increased 5.7% driven by the service revenue growth and a lower cost level.

CAPEX excluding fees for licenses, spectrum and right-of-use assets, decreased 1.1% to SEK 84 million (84).

Highlights

SEK in millions, except margins, operational data and changes	Jan-Mar 2024	Jan-Mar 2023	Chg %	Jan-Dec 2023
Revenue	984	982	0.3	4,145
Change (%) like for like	0.0			
of which service revenue (external)	834	821	1.6	3,456
change (%) like for like	1.3			
Adjusted EBITDA	404	382	6.0	1,618
Margin (%)	41.1	38.9		39.0
change (%) like for like	5.7			
Adjusted operating income	203	239	-15.2	1,014
Operating income	200	233	-14.2	999
CAPEX excluding fees for licenses, spectrum and right-of-use assets ¹	84	84	-1.1	484
Subscriptions, (thousands)				
Mobile	1,274	1,248	2.0	1,266
of which machine-to-machine (M2M)	497	466	6.7	481
Fixed telephony	173	187	-7.4	174
Broadband	270	275	-1.9	273
TV	190	197	-3.8	194
ARPU, (EUR)				
Mobile, postpaid	12.6	12.9	-1.7	12.9
Broadband	14.5	13.7	6.5	14.1
TV	12.1	12.1	0.0	12.1
Employees ¹	1,371	1,386	-1.1	1,359

1) Restated, see Note 1.

TV and Media

In the quarter the first season of “Bäst i test” ended on TV4 and reached an average of more than 2 million viewers per episode and a record of 715,000 viewers per episode on TV4 Play. Furthermore, the newly released second season of Hautalehto was watched in record numbers on MTV Katsomo and set the record for most viewings during its release month.

Direct subscriptions video-on-demand (SVOD) increased by ~30,000 in the quarter driven by both Sweden and Finland.

Revenue, like for like, decreased 2.4% driven by lower service revenue generation.

Service revenue, like for like, decreased 2.1% as growth of 5.2% for TV revenue was more than offset by advertising revenue declining 6.3% driven by a weaker advertising market in Sweden compared to the corresponding period last year.

Adjusted EBITDA margin improved to -10.5% (-18.6) and adjusted EBITDA like for like improved 44.5% as lower service revenue was more than compensated by reduced content cost, as well as lower operational expenses, primarily related to resources and marketing.

CAPEX excluding fees for licenses, spectrum and right-of-use assets, increased 11.4% to SEK 38 million (34).

Highlights

SEK in millions, except margins, operational data and changes	Jan-Mar 2024	Jan-Mar 2023	Chg %	Jan-Dec 2023
Revenue ¹	1,915	1,961	-2.3	8,162
Change (%) like for like	-2.4			
of which service revenue (external) ¹	1,914	1,954	-2.0	8,135
change (%) like for like	-2.1			
Adjusted EBITDA	-202	-364	44.5	-225
Margin (%)	-10.5	-18.6		-2.8
change (%) like for like	-44.7			
Adjusted operating income	-392	-570	31.2	-1,123
Operating income	-397	-617	35.6	-2,149
CAPEX excluding fees for licenses, spectrum and right-of-use asset	38	34	11.4	185
Subscriptions, (thousands)				
TV (SVOD)	832	765	8.7	802
Employees ¹	1,215	1,276	-4.8	1,253

1) Restated, see Note 1.

Other operations

Operations and network assets in Denmark to be sold, are classified as held for sale and discontinued operations since September 15, 2023. Danish units that will not be sold are included in Other operations within continuing operations.

Revenue, like for like, decreased 0.1% driven by lower equipment sales in Latvia.

Adjusted EBITDA margin increased to 20.4% (19.4) and adjusted EBITDA like for like increased 8.1%.

In Latvia, revenue like for like, decreased 2.6% as increased service revenue was more than offset by lower sales of equipment. Adjusted EBITDA margin increased to 29.7% (29.5) and adjusted EBITDA like for like decreased 0.8% as the growth in service revenue was not enough to compensate for higher operational expenses mainly related to resources. The number of Mobile postpaid subscriptions excluding M2M services increased by ~1,000 in the quarter.

Highlights

SEK in millions, except margins, operational data and changes	Jan-Mar 2024	Jan-Mar 2023	Chg %	Jan-Dec 2023
Revenue	1,145	1,132	1.1	5,025
of which Latvia	793	801	-0.9	3,566
Change (%) like for like, Other operations	-0.1			
Change (%) like for like, Latvia	-2.6			
Adjusted EBITDA	234	220	6.4	1,072
of which Latvia	236	236	-0.4	1,029
Margin (%), Other operations	20.4	19.4		21.3
Margin (%), Latvia	29.7	29.5		28.9
Change (%) like for like, Other operations	8.1			
Change (%) like for like, Latvia	-0.8			
Income from associated companies	30	23	30.0	97
of which Latvia	31	33	-6.0	126
Adjusted operating income	-110	-231	52.4	-1,010
Operating income	-344	-519	33.7	-1,834
CAPEX excluding fees for licenses, spectrum and right-of-use assets ¹	900	1,024	-12.1	3,969
Subscriptions, (thousands)				
Mobile Latvia	1,451	1,452	-0.1	1,445
of which machine-to-machine (M2M)	429	413	3.8	423
Mobile, postpaid ARPU (EUR)	14.4	14.1	1.6	14.0
Employees ¹	5,141	5,236	-1.8	5,193

1) Restated, see Note 1.

Discontinued operations (Denmark)

A final and binding agreement to sell Telia's operations and network assets in Denmark to Norlys was signed in the third quarter 2023. The transaction, first announced on April 25, 2023, is in line with Telia's strategy to focus on markets in which there is a clear path to securing and defending leading market positions.

On April 2, 2024, Telia Company announced the closing of the sale of its operations and network assets in Denmark to Norlys a.m.b.a. at an enterprise value of DKK 6.25 billion (approximately SEK 9.5 billion), on a cash and debt-free basis.

Based on the agreement with Norlys, the operations and network assets in Denmark to be sold were classified as held for sale and discontinued operations as of September 15, 2023. Danish units that will not be sold are included in Other operations within continuing operations. Highlights for discontinued operations are presented in a condensed format and include only external items. For more information on discontinued operations, see Note 13.

Highlights

SEK in millions, except margins, operational data and changes	Jan-Mar 2024	Jan-Mar 2023	Chg %	Jan-Dec 2023
Revenue	1,274	1,314	-3.1	5,679
Adjusted EBITDA	358	346	3.4	1,473
Margin (%)	28.1	26.4		25.9
CAPEX excluding fees for licenses, spectrum and right-of-use assets	162	221	-26.6	734

Condensed consolidated statements of comprehensive income

SEK in millions, except per share data and number of shares	Note	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023
Revenue	3, 4	21,274	21,697	88,561
Goods and services purchased		-7,859	-8,478	-33,546
Personnel expenses		-3,756	-3,868	-14,797
Other external expenses		-2,733	-2,944	-11,414
Other operating income and expenses, net		-172	-74	-412
EBITDA		6,753	6,334	28,392
Depreciation, amortization and impairment		-4,506	-4,596	-23,517
Income from associated companies and joint ventures		37	30	105
Operating income	3	2,284	1,768	4,980
Financial items, net		-1,261	-843	-3,876
Income after financial items	3	1,022	926	1,105
Income taxes		-277	-324	-1,099
Net income from continuing operations		745	602	6
Net income from discontinued operations	13	12	136	891
Total net income		757	738	897
Items that may be reclassified to net income:				
Foreign currency translation differences from continuing operations		198	-1,341	-1,624
Foreign currency translation differences from discontinued operations		193	29	-22
Cash flow hedges		259	-5	-100
Cost of hedging		-9	-27	-102
Debt instruments at fair value through OCI		-2	1	2
Income taxes relating to items that may be reclassified		245	132	47
Items that will not be reclassified to net income:				
Equity instruments at fair value through OCI		-	-	310
Remeasurements of defined benefit pension plans		1,964	708	-2,253
Income taxes relating to items that will not be reclassified		-401	-145	461
Other comprehensive income (OCI)		2,448	-647	-3,280
Total comprehensive income		3,205	91	-2,383
Net income attributable to:				
Owners of the parent		598	603	303
Non-controlling interests		160	135	594
Total comprehensive income attributable to:				
Owners of the parent		2,805	-97	-2,927
Non-controlling interests		400	187	544
Earnings per share (SEK), basic and diluted				
<i>of which from continuing operations, basic and diluted</i>		<i>0.15</i>	<i>0.15</i>	<i>0.08</i>
		<i>0.15</i>	<i>0.12</i>	<i>-0.15</i>
Number of shares (thousands)				
Outstanding at period-end	6	3,932,109	3,932,109	3,932,109
Weighted average, basic and diluted		3,932,109	3,932,109	3,932,109
Adjusted EBITDA	2, 15	7,144	6,912	30,254
Adjusted operating income	2, 15	2,675	2,346	10,862

Condensed consolidated statements of financial position

SEK in millions	Note	Mar 31, 2024	Dec 31, 2023
Assets			
Goodwill and other intangible assets	5	66,747	66,020
Property, plant and equipment	5	70,683	70,181
Film and program rights, non-current		2,910	2,931
Right-of-use assets	5	17,151	16,823
Investments in associated companies and joint ventures, pension obligation assets and other non-current assets	9	9,185	6,742
Deferred tax assets		1,111	1,183
Non-current interest-bearing receivables	7, 9	9,637	8,998
Total non-current assets		177,423	172,878
Film and program rights, current		2,374	2,851
Inventories		2,481	2,307
Trade and other receivables and current tax receivables	9	14,261	14,580
Current interest-bearing receivables	7, 9	9,041	13,896
Cash and cash equivalents	7, 9	3,783	11,646
Assets classified as held for sale	13	9,349	8,310
Total current assets		41,289	53,590
Total assets		218,713	226,468
Equity and liabilities			
Equity attributable to owners of the parent		56,280	53,468
Equity attributable to non-controlling interests		3,751	3,526
Total equity		60,031	56,994
Non-current borrowings	7, 9	97,109	98,497
Deferred tax liabilities		9,121	9,013
Provisions for pensions and other non-current provisions		5,753	5,710
Other non-current liabilities		1,923	2,098
Total non-current liabilities		113,906	115,317
Current borrowings	7, 9	8,795	14,069
Trade payables and other current liabilities, current tax payables and current provisions	9, 12	31,752	35,920
Liabilities directly associated with assets classified as held for sale	12, 13	4,229	4,169
Total current liabilities		44,776	54,158
Total equity and liabilities		218,713	226,468

Condensed consolidated statements of cash flows

SEK in millions	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023
Net income	757	738	897
Adjustments	5,515	6,513	30,156
Cash flow before change in working capital	6,272	7,250	31,053
Increase/decrease film and program right assets and liabilities ¹	-550	-323	168
Increase/decrease other operating receivables, liabilities, and inventories	-652	-3,988	-642
Change in working capital	-1,202	-4,311	-474
Amortization and impairment of film and program rights ¹	-1,567	-1,589	-5,908
Cash flow from operating activities	3,503	1,350	24,671
<i>of which from discontinued operations</i>	297	255	1,432
Cash CAPEX (Intangible assets and property, plant and equipment acquired)	-3,561	-4,363	-15,466
Intangible assets and property, plant and equipment divested	7	6	38
Loans granted and other similar investments	-374	-979	-3,944
Repayment of loans granted and other similar investments	437	698	2,401
Cash flow from other investing activities	3,717	-2,956	-5,087
Total cash flow from investing activities	226	-7,593	-22,058
<i>of which from discontinued operations</i>	-91	-205	-800
Cash flow before financing activities	3,729	-6,243	2,613
Dividends paid to owners of the parent	-1,966	0	-5,898
Dividends paid to holders of non-controlling interests	-175	-125	-478
Proceeds from borrowings	35	9,433	13,877
Repayment of borrowings	-13,107	-863	-6,135
Cash flow from other financing activities	4,050	1,696	1,287
Cash flow from financing activities	-11,163	10,141	2,653
<i>of which from discontinued operations</i>	-7	-57	-142
Cash flow for the period	-7,434	3,898	5,266
<i>of which from discontinued operations</i>	199	-8	489
Cash and cash equivalents, opening balance	11,764	6,871	6,871
Cash flow for the period	-7,434	3,898	5,266
Exchange rate differences in cash and cash equivalents	137	-266	-372
Cash and cash equivalents, closing balance	4,468	10,503	11,764
<i>of which from continuing operations</i>	3,783	10,503	11,646
<i>of which from discontinued operations</i>	685	-	118

See Note 15 section Operational free cash flow for further information.

1) Total cash outflow from acquired film and program rights is the total of Increase/decrease film and program right assets and liabilities and Amortization and impairment of film and program rights.

Condensed consolidated statements of changes in equity

SEK in millions	Owners of the parent	Non-controlling interests	Total equity
Opening balance, January 1, 2023	64,239	3,434	67,673
Dividends	-	-125	-125
Share-based payments	6	-	6
<i>Total transactions with owners</i>	<i>6</i>	<i>-125</i>	<i>-119</i>
Total comprehensive income	-97	187	91
Closing balance, March 31, 2023	64,148	3,496	67,644
Dividends	-7,864	-327	-8,191
Share-based payments	18	-	18
Cancellation of treasury shares, net effect	-	-	-
Bonus issue, net effect	-	-	-
<i>Total transactions with owners</i>	<i>-7,847</i>	<i>-327</i>	<i>-8,174</i>
Total comprehensive income	-2,830	357	-2,473
Cash flow hedge transferred to assets	-3	-	-3
Closing balance, December 31, 2023	53,468	3,526	56,994
Dividends	-	-175	-175
Share-based payments	7	-	7
<i>Total transactions with owners</i>	<i>7</i>	<i>-175</i>	<i>-168</i>
Total comprehensive income	2,805	400	3,205
Closing balance, March 31, 2024	56,280	3,751	60,031

Note 1.

Basis of preparation

General

The Telia Company group applies IFRS Accounting standards as adopted by the European Union. The parent company's financial statements have been prepared in accordance with the Swedish Annual Accounts Act as well as standard RFR 2 Accounting for Legal Entities and other statements issued by the Swedish Corporate Reporting Board. For the group this Interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and for the parent company in accordance with the Swedish Annual Accounts Act. The accounting policies adopted, and computation methods used are consistent with those followed in the Annual and Sustainability Report 2023. All amounts in this report are presented in SEK millions, unless otherwise stated. Rounding differences may occur. If prior periods have been restated for comparability to reflect changes in financial and operational data, the changes are only described if material.

References

For more information regarding:

- Review of the group, see page 5.
- Significant events, see page 6.
- Risks and uncertainties, see page 37.

Discontinued operations

Discontinued operations (Denmark)

Operations and network assets in Denmark to be sold are classified as held for sale and discontinued operations as of September 15, 2023. Discontinued operations (Denmark) are not included in the segment information in Note 3. Danish units that will not be sold are included in Other operations within continuing operations. For information on discontinued operations, see Note 13.

Adjustment of TV & Media DTV revenue from operators

Digital TV revenue from operators in Sweden related to Premium pay service in TV and Media has been adjusted in order to recognize Telia Company's contractual sale as revenue. Previously, the contractual sale was recognized on a gross basis as revenue and goods and services purchased. Comparative periods have been restated, which resulted in

a reduction of both revenue (service revenue) and goods and services purchased by SEK 224 million for full year 2023. The adjustment had no net impact on EBITDA. The adjustments for the quarters and full year 2023 are presented in the tables below.

SEK in millions	Reported Jan-Mar 2023	Restatement Jan-Mar 2023	Restated Jan-Mar 2023	Reported Apr-Jun 2023	Restatement Apr-Jun 2023	Restated Apr-Jun 2023
Revenue	21,756	-58	21,697	21,934	-56	21,877
Goods and services purchased	-8,536	58	-8,478	-8,131	56	-8,075
Personnel expenses, Other external expenses and Other operating income and expenses	-6,886	-	-6,886	-6,809	-	-6,809
EBITDA	6,334	-	6,334	6,993	-	6,993

SEK in millions	Reported Jul-Sep 2023	Restatement Jul-Sep 2023	Restated Jul-Sep 2023	Reported Oct-Dec 2023	Restatement Oct-Dec 2023	Restated Oct-Dec 2023
Revenue	21,997	-50	21,947	23,098	-59	23,039
Goods and services purchased	-7,934	50	-7,884	-9,169	59	-9,109
Personnel expenses, Other external expenses and Other operating income and expenses	-5,737	-	-5,737	-7,191	-	-7,191
EBITDA	8,327	-	8,327	6,738	-	6,738

SEK in millions	Reported Jan-Dec 2023	Restatement Jan-Dec 2023	Restated Jan-Dec 2023
Revenue	88,785	-224	88,561
Goods and services purchased	-33,770	224	-33,546
Personnel expenses, Other external expenses and Other operating income and expenses	-26,623	-	-26,623
EBITDA	28,392	-	28,392

Restatement of other financial and operational data

Disaggregation of revenue has been restated as presented in the following tables to reflect an updated internal product hierarchy as well as updated, and between markets harmonized, product definitions. The changes performed are as per the tables below.

Furthermore, as a result of various organizational changes, CAPEX excl. fees for licenses and spectrum and right-of-use assets and number of employees have been restated between segments for comparability as per table below.

SEK in millions	Jan-Mar 2023								Total
	Sweden	Finland	Norway	Lithuania	Estonia	TV and Media	Other operations	Elim.	
Mobile end user revenue	-42	0	-20	-	-	-	-	-	-62
Mobile interconnect	-	-	-	-	-	-	-	-	-
Other mobile service revenue	3	-	1	-	-	-	-	-	4
Mobile service revenue	-39	0	-19	-	-	-	-	-	-58
Telephony	4	44	1	-	-	-	-	-	49
Broadband	38	1	-3	-	-	-	-	-	36
TV	-	-	3	-	-	-	-	-	3
Business solutions	40	-16	18	-	-	-	-	-	41
Other fixed service revenue	-42	-29	-0	-	-	-	-	-	-71
Fixed service revenue	39	0	19	-	-	-	-	-	58
Advertising revenue	-	-	-	-	-	-	-	-	-
Other service revenue	-0	-0	-	-	-	-	-	-	-0
Total service revenue	-0	0	-0	-	-	-	-	-	0
Equipment revenue	0	-0	-	-	-	-	-	-	-0
Total external revenue	-	-	-	-	-	-	-	-	-
Internal revenue	-	-	-	-	-	-	-	-	-
Total revenue	-	-	-	-	-	-	-	-	-

SEK in millions	Jan-Dec 2023								Total
	Sweden	Finland	Norway	Lithuania	Estonia	TV and Media	Other operations	Elim.	
Mobile end user revenue	-206	0	-61	-	-	-	-	-	-268
Mobile interconnect	-	-	-	-	-	-	-	-	-
Other mobile service revenue	10	6	5	-	-	-	-	-	21
Mobile service revenue	-196	6	-57	-	-	-	-	-	-246
Telephony	7	185	5	-	-	-	-	-	197
Broadband	144	3	-11	-	-	-	-	-	135
TV	-	-	14	-	-	-	-	-	14
Business solutions	203	-92	49	-	-	-	-	-	160
Other fixed service revenue	-158	-102	-0	-	-	-	-	-	-260
Fixed service revenue	196	-6	57	-	-	-	-	-	247
Advertising revenue	-	-	-	-	-	-	-	-	-
Other service revenue	-0	-1	-	-	-	-	-	-	-1
Total service revenue	-0	-1	-0	-	-	-	-	-	-1
Equipment revenue	0	1	-	-	-	-	-	-	1
Total external revenue	-	-	-	-	-	-	-	-	-
Internal revenue	-	-	-	-	-	-	-	-	-
Total revenue	-	-	-	-	-	-	-	-	-

SEK in millions and employees	Jan-Mar 2023								Total
	Sweden	Finland	Norway	Lithuania	Estonia	TV and Media	Other operations	Elim.	
CAPEX excluding fees for licenses, spectrum and right-of-use assets	202	75	88	54	11	-	-429	-	-
Employees	326	152	210	146	138	-	-972	-	-

SEK in millions and employees	Jan-Dec 2023								Total
	Sweden	Finland	Norway	Lithuania	Estonia	TV and Media	Other operations	Elim.	
CAPEX excluding fees for licenses, spectrum and right-of-use assets	659	228	313	208	58	-	-1,466	-	-
Segment assets	2,139	951	940	608	119	-	-4,757	-	-
Segment liabilities	274	90	66	-	-	-	-429	-	-
Employees	310	178	210	148	137	-	-983	-	-

Note 2.

Adjustment items

Adjustment items within operating income, continuing operations

SEK in millions	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023
Total within EBITDA¹	-391	-578	-1,861
Sweden	-78	-112	-186
Finland	-18	-35	-144
Norway	-48	-81	-534
Lithuania	-8	-8	-35
Estonia	-3	-6	-15
TV and Media	-5	-46	-126
Other operations	-118	-287	-747
Subtotal	-277	-576	-1,785
<i>whereof personnel redundancy costs</i>	<i>-158</i>	<i>-358</i>	<i>-649</i>
<i>whereof consultant costs including transformation and integration</i>	<i>-73</i>	<i>-118</i>	<i>-397</i>
<i>whereof IT costs including transformation</i>	<i>-21</i>	<i>-72</i>	<i>-224</i>
<i>whereof other</i>	<i>-25</i>	<i>-27</i>	<i>-515</i>
Capital gains/losses ¹	-114	-1	-76
Within Depreciation, amortization and impairment losses²	-	-	-4,020
Within Income from associated companies and joint ventures	-	-	-
Total adjustment items within operating income	-391	-578	-5,882

1) First quarter 2024 includes a capital loss of SEK 116 million related to the liquidation of the Turkish subsidiary Telia Sonera Telekomünikasyon Hizmetleri A.S., whereof SEK 104 million related to reclassification of accumulated negative exchange differences in equity to net income. The reclassification of the exchange differences had no net impact on equity or cash flow. 2) Full year 2023 includes impairments related to goodwill in Finland and TV and Media as well as impairment related to copper network assets in Sweden.

Adjustment items within EBITDA, discontinued operations

SEK in millions	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023
Total adjustment items within EBITDA, discontinued operations¹	-367	-7	237

1) Adjustment items first quarter 2024 and full year 2023 are mainly related to fair value changes in economic hedges of the future sales transaction.

Note 3.

Segment information

Operations and network assets in Denmark to be sold are classified as held for sale and discontinued operations as of September 15, 2023, and are therefore not included in the segment information. Danish units that will not be sold are included in Other operations within continuing operations.

SEK in millions	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023
Revenue			
Sweden	8,798	8,980	35,869
<i>of which external</i>	8,746	8,936	35,717
Finland	3,910	3,957	16,545
<i>of which external</i>	3,869	3,912	16,342
Norway	3,608	3,764	15,114
<i>of which external</i>	3,566	3,700	14,842
Lithuania	1,337	1,322	5,516
<i>of which external</i>	1,331	1,316	5,492
Estonia	984	982	4,145
<i>of which external</i>	981	979	4,129
TV and Media ¹	1,915	1,961	8,162
<i>of which external¹</i>	1,914	1,954	8,135
Other operations	1,145	1,132	5,025
Total segments¹	21,698	22,098	90,375
Eliminations	-424	-401	-1,814
Group	21,274	21,697	88,561
Adjusted EBITDA			
Sweden	3,256	3,313	13,615
Finland	1,249	1,197	5,093
Norway	1,692	1,681	7,062
Lithuania	511	483	2,019
Estonia	404	382	1,618
TV and Media	-202	-364	-225
Other operations	234	220	1,072
Total segments	7,144	6,912	30,254
Eliminations	-	-	-
Group	7,144	6,912	30,254
Operating income			
Sweden	1,480	1,475	6,226
Finland	363	286	-1,574
Norway	681	645	2,197
Lithuania	300	265	1,115
Estonia	200	233	999
TV and Media	-397	-617	-2,149
Other operations	-344	-519	-1,834
Total segments	2,284	1,768	4,980
Eliminations	-	-	-
Group	2,284	1,768	4,980
Financial items, net	-1,261	-843	-3,876
Income after financial items	1,022	926	1,105

1) Restated, see Note 1.

SEK in millions	Mar 31, 2024	Mar 31, 2024	Dec 31, 2023 ¹	Dec 31, 2023 ¹
	Segment assets	Segment liabilities	Segment assets	Segment liabilities
Sweden	49,498	14,693	50,392	15,565
Finland	37,537	5,021	36,332	5,223
Norway	46,825	6,769	46,997	7,152
Lithuania	8,331	1,622	8,011	1,432
Estonia	6,704	1,054	6,387	1,069
TV and Media	11,347	2,176	12,125	3,438
Other operations	21,404	7,032	21,253	7,296
Total segments	181,645	38,366	181,496	41,176
Assets and liabilities held for sale (Denmark)	9,349	4,229	8,310	4,169
Unallocated	27,719	116,087	36,662	124,129
Total assets/liabilities, group	218,713	158,682	226,468	169,475

1) Restated, see Note 1.

Note 4.

Revenue

SEK in millions	Jan-Mar 2024							
	Sweden	Finland	Norway	Lithuania	Estonia	TV and Media	Other operations	Elim. Total
Mobile end user revenue	3,026	1,673	1,793	463	290	-	439	- 7,684
Mobile interconnect	115	52	91	13	9	-	12	- 293
Other mobile service revenue	139	296	274	5	4	-	6	- 723
Mobile service revenue	3,280	2,020	2,158	481	303	-	457	- 8,700
Telephony	231	27	17	36	21	-	-	- 332
Broadband	1,530	292	405	216	199	-	-	- 2,641
TV	720	155	418	106	86	725	-	- 2,211
Business solutions	982	794	85	102	114	-	12	- 2,088
Other fixed service revenue	693	94	10	112	110	-	-	- 1,018
Fixed service revenue	4,155	1,362	935	571	529	725	12	- 8,289
Advertising revenue	-	-	-	-	-	1,141	-	- 1,141
Other service revenue	241	51	23	5	2	48	133	- 505
Total service revenue¹	7,676	3,434	3,117	1,058	834	1,914	603	- 18,634
Equipment revenue ¹	1,070	435	449	273	147	-	266	- 2,640
Total external revenue	8,746	3,869	3,566	1,331	981	1,914	868	- 21,274
Internal revenue	52	42	43	6	3	2	277	-424 -
Total revenue	8,798	3,910	3,608	1,337	984	1,915	1,145	-424 21,274

1) In all material aspects, equipment revenue is recognized at a point in time and service revenue over time.

SEK in millions	Jan-Mar 2023 ²								Total
	Sweden	Finland	Norway	Lithuania	Estonia	TV and Media	Other operations	Elim.	
Mobile end user revenue	3,020	1,564	1,837	416	288	-	424	-	7,549
Mobile interconnect	115	72	104	19	13	-	18	-	340
Other mobile service revenue	147	293	220	12	4	-	6	-	682
Mobile service revenue	3,282	1,929	2,161	446	305	-	448	-	8,570
Telephony	296	62	18	40	23	-	0	-	438
Broadband	1,450	283	433	203	192	-	-	-	2,562
TV	584	149	431	104	85	689	-	-	2,042
Business solutions	916	816	104	93	92	0	15	-	2,036
Other fixed service revenue	661	71	13	119	124	0	-	-	988
Fixed service revenue	3,908	1,381	1,000	558	516	689	15	-	8,067
Advertising revenue	-	-	-	-	-	1,217	-	-	1,217
Other service revenue	223	57	37	4	1	48	134	-	505
Total service revenue¹	7,413	3,367	3,198	1,009	821	1,954	597	-	18,359
Equipment revenue ¹	1,523	545	502	307	158	-	304	-	3,338
Total external revenue	8,936	3,912	3,700	1,316	979	1,954	901	-	21,697
Internal revenue	44	45	64	6	3	7	231	-401	-
Total revenue	8,980	3,957	3,764	1,322	982	1,961	1,132	-401	21,697

1) In all material aspects, equipment revenue is recognized at a point in time and service revenue over time. 2) Restated, see Note 1.

SEK in millions	Jan-Dec 2023 ²								Total
	Sweden	Finland	Norway	Lithuania	Estonia	TV and Media	Other operations	Elim.	
Mobile end user revenue	12,205	6,606	7,383	1,808	1,198	-	1,760	-	30,959
Mobile interconnect	477	292	396	81	54	-	58	-	1,358
Other mobile service revenue	630	1,267	1,053	31	20	-	34	-	3,035
Mobile service revenue	13,313	8,164	8,831	1,919	1,272	-	1,852	-	35,352
Telephony	1,111	233	62	157	90	-	0	-	1,652
Broadband	5,949	1,171	1,667	860	804	-	-	-	10,450
TV	2,469	604	1,717	430	350	2,750	-	-	8,320
Business solutions	3,858	3,382	397	428	410	1	51	-	8,528
Other fixed service revenue	2,714	297	46	444	527	0	0	-	4,028
Fixed service revenue	16,102	5,687	3,888	2,319	2,181	2,750	51	-	32,978
Advertising revenue	-	-	-	-	-	5,192	-	-	5,192
Other service revenue	987	228	135	20	3	193	599	-	2,165
Total service revenue¹	30,401	14,080	12,854	4,259	3,456	8,135	2,502	-	75,687
Equipment revenue ¹	5,316	2,262	1,987	1,234	673	-	1,402	-	12,873
Total external revenue	35,717	16,342	14,842	5,492	4,129	8,135	3,903	-	88,560
Internal revenue	152	203	272	24	16	26	1,121	-1,814	-
Total revenue	35,869	16,545	15,114	5,516	4,145	8,162	5,025	-1,814	88,561

1) In all material aspects, equipment revenue is recognized at a point in time and service revenue over time. 2) Restated, see Note 1.

Note 5.

Investments

SEK in millions	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023
CAPEX	4,169	5,326	20,662
Intangible assets	756	836	4,682
Property, plant and equipment	2,339	2,655	10,520
Right-of-use assets	1,074	1,835	5,460
Acquisitions and other investments	88	24	1,719
Asset retirement obligations	88	24	1,563
Goodwill, intangible and tangible non-current assets and right-of-use assets acquired in business combinations	-	-	26
Equity instruments	-	0	130
Total investments, continuing operations	4,257	5,350	22,381
Total investments, discontinued operations	186	311	1,094
<i>of which CAPEX</i>	<i>184</i>	<i>310</i>	<i>1,136</i>
Total investments	4,444	5,660	23,475
<i>of which CAPEX</i>	<i>4,353</i>	<i>5,635</i>	<i>21,798</i>

Note 6.

Treasury shares

As of March 31, 2024, and December 31, 2023, respectively, Telia Company did not hold any treasury shares and the total number of issued and outstanding shares was 3,932,109,286.

Note 7.

Net debt

Net debt presented below is based on both continuing and discontinued operations.

SEK in millions	Mar 31, 2024	Dec 31, 2023
Non-current borrowings	98,203	99,589
<i>of which lease liabilities, non-current</i>	15,319	15,264
Less 50% of hybrid capital ¹	-9,799	-9,418
Current borrowings	9,024	14,286
<i>of which lease liabilities, current</i>	3,646	3,372
Less derivatives recognized as financial assets and hedging non-current and current borrowings and related credit support annex (CSA)	-6,556	-6,424
Less non-current bonds and interest rates derivatives at fair value through income statement and OCI	-5,405	-5,416
Short-term investments	-3,247	-7,095
Less cash and cash equivalents	-4,468	-11,764
Net debt	77,753	73,758

1) 50% of hybrid capital is treated as equity, consistent with market practice for this type of instrument, and reduces net debt.

Derivatives recognized as financial assets and hedging non-current and current borrowings and related credit support annex (CSA) are part of the balance sheet line-items Non-current interest-bearing receivables and Current interest-bearing receivables. Hybrid capital, calculated as nominal amount, is part of the balance sheet line-item Non-current

borrowings. Non-current bonds at fair value through income statement and Other comprehensive income (OCI) are part of the balance sheet line-item Non-current interest-bearing receivables. Short-term investments are part of the balance sheet line-item Current interest-bearing receivables.

Note 8.

Loan financing and credit rating

During the first quarter of 2024, Telia Company issued commercial papers with a total nominal amount of SEK 2.8 billion under the existing short-term commercial paper program. At the same time, outstanding bonds with a nominal amount of SEK 13.2 billion were repaid.

Telia Company has good access to capital via European debt capital markets and via commercial paper market if any funding need would be identified.

The credit rating of Telia Company remained unchanged during the first quarter of 2024. Moody's rating for long-term borrowings is Baa1 with a stable outlook. The Standard & Poor long-term rating is BBB+ and the short-term rating is A-2, both with a stable outlook.

Note 9.

Financial instruments – fair values

Financial liabilities SEK in millions	Mar 31, 2024		Dec 31, 2023	
	Carrying value	Fair value	Carrying value	Fair value
Non-current borrowings				
Euro Medium Term Notes Program (EMTN)	54,417	59,154	57,014	62,115
Hybrid bonds	19,291	20,171	18,425	19,446
Other bilateral	1,971	2,195	1,918	2,159
Bank loans	848	848	805	805
Lease liabilities	14,583		14,511	
Interest rate swaps	5,828	5,828	5,600	5,600
Cross currency interest rate swaps	166	166	153	153
Other non-current borrowings	4	4	71	71
Total non-current borrowings	97,109		98,497	
Current borrowings				
Commercial paper program	2,758	2,758	-	-
Euro Medium Term Notes Program (EMTN)	659	653	9,900	10,055
Bank loans	359	359	579	579
Lease liabilities	3,418		3,156	
Interest rate swaps	-	-	433	433
Other current borrowings	1,604	1,604	2	2
Total non-current borrowings	8,795		14,069	
Total borrowings	105,905		112,566	
Other non-current financial liabilities				
Derivatives (at fair value)	-	-	5	5
License fee liabilities and other non-current financial liabilities	1,476	1,476	1,664	1,664
Total other non-current financial liabilities	1,476	1,476	1,670	1,670
Other current financial liabilities				
Derivatives (at fair value)	249	249	216	216
Accounts payable and other current financial liabilities	20,134	20,134	23,384	23,384
Total other current financial liabilities	20,383	20,383	23,600	23,600

Other non-current financial liabilities are part of the line item Other non-current liabilities and Other current financial liabilities are part of the line item Trade payables and other current liabilities, current tax payables and current provisions in the statement of financial position. For financial assets not measured at fair value in the statement of financial position, the carrying amounts are deemed reasonable approximations of their respective fair values. For information on fair value estimation, see the Annual and sustainability report 2023, Note C3.

Financial assets and liabilities by fair value hierarchy level SEK in millions	Mar 31, 2024				Dec 31, 2023			
	Carrying value	of which			Carrying value	of which		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
Financial assets at fair value								
Equity instruments	919	-	-	919	917	-	-	917
Non-current and current bonds	8,652	8,652	-	-	12,925	12,925	-	-
Derivatives	2,964	-	2,964	-	3,191	-	3,191	-
Total financial assets at fair value by level	12,535	8,652	2,964	919	17,032	12,925	3,191	917
Financial liabilities at fair value								
Derivatives	6,243	-	6,243	-	6,407	-	6,407	-
Total financial liabilities at fair value by level	6,243	-	6,243	-	6,407	-	6,407	-

There were no material transfers between Level 1, 2 or 3 in 2024 or 2023. For information on fair value hierarchy levels and fair value estimation, see the Annual and Sustainability report 2023 Note C3 and section below.

Fair value measurement of Level 3 financial instruments

Investments classified within Level 3 make use of significant unobservable inputs in deriving fair value, as they trade infrequently. As observable prices are not available for these equity instruments, Telia Company has a market approach to derive the fair value. Telia Company's primary valuation technique used for estimating the fair value of unlisted equity instruments in Level 3 is based on the most recent transaction for the specific company if such transaction has been recently made. If there have been significant changes in circumstances

between the transaction date and the balance sheet date, that in the assessment of Telia Company, would have a material impact on the fair value, the carrying value is adjusted to reflect the changes. The table below presents the movement in Level 3 instruments during the year.

Movements within Level 3, fair value hierarchy SEK in millions	Equity instruments Jan-Mar 2024	Equity instruments Jan-Dec 2023
Level 3, opening balance	917	614
Changes in fair value	-	302
<i>of which recognized in net income</i>	-	-4
<i>of which recognized in other comprehensive income</i>	-	307
Purchases/share issue	-	15
Disposals	-	-2
Settlements	-	-13
Exchange rate differences	2	0
Level 3, closing balance	919	917

Note 10.

Contingent liabilities, collateral pledged and litigations

SEK in millions	Mar 31, 2024	Dec 31, 2023
Issued financial guarantees	366	347
<i>of which referred to guarantees for pension obligations</i>	365	346
Collateral pledged	0	0
Total contingent liabilities and collateral pledged	366	347

In February 2024 Telia Company paid the amount of SEK 270 million requested by the Norwegian Tax Administration (NTA) related to the VAT audit investigation on the treatment of the supply of electronic news services during the years 2016-2018 in GET AS, which was acquired by Telia Company in 2018. The payment reduced the provision for the years 2016-2018 by SEK 140 million and the remaining amount of SEK 130 million was recognized as a deposit (asset) based on that the NTA decision has been appealed by Telia Company and it is assessed probable that the amount will be repaid after a final court resolution.

The remaining provision for the Norwegian VAT audit, which was recognized in December 2023, relates to the extended investigation for the years 2019-2022. As per March 31, 2024, this provision amounts to SEK 278 million. New Norwegian VAT legislation has been implemented as of January 1, 2023, which limits the exposure to the years 2016 – 2022.

For other ongoing legal proceedings, see Note C30 in the Annual and Sustainability Report 2023.

Note 11.

Contractual obligations and commitments

SEK in millions	Mar 31, 2024	Dec 31, 2023
Contractual obligations and commitments for Film and program rights	9,778	10,785
Contractual obligations and commitments for Property, plant and equipment	5,279	4,702
Contractual obligations and commitments for Intangible and Right-of-use assets	362	184
Total contractual obligations and commitments	15,419	15,672

Note 12.

Accounts payable

SEK in millions	Mar 31, 2024	Dec 31, 2023
Accounts payable, continuing operations	16,801	17,681
<i>of which accounts payable under vendor financing agreements</i>	11,463	11,527
Accounts payable, discontinued operations	385	469
<i>of which accounts payable under vendor financing agreements</i>	-	4
Total accounts payable	17,186	18,150

As disclosed in the Annual and sustainability report 2023, Telia Company has arrangements with several banks under which the banks offer Telia Company's vendors the option to receive earlier payment of Telia Company's accounts payable. Vendors utilizing these financing arrangements pay a credit fee to the bank. The vendor financing portfolio also includes arrangements where the supplier issues a trade finance instrument, subsequently assigned to a bank specified by the supplier, and offers Telia Company to extend the payments terms in exchange for a price increase consideration paid by Telia Company. All arrangements in the vendor financing portfolio provide earlier payment for the vendors and extended payment terms for Telia Company. Due dates for the payables within the vendor financing arrangements are 50-360 days after invoice date, with the majority of the outstanding balance closer to 360 days. Other accounts payable outside the vendor financing arrangements have payment due dates 30-90 days after

invoice date. Telia Company uses all of the arrangements in the vendor financing portfolio as integrated parts of the commercial relationships with the vendors and the liabilities are part of the working capital in Telia Company's normal operating cycle. Telia Company does not provide any additional collateral or guarantees to the banks. Based on Telia Company's assessment the liabilities under the vendor financing arrangements are closely related to operating purchase activities and the financing arrangement does not lead to any significant change in the nature or function of the liabilities. The liabilities in the vendor financing portfolio are therefore classified as accounts payable. The credit period does not exceed 12 months and the accounts payable are therefore not discounted. The total vendor financing balance is divided between five banks, where the bank with the largest balance represents 36% (30%).

Note 13.

Assets held for sale and discontinued operations

Discontinued operations

On September 15, 2023, Telia Company signed the final and binding sales agreement for the sale of the operations and network assets in Denmark to Norlys a.m.b.a. (Norlys) at an enterprise value of DKK 6.25 billion (approximately SEK 9.5 billion), on a cash and debt-free basis. The valuation is equivalent to 8.9x previous segment Telia Denmark's 2022 reported EBITDA. The transaction was closed on April 2, 2024. The transaction is in line with Telia's strategy to focus on markets where there is a clear path to securing and defending leading market positions. Norlys is Denmark's largest integrated energy and telecommunications group. Telia intends to use the transaction proceeds for deleveraging purposes.

Based on the signed, final, binding sales agreement the sale was deemed highly probable within one year and the operations and network assets in Denmark to be sold were therefore classified as held

for sale and discontinued operations as of September 15, 2023. Danish units that will not be sold are included in Other operations within continuing operations.

The consolidated statements of comprehensive income reflect the split into continuing and discontinued operations. The consolidated cash flow statements present cash flows for the total group, but with additional information on cash flows from discontinued operations. Operational free cash flow and Free cash flow (new definition) for the group include only cash flow from continuing operations. The consolidated statements of financial position present assets and liabilities to be disposed as held for sale. The amounts for continuing and discontinued operations in the consolidated financial statements are presented after elimination of intra group transactions and balances.

Net income from discontinued operations (Denmark)

SEK in millions, except per share data	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023
Revenue	1,274	1,314	5,679
Expenses and other operating income, net	-1,283	-1,195	-4,639
Operating income	-9	119	1,040
Financial items, net	-12	1	-34
Income after financial items	-21	120	1,005
Income taxes	33	17	-113
Net income from discontinued operations	12	136	891
Adjusted EBITDA	358	346	1,473
EPS from discontinued operations (SEK)	0.00	0.03	0.23

Assets classified as held for sale (Denmark)

SEK in millions	Mar 31, 2024	Dec 31 2023
Goodwill and other intangible assets	3,451	3,198
Property, plant and equipment	2,700	2,566
Right-of-use assets	1,109	1,057
Other non-current assets	224	216
Other current assets	1,179	1,155
Cash and cash equivalents	685	118
Assets classified as held for sale	9,349	8,310
Non-current borrowings	1,095	1,092
Non-current provisions	193	188
Other non-current liabilities	1,271	1,200
Current borrowings	228	217
Other current liabilities	1,442	1,472
Liabilities associated with assets classified as held for sale	4,229	4,169
Net assets classified as held for sale	5,119	4,141

Note 14.

Financial key ratios

The key ratios presented in the table below are based on both continuing and discontinued operations.

	Mar 31, 2024	Dec 31, 2023
Return on equity (% , rolling 12 months) ¹	0.5	0.6
Return on capital employed (% , rolling 12 months) ¹	5.1	5.2
Equity/assets ratio (%) ¹	26.5	21.7
Net debt/adjusted EBITDA ratio (multiple, rolling 12 months)	2.43	2.32
Parent owners' equity per share (SEK) ¹	14.31	13.60

1) Equity is adjusted by weighted dividend, see the Annual and Sustainability Report 2023 section Definitions for key ratio definitions.

Note 15.

Alternative performance measures

In addition to financial performance measures prepared in accordance with IFRS, Telia Company presents non-IFRS financial performance measures. These alternative measures are considered to be important performance indicators for investors and other users of the Interim report. The alternative performance measures should be considered as a complement to, but not a substitute for, the information prepared in

accordance with IFRS. Telia Company's definitions and explanation of the use of these non-IFRS measures are described in the Annual and Sustainability Report 2023. These terms may be defined differently by other companies and are therefore not always comparable to similar measures used by other companies.

Service revenue

SEK in millions	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023
Revenue	21,274	21,697	88,560
Excluded: Equipment revenue	-2,640	-3,338	-12,873
Service revenue (external)	18,634	18,359	75,687
Excluded: Effects from changes in foreign exchange rates ¹	223	85	-48
Excluded: Effects from acquired and disposed operations	-12	-7	-61
Service revenue on a like-for-like basis²	18,845	18,437	75,578
<i>Change (%) like for like</i>	2.2%		
<i>of which Telco operations</i>	16,918	16,470	67,440
<i>Change (%) like for like, Telco operations</i>	2.7%		
<i>of which TV and Media</i>	1,926	1,967	8,138

1) Changes in foreign exchange rates refers to full year average rates prior year. 2) Like for like excludes exchange rate effects and is based on the current group structure, i.e. including the impact of any acquired operations and excluding the impact of any disposed operations, both in the current and in the comparable period. See also section Definitions.

Telia Company considers Service revenue a relevant measure to be able to understand the recurring revenue development within the company's

main course of business, which is the main foundation for its ability to generate profits and positive cash flow.

Adjusted EBITDA

SEK in millions	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023
EBITDA	6,753	6,334	28,392
Adjustment items within EBITDA (Note 2)	391	578	1,861
Adjusted EBITDA	7,144	6,912	30,254
Excluded: Effects from changes in foreign exchange rates ¹	94	6	-26
Excluded: Effects from acquired and disposed operations	-1	2	8
Adjusted EBITDA on a like-for-like basis²	7,237	6,920	30,236
Change (%) like for like	4.6%		
of which Telco operations	7,439	7,285	30,462
Change (%) like for like, Telco operations	2.1%		
of which TV and Media	-202	-366	-226
Excluded: Impact from energy cost changes ³	-41		
Adjusted EBITDA on a like-for-like basis² excluding impact from energy cost changes³	7,196	6,920	30,236

1) Changes in foreign exchange rates refers to full year average rates prior year. 2) Like for like excludes exchange rate effects and is based on the current group structure, i.e. including the impact of any acquired operations and excluding the impact of any disposed operations, both in the current and in the comparable period. See also section Definitions. 3) Energy cost changes in 2024 compared to 2023.

Adjusted operating income

SEK in millions	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023
Operating income	2,284	1,768	4,980
Adjustment items within Operating income (Note 2)	391	578	5,882
Adjusted operating income	2,675	2,346	10,862

CAPEX, Cash CAPEX and Cash CAPEX in relation to Revenue (continuing operations)

SEK in millions	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023
Investments in intangible assets	756	836	4,682
Investments in property, plant and equipment	2,339	2,655	10,520
CAPEX excluding right of use assets	3,095	3,491	15,202
Investments in right-of-use assets	1,074	1,835	5,460
CAPEX	4,169	5,326	20,662
Excluded: Investments in license and spectrum fees and right-of-use assets	-1,077	-1,835	-7,033
CAPEX excluding fees for licenses and spectrum and right of use assets	3,092	3,491	13,628

SEK in millions, except ratio	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023
CAPEX	4,169	5,326	20,662
Excluded: investments in right-of-use assets	-1,074	-1,835	-5,460
Net of not paid investments and additional payments from previous periods	274	667	-536
Cash CAPEX	3,367	4,158	14,666
Excluded: Cash CAPEX for licenses and spectrum fees	-154	-227	-1,039
Cash CAPEX, excluding fees for licenses and spectrum	3,215	3,930	13,627
Revenue	21,274	21,697	88,561
Cash CAPEX, excluding fees for licenses and spectrum in relation to Revenue (%)	15.1	18.1	15.4

Structural part of Operational free cash flow, Operational free cash flow and Free cash flow (continuing operations)

SEK in millions	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023
Cash flow from operating activities	3,205	1,096	23,239
Cash CAPEX (Intangible assets and property, plant and equipment acquired)	-3,368	-4,158	-14,666
Excluded: Cash CAPEX for licenses and spectrum fees	154	227	1,039
Excluded: Dividends from associated companies and joint ventures	0	0	-134
Repayment of lease liabilities	-769	-785	-2,822
Excluded: Change in working capital	1,191	4,233	598
Structural part of Operational free cash flow	413	613	7,254
Change in working capital	-1,191	-4,233	-598
Operational free cash flow	-779	-3,620	6,656
Cash CAPEX for licenses and spectrum fees	-154	-227	-1,039
Intangible assets and property, plant and equipment divested	7	6	38
Dividends from associated companies and joint ventures	0	0	134
Dividends paid to holders of non-controlling interests	-175	-125	-478
Free cash flow (new definition)	-1,100	-3,966	5,311
Free cash flow (new definition), accumulated current year	-1,100	-3,966	5,311
Free cash flow (new definition), accumulated previous year	9,277	2,745	-
Free cash flow (new definition), rolling 12 months	8,177	-1,221	5,311
Number of shares, weighted average, basic and diluted (thousands)	3,932,109	3,932,109	3,932,109
<i>Free cash flow (new definition) per share, rolling 12 months (SEK)</i>	<i>2.08</i>	<i>-0.31</i>	<i>1.35</i>

Telia Company considers Free cash flow (new definition) and Free cash flow (new definition) per share, rolling 12 months to be relevant cash flow measures to understand the group's ability to generate funds for future dividends to its parent company shareholders, reduce net debt, buy back shares and make business acquisitions. From the first quarter 2024 Telia Company has changed its definition of Free cash flow. The new Free cash flow measure is considered more relevant as it is more comprehensive and gives a better understanding of the group's ability to generate funds for future dividends to its parent company shareholders, reduce net debt, buy back shares and make business acquisitions.

Previously Free cash flow was defined as the total cash flow from operating activities and cash CAPEX (Intangible assets and property, plant and equipment acquired). The new Free cash flow measure includes the following cash flows from continuing operations: cash flow from operating activities, intangible assets and property plant and equipment acquired (cash CAPEX) and divested, dividends paid to holders of non-controlling interests and repayment of lease liabilities. The new definition includes only cash flows from continuing operations because Telia Company believes this gives a better understanding of the group's future ability to generate cash.

Net debt and Net debt/Adjusted EBITDA (leverage, rolling 12 months) (continuing and discontinued operations)

SEK in millions, except for multiple	Mar 31, 2024	Dec 31, 2023
Net debt (Note 7)	77,753	73,758
Adjusted EBITDA accumulated current year, continuing operations	7,144	30,254
Adjusted EBITDA accumulated previous year, continuing operations	23,342	-
Adjusted EBITDA accumulated current year, discontinued operations	358	1,473
Adjusted EBITDA accumulated previous year, discontinued operations	1,127	-
Adjusted EBITDA rolling 12 months	31,972	31,727
Net debt/adjusted EBITDA (leverage)	2.43x	2.32x

Adjusted EBITDA margin

SEK in millions, except ratio	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023
Revenue	21,274	21,697	88,561
Adjusted EBITDA	7,144	6,912	30,254
Adjusted EBITDA margin (%)	33.6	31.9	34.2

Parent company

Condensed income statements

SEK in millions	Jan-Mar 2024	Jan-Mar 2023	Jan-Dec 2023
Revenue	567	512	2,024
Goods and services purchased	-378	-393	-1,411
Personnel expenses	-189	-229	-811
Other external expenses	-24	-30	-221
Other operating income and expenses, net	-72	-13	-93
EBITDA	-96	-154	-511
Depreciation, amortization and impairment	0	0	0
Operating income	-96	-154	-511
Financial items, net	-2,092	-525	480
Income after financial items	-2,188	-679	-31
Appropriations	1,749	674	1,793
Income before taxes	-439	-4	1,762
Income taxes	117	0	-14
Net income	-323	-4	1,749

Financial items, net in the first quarter 2024, amounted to SEK -2,092 million (-525), mainly impacted by foreign exchange rate losses.

Appropriations in the first quarter 2024 increased to SEK 1,749 million (674), mainly due to increased net reversal of profit equalization reserves and increased group contribution from the subsidiaries.

Condensed balance sheets

SEK in millions	Mar 31, 2024	Dec 31, 2023
Assets		
Non-current assets	153,694	150,382
Current assets	30,319	47,401
Total assets	184,013	197,783
Equity and liabilities		
Restricted shareholders' equity	15,712	15,712
Non-restricted shareholders' equity	49,355	49,478
Total shareholders' equity	65,067	65,189
Untaxed reserves	4,082	5,539
Non-current provisions	360	382
Non-current liabilities	81,668	83,127
Current liabilities and current provisions	32,836	43,546
Total untaxed reserves, provisions and liabilities	118,946	132,594
Total equity and liabilities	184,013	197,783

Non-current assets increased to SEK 153,694 million (150,382), mainly due to increased non-current interest-bearing receivables from group companies.

Current assets decreased to SEK 30,319 million (47,401), referring to short-term investments and cash and bank, mainly due to net repaid debt, paid dividend as well as decreased receivables from group companies.

Untaxed reserves decreased to SEK 4,082 million (5,539) due to a net reversal of equalization reserves.

Non-current liabilities decreased to SEK 81,668 million (83,127), mainly impacted by a decrease in bonds, partly offset by an increase in derivatives.

Current liabilities and current provisions decreased to SEK 32,836 million (43,546), mainly due to net repaid debt, paid dividend liability as well as decreased liabilities to group companies.

Risks and uncertainties

Telia Company operates across seven geographical markets, offering a broad range of products and services within Telecommunication, Information Technology and Media. All markets are highly competitive and regulated. Telia Company has defined risk as anything that could have a material adverse effect on the achievement of Telia Company's goals. Risks can be threats, uncertainties or lost opportunities relating to Telia Company's current or future operations or activities.

Telia Company has an established risk management framework in place to regularly identify, analyze, assess, and report strategic, business, financial as well as ethics and sustainability risks and uncertainties, and to manage such risks as appropriate. The Telia Company Risk Universe

consists of a Principal Risk taxonomy based on 13 Principal Risk areas and over 50 sub-risk areas that are identified and prioritized together with Group Executive Management, as the most material risks that impact Telia's objectives and operations. The Principal Risks are assessed and aggregated across the whole company using the Risk management framework. Risk management is an integrated part of Telia's business planning process and monitoring of business performance.

For further information regarding details on risk exposure and risk management, see the Annual and Sustainability Report 2023, Directors Report, section Risk and uncertainties.

Stockholm, April 25, 2024

Patrik Hofbauer
President and CEO

This report has not been subject to review by
Telia Company's auditors.

Forward-looking statements

This report contains statements concerning, among other things, Telia Company's financial condition and results of operations that are forward-looking in nature. Such statements are not historical facts but, rather, represent Telia Company's future expectations. Telia Company believes that the expectations reflected in these forward-looking statements are based on reasonable assumptions; however, forward-looking statements involve inherent risks and uncertainties, and a number of important factors could cause actual results or outcomes to differ materially from those expressed in any forward-looking statement. Such important factors include but may not be limited to:

Telia Company's market position; growth in the telecommunications and media industries; and the effects of competition and other economic, business, competitive and/or regulatory factors affecting the business of Telia Company, its associated companies and joint ventures, and the telecommunications and media industries in general. Forward-looking statements speak only as of the date they were made, and, other than as required by applicable law, Telia Company undertakes no obligation to update any of them in the light of new information or future events.

Definitions

Adjustment items: Comprise of capital gains and losses, impairment losses, restructuring programs (costs for phasing out operations and personnel redundancy costs and costs for major group wide business transformations) or other costs with the character of not being part of normal daily operations.

Advertising revenue: External revenue related to linear and digital/AVoD media, sponsorships and other types of advertising.

ARPU: Average revenue per user.

Broadband revenue: External revenue related to fixed broadband services.

Business solutions revenue: External revenue related to fixed business networking and communication solutions.

CAPEX: An abbreviation of “Capital Expenditure”. Investments in intangible and tangible non-current assets and right-of-use assets, but excluding goodwill, intangible and tangible non-current assets and right-of-use assets acquired in business combinations, film and program rights and asset retirement obligations.

CAPEX excluding right-of-use assets: CAPEX excluding right-of-use assets.

EBITDA: An abbreviation of “Earnings before Interest, Tax, Depreciation and Amortization.” Equals operating income before depreciation, amortization and impairment losses and before income from associated companies and joint ventures but including amortization and impairment of film and program rights.

Employees: Total headcount excluding hourly paid employees.

Equipment revenue: External equipment revenue.

Free cash flow (new definition): From continuing operations: cash flow from operating activities, intangible assets and property plant and equipment acquired (Cash CAPEX) and divested, dividends paid to holders of non-controlling interests and repayment of lease liabilities. See Note 15 for details on changed definition.

Free cash flow (new definition) per share, rolling twelve months: Free cash flow from continuing operations on a rolling twelve-month basis, divided by number of shares, weighted average, basic and diluted.

Internal revenue: Group internal revenue.

Like for like (%): The change in revenue, external service revenue and adjusted EBITDA, excluding exchange rate effects and based on the current group structure, i.e. including the impact of any acquired operations and excluding the impact of any disposed operations, both in the current and in the comparable period.

Mobile end user revenue: External revenue related to voice, messaging, data, value added services and content (including machine-to-machine).

Mobile Interconnect: External revenue related to mobile termination.

Net debt: Interest-bearing liabilities (including derivatives that are liabilities and used to hedge risks in borrowings) plus liabilities for derivatives used to hedge risks in the bonds and short-term investments portfolio, less derivatives recognized as financial assets and used to hedge risks in borrowings, less collateral received under credit support annex (CSA), less 50% of hybrid capital calculated as 50% of nominal amount (which, consistent with market practice for the type of instrument, is treated as equity), less non-current bonds, less short-term investments, less derivatives that are assets and used to hedge risks in the bonds and short-term investments portfolio and less cash and cash equivalents. (The definition has been clarified, but there is no change to the net debt measure.)

Net debt/adjusted EBITDA ratio (leverage): Net debt divided by adjusted EBITDA rolling 12 months and excluding disposed operations.

OCI: An abbreviation of “Other Comprehensive Income”.

Operational free cash flow: Free cash flow from continuing operations excluding cash CAPEX for licenses and spectrum fees, dividends from associated companies net of taxes and including repayment of lease liabilities.

Other fixed service revenue: External revenue of fixed services including fiber installation, wholesale and other infrastructure services.

Other mobile service revenue: External revenue related to visitors' roaming, wholesale and other services.

Return on capital employed: Operating income, including impairments and gains/losses on disposals, plus financial revenue excluding foreign exchange gains expressed as a percentage of average capital employed.

Service revenue: External revenue excluding equipment sales.

Structural part of Operational free cash flow: Operational free cash flow less contribution from change in working capital.

Telephony revenue: External revenue related to fixed telephony services.

TV revenue: External revenue related to TV services.

In this report, comparable figures are provided in parentheses and refer to the same item in the corresponding period last year, unless otherwise stated.

Financial calendar

Interim report January-June 2024

July 18, 2024

Interim report January-September 2024

October 24, 2024

Year-end report January-December 2024

January 30, 2025

Interim report January-March 2025

April 24, 2025

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 at 07.00 CET on April 25, 2024.

