

Press release
September 26, 2024

Telia Company announces financial outlook for 2025 and mid-term ambitions, and presents updated strategic priorities at today's Investor update

At Telia Company's [Investor update](#) today, President and CEO Patrik Hofbauer will present updated strategic priorities and an ambition to grow Free cash flow, to at least SEK 10 billion by 2027. Free cash flow follows Telia's existing, all-in cash flow definition, but has not been a guidance metric before. Telia's overall strategic framework with its purpose to Reinvent better connected living remains, and its mid-term key strategic priorities will be to *Simplify, Innovate and Grow*.

Patrik Hofbauer, Telia Company President and CEO, says: "Execution of the new strategic priorities has already started with the launch of our [change program](#), announced on September 4, which is a big step towards decentralizing the complex structure that we have today. With the program, we aim to maximize the value of our network infrastructure and service offerings to increase customer satisfaction, sustain growth, increase efficiency and profitability, and improve our ability to serve our customers and the societies where we operate."

Anders Olsson, EVP, Head of Telia Sweden, will talk about the potential for the Swedish business to move from stable to more pronounced EBITDA growth. Anders Olsson says: "We will be cementing our network leadership in the coming, transformative years with the finalization of the 5G roll-out and closing of 2G, 3G and copper networks."

Furthermore, Eric Hageman, EVP, CFO, will highlight Telia's ambitions to drive shareholder value creation and all-in Free cash flow per share, thanks to a growth algorithm, greater discipline over operating and capital expenditures and active management of its asset portfolio, balance sheet and cash flow line items.

Telia today announces the following financial ambitions for the 2025-27 period:

- Service revenue CAGR of 2%, like for like
- Adjusted EBITDA CAGR of 4%, like for like
- CAPEX, excluding fees for licenses, spectrum and right of use assets below SEK 14 billion per year
- Free cash flow* to reach at least SEK 10 billion by 2027

In addition, Telia today also provides the following financial outlook for 2025:

- Service revenue growth, like for like, of around 2%
- Adjusted EBITDA growth, like for like, of at least 5%
- CAPEX, excluding fees for licenses, spectrum and right of use assets below SEK 14 billion
- Free cash flow* of around SEK 8 billion, covering the floor level in Telia's dividend policy

Telia's full-year financial outlook for 2024 remains 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 (note that this metric will be discontinued from 2025 onwards)

Today's Investor update starts at 10.00 CEST and will be available via live stream [at this link](#).

*Free cash flow follows the definition in Telia's reports for the first and second quarter of 2024 and aims to cover all cash flow items relevant for investors to analyze cash flow on a per-share basis, including

dividends to non-controlling interests and CAPEX related to license and spectrum fees. Since CAPEX related to license and spectrum fees is dependent on future spectrum auctions and cannot be forecasted, an amount of SEK 650 million per year will be included to represent an approximate normalized CAPEX for licenses and spectrum, as a basis for all forward-looking financial outlook statements regarding Free cash flow. This amount is merely a basis for Free cash flow outlook statements; it is not guidance, nor is it a forecast of average future CAPEX related to licenses and spectrum. Starting in 2025, Telia intends to discontinue the use of the alternative performance metrics Operational free cash flow and the Structural part of operational free cash flow.

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 agency of the contact person set out below, at 07.30 CET on September 26, 2024.

NOTES TO EDITORS

For more information, contact Tobias Gyhlénus, Telia Company's press office on [+46 \(0\)771 77 58 30](tel:+460771775830), visit our [newsroom](#) and follow us on [LinkedIn](#) and [X](#). To download our logo, high-resolution images of Telia leaders, offices and solutions or B-roll footage for editorial use, visit our [media bank](#).

ABOUT TELIA

Telia Company (STO: TELIA) is a Nordic and Baltic telecommunications leader and Nordic media house, serving consumers, businesses and public sector customers with essential digital infrastructure, ICT services and entertainment. Our talented colleagues serve millions of customers every day in one of the world's most connected regions. We're the hub in the digital ecosystem, providing 26 million mobile, broadband and TV subscriptions that empower people, companies and societies to stay in touch with everything that matters 24/7/365. Learn more at www.teliacompany.com

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.
