

# Q2

## Interim report

January - June 2023

# Telco growth accelerated

## Second quarter summary

- Revenue increased 4.5% to SEK 23,297 million (22,293) and like for like, revenue increased 2.2%.
- Service revenue increased 4.0% to SEK 19,914 million (19,148) and like for like, service revenue increased 1.9%. For the Telco operations, service revenue increased 3.2% on a like for like basis.
- Adjusted EBITDA increased 1.2% to SEK 7,773 million (7,681) and like for like, adjusted EBITDA remained unchanged. For the Telco operations, adjusted EBITDA increased 4.7% on a like for like basis.
- Operating income decreased to SEK 2,245 million (2,831) and net income decreased to SEK 917 million (1,684).
- Operational free cash flow decreased to SEK -108 million (1,127) and the structural part of operational free cash flow decreased to SEK 745 million (1,543).
- Cash flow from operating activities decreased to SEK 4,750 million (5,571).
- The leverage ratio was 2.66x at the end of the quarter.
- The outlook for 2023 is unchanged.

**Service revenue**  
**19,914**  
(SEK million)  
+1.9% like for like

**Adjusted EBITDA**  
**7,773**  
(SEK million)  
0.0% like for like

## First half year summary

- Revenue increased 5.1% to SEK 46,366 million (44,110) and like for like, revenue increased 3.0%.
- Service revenue increased 3.9% to SEK 39,358 million (37,886) and like for like, service revenue increased 1.9%. For the Telco operations, service revenue increased 2.8% on a like for like basis.
- Adjusted EBITDA increased 1.0% to SEK 15,031 million (14,883) and like for like, adjusted EBITDA decreased 0.4%. For the Telco operations, adjusted EBITDA increased 3.1% on a like for like basis.
- Operating income decreased to SEK 4,132 million (5,268) and net income decreased to SEK 1,655 million (2,770).
- Operational free cash flow decreased to SEK -3,734 million (3,290) and the structural part of operational free cash flow decreased to SEK 1,430 million (3,485).
- As announced on April 25, 2023, Telia Company signed a binding term sheet agreeing upon the key terms on which to sell 100% of its Danish operations and network assets to Norlys. Closing of the transaction is expected in the first quarter 2024, at the latest. See Note 13.

**Structural part of Operational free cash flow**  
**745**  
(SEK million)

## Highlights

SEK in millions, except key ratios, per share data and changes	Apr-Jun 2023	Apr-Jun 2022	Chg %	Jan-Jun 2023	Jan-Jun 2022	Chg %
Revenue	23,297	22,293	4.5	46,366	44,110	5.1
Change (%) like for like	2.2			3.0		
of which service revenue <sup>1</sup>	19,914	19,148	4.0	39,358	37,886	3.9
change (%) like for like	1.9			1.9		
change (%) like for like, Telco operations	3.2			2.8		
Adjusted EBITDA	7,773	7,681	1.2	15,031	14,883	1.0
change (%) like for like	0.0			-0.4		
change (%) like for like, Telco operations	4.7			3.1		
Margin (%)	33.4	34.5		32.4	33.7	
Adjusted operating income	2,649	3,014	-12.1	5,121	5,623	-8.9
Operating income	2,245	2,831	-20.7	4,132	5,268	-21.6
Income after financial items	1,235	2,121	-41.8	2,280	3,528	-35.4
Net income	917	1,684	-45.5	1,655	2,770	-40.3
EPS (SEK)	0.19	0.37	-47.4	0.35	0.60	-41.7
Structural part of Operational free cash flow	745	1,543	-51.7	1,430	3,485	-59.0
Operational free cash flow	-108	1,127		-3,734	3,290	
CAPEX excluding fees for licenses, spectrum and right-of-use assets	3,861	3,982	-3.0	7,572	7,266	4.2

1) Restated, see Note 1.

## CEO comment...

“Our efforts to restore sustainable, profitable growth in our Telco operations gained further traction in the quarter, resulting in accelerating growth. Contrasting the solid development in Telco, TV and Media had another challenging quarter.

Telia’s Telco operations are proving to be resilient with service revenue and EBITDA growth accelerating to 3.2% and 4.7% respectively, achieving the highest growth rates on both metrics for many years, despite the more cautious consumer environment. This resilience proves the importance of our services to our customers, and Telia’s clear technology leadership is allowing both price adjustments as well as driving continued strong demand within the Enterprise segment. Mobile network modernization continued and across our footprint 84% of the population now has access to Telia’s 5G networks, with clear leadership positions in Sweden, Norway and Lithuania.

TV and Media is however negatively impacting the Group’s financial performance as the current downturn in the advertising market is compounding the existing challenges in premium sports at a time of added cost from the ongoing business transformation. The previously announced restructuring of the business is well underway, and we have in the quarter taken further steps to reduce our cost base going forward.

Our approach to building a better Telia continues, as we deliver against the key strategic priorities we have laid out. Specifically, we said we would: 1) Restore growth by improving both our customer experience and our products to enable our customers to live better connected lives; 2) Be the leader in the build out of the most trusted, next generation digital infrastructure; 3) Transform our own operations so we can provide the digital experiences our customers need, but with a more agile, lower cost base; and, 4) Build the capabilities to deliver sustainably and responsibly for all our stakeholders. Progress against these priorities are evident across all our business units during the quarter.

In **Sweden**, handset sales were soft but the consumer subscription market was relatively stable, resulting in the lowest mobile churn since the pandemic, a contributing factor to the positive customer and service revenue growth we saw across mobile, fiber and TV. Growth in the Enterprise segment accelerated, driven by our technology strength both in the large enterprise segment, with Enterprise Mobile Networks and Telia Cygate developing well, and in the SME segment which will now benefit from the new cloud-based communication solution Telia Smart Connect that was launched during the quarter. While the overall service revenue growth in Sweden is still modest given legacy headwinds, it has improved around 3%-points over the past six months as we have stepped up pricing initiatives. EBITDA remained largely flat, in line with our expectations, due to higher content expenses and a slightly higher availability in our call centers to help return NPS to growth post recent pricing initiatives. With pricing established and NPS back to growth again, we also expect EBITDA to return to growth in the second half of the year.



In **Finland**, the turnaround continues, with our improving brand consideration underpinning the momentum. Like in Sweden, the consumer market saw lower activity, and mobile churn was at its lowest since the pandemic. Service revenue growth of 2.3% was driven by consumer mobile and solid growth in business solutions in the Enterprise segment, despite the impact from legacy declines and interconnect cuts. EBITDA grew 2.2% despite unfavorable comparisons on personnel expenses due to industrial action in the same period last year and one-off expenses related to new union agreements this quarter. A significant sustainable energy initiative was launched in the quarter as Telia started to transfer waste heat from our data center in Helsinki to the local district heating grid. The solution aims to provide heating to 20k local households and premises.

**Norway** delivered another quarter of solid, mid-single digit driven by both the Consumer and Enterprise segments. Our market position continues to strengthen on the back of our 5G network leadership, surpassing 90% 5G coverage in the quarter, and is being leveraged not only through growth in end-user revenue but also through wholesale, an area we continue to build with the successful migration of Fjordkraft’s mobile customers on to our network in the quarter. Strong service revenue growth across both Consumer, Enterprise and Wholesale segments resulted in double digit EBITDA growth.

**Lithuania and Estonia** continued to convert mid-to-high single digit service revenue growth to double-digit EBITDA growth, despite the cost pressure from elevated inflation. Lithuania expanded its leading network position further and now leads both its local market and the Telia group with 99% 5G population coverage and has now fully swapped out all Huawei network equipment to Ericsson in record time. Our most trusted and leading security position was evident as we were chosen as the sole connectivity and ICT provider to the NATO summit in Vilnius earlier this month.

**Denmark** also expanded its 5G network, now covering over 90% of the population and supporting positive mobile growth across both Consumer and Enterprise, as well as fueling growth in broadband through the successful 5G Internet service delivered via Fixed Wireless Access. Continued focus on sustainable efficiency improvements resulted in a 24% EBITDA growth. The sale of Telia Denmark to Norlys is on track and final agreements are expected to be signed during the third quarter.

In **TV and Media**, the work to refocus the business progressed and the launch of the new TV4 Play service is now just weeks away. The economic outlook and softening retail environment resulted in the advertising market weakening further in the quarter with our advertising revenue declining 14%. Meanwhile Pay TV revenue grew 4%, driven by price increases. EBITDA therefore declined to a SEK 7 million loss in the quarter, from the lower advertising revenues, content commitments made in earlier years, and costs related to the upcoming launch of the new hybrid TV4 Play service. Full focus is now on returning the business to profitable, sustainable growth. First, we are executing on the previously announced merger of the C More services into TV4 and MTV, the launch of the new hybrid service from TV4, and the closing of the C More brand. Second, we are making a fundamental change to our premium sports business by only pursuing rights with certain clear profiles that support the TV4 and MTV local positions going forward, and with a significantly improved cost/revenue ratio. And third, we are addressing the TV4 cost base. In taking these steps, our TV and Media business will accelerate its digitalization, become even more relevant for both viewers and advertisers, and be in a strong position to restore profitability and cash generation when the advertising market returns.

Looking at our key financial metrics, Q2 was largely in line with our expectations, with strength in Telco operations partly offsetting weakness in TV and Media. As EBITDA growth in Telco has accelerated, supported by higher pricing activity, operational expenses have also increased somewhat due to inflationary pressure and investments in customer care to protect customer satisfaction. Net debt increased, impacted by cash flow phasing and a stronger EUR vs. SEK. However, the leverage target range of 2.0-2.5x remains, and with stronger forecasted cash flow in the second half of the year, and the sale of Telia Denmark, we expect to be back well within the range. Our outlook for the full year remains, although with lower contribution from TV and Media we are more likely to be in the lower half of our SEK 7-9 billion cash flow range.

Entering the second half of the year, we remain laser focused on our aforementioned strategic priorities that are clearly driving profitable growth momentum in our Telco operations. The work to refocus TV and Media, and to improve capital allocation and cash conversion also continues at speed. While inflation and higher interest rates remain strong headwinds for us, they are gradually stabilizing, and the resilience of our Telco operations will support our continued momentum in the second half of the year. That being said, we remain vigilant to continued macro-economic uncertainty and to changes in customer behaviors and will take the necessary actions, if they develop negatively, to protect our business.

To close, I would like to thank all my Telia colleagues and partners for their continued hard work, and our shareholders for their continued support, as we build a Better Telia for everyone. And I wish everyone a well-deserved summer break.”

**Allison Kirkby**  
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 2023 (unchanged)

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

Adjusted EBITDA, like for like, is estimated to be flat to grow by low single digits.

CAPEX, excluding fees for licenses and spectrum and right of use assets, is estimated to be in the range of SEK 13.0-14.0 billion.

The structural part of Operational free cash flow is estimated to be in the range of SEK 7.0-9.0 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.

## Ordinary dividend to shareholders

For 2022, the Annual General Meeting (AGM) decided on an ordinary dividend of SEK 2.00 per share (2.05), totaling SEK 7.9 billion (8.3). The dividend will be split and distributed in four tranches of SEK 0.50 per share.

## First distribution

The Annual General Meeting (AGM) decided that the first distribution of the dividend was to be distributed by Euroclear Sweden on April 14, 2023.

## Second distribution

The Annual General Meeting (AGM) decided that the final day for trading in shares entitling shareholders to dividend be set for July 27, 2023, and that the first day of trading in shares excluding rights to dividend be set for July 28, 2023. The record date at Euroclear Sweden for the right to receive dividend will be July 31, 2023. The dividend is expected to be distributed by Euroclear Sweden on August 3, 2023.

## Third distribution

The Annual General Meeting (AGM) decided that the final day for trading in shares entitling shareholders to dividend be set for October 24, 2023, and that the first day of trading in shares excluding rights to dividend be set for October 25, 2023. The record date at Euroclear Sweden for the right to receive dividend will be October 26, 2023. The dividend is expected to be distributed by Euroclear Sweden on October 31, 2023.

## Fourth distribution

The Annual General Meeting (AGM) decided that the final day for trading in shares entitling shareholders to dividend be set for February 1, 2024, and that the first day of trading in shares excluding rights to dividend be set for February 2, 2024. The record date at Euroclear Sweden for the right to receive dividend will be February 5, 2024. The dividend is expected to be distributed by Euroclear Sweden on February 8, 2024.

# Review of the group, second quarter 2023

## Revenue and earnings

**Revenue** increased 4.5% to SEK 23,297 million (22,293) and like for like, revenue increased by 2.2%.

**Service revenue** increased 4.0% to SEK 19,914 million (19,148). Like for like, service revenue increased 1.9% driven by a positive development for the Telco operations.

**Adjusted EBITDA** increased 1.2% to SEK 7,773 million (7,681) and the adjusted EBITDA margin decreased to 33.4% (34.5). Like for like, adjusted EBITDA remained unchanged as growth of 4.7% for the Telco operations was offset by a negative development for TV and Media.

**Adjustment items** affecting operating income increased to SEK -404 million (-183) mainly due to capital gains and losses.

**Adjusted operating income** decreased to SEK 2,649 million (3,014).

**Financial items** totaled SEK -1,009 million (-710) of which SEK -1,039 million (-561) 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 -318 million (-437). The effective tax rate was 25.8% (20.6). The increased effective tax rate was mainly impacted by non tax-deductible interest expenses in Sweden.

**Net income** decreased to SEK 917 million (1,684).

**Other comprehensive income** decreased to SEK 1,851 million (5,218) mainly due to lower positive remeasurements of defined benefit pension obligations.

## Cash flow

**Cash flow from operating activities** decreased to SEK 4,750 million (5,571) mainly due to increased negative impact from working capital.

**Structural part of Operational free cash flow** decreased to SEK 745 million (1,543) mainly due to increased cash CAPEX and higher paid interests.

**Operational free cash flow** decreased to SEK -108 million (1,127) mainly due to increased negative impact from working capital as well as increased cash CAPEX and higher paid interests.

**Cash flow from investing activities** amounted to SEK -5,951 million (-1,895) as the second quarter of 2023 was mainly impacted by higher net investments in short-term investments and long-term bonds as well as increased cash CAPEX.

**Cash flow from financing activities** decreased to SEK -2,293 million (-628) mainly due to the positive impact from the partial disposal of the tower business in Sweden in 2022, partly offset by the ordinary dividend which for 2023 is distributed in four tranches compared to two tranches during 2022.

## Financial position

**CAPEX** excluding right-of-use assets, decreased to SEK 3,879 million (3,982). CAPEX excluding fees for licenses, spectrum and right-of-use assets, decreased to SEK 3,861 million (3,982). Cash CAPEX increased to SEK 4,060 million (3,678).

**Net debt** was SEK 81,007 million at the end of second quarter (75,565 at the end of the first quarter of 2023). The net debt/adjusted EBITDA ratio increased to 2.66x compared to 2.49x at the end of the first quarter mainly due to dividend paid to shareholders and negative exchange rate fluctuations impacting net debt.

# Review of the group, first half year 2023

## Revenue and earnings

**Revenue** increased 5.1% to SEK 46,366 million (44,110) and like for like, revenue increased by 3.0%.

**Service revenue** increased 3.9% to SEK 39,358 million (37,886). Like for like, service revenue increased 1.9% supported by a positive development for the Telco operations.

**Adjusted EBITDA** increased 1.0% to SEK 15,031 million (14,883) and the adjusted EBITDA margin decreased to 32.4% (33.7). Like for like, adjusted EBITDA decreased 0.4% as growth for the Telco operations was more than offset by a negative development for TV and Media.

**Adjustment items** affecting operating income increased to SEK -989 million (-354) mainly impacted by higher personnel redundancy costs and capital gains and losses.

**Adjusted operating income** decreased to SEK 5,121 million (5,623).

**Financial items** totaled SEK -1,852 million (-1,741) of which SEK -1,908 million (-1,369) 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 -625 million (-758). The effective tax rate was 27.4% (21.5). The increased effective tax rate was mainly impacted by non tax-deductible interest expenses in Sweden.

**Net income** decreased to SEK 1,655 million (2,770).

**Other comprehensive income** decreased to SEK 1,204 million (8,781), mainly due to lower positive remeasurements of defined benefit pension plans and negative foreign translation differences.

## Cash flow

**Cash flow from operating activities** decreased to SEK 6,100 million (11,543) mainly due to increased negative impact from working capital.

**Structural part of Operational free cash flow** decreased to SEK 1,430 million (3,485) mainly due to increased cash CAPEX and higher paid interests.

**Operational free cash flow** decreased to SEK -3,734 million (3,290) mainly due to increased negative impact from working capital, increased cash CAPEX and higher paid interests.

**Cash flow from investing activities** amounted to SEK -13,545 million (-6,491). 2023 was mainly impacted by higher net investments in short-term investments and increased cash CAPEX.

**Cash flow from financing activities** amounted to SEK 7,848 million (-8,384). 2023 was impacted by increased proceeds from issued bonds and received collateral as well as the ordinary dividend being distributed in four tranches compared to two during 2022. Furthermore, 2022 was impacted by higher repayments of long-term borrowings, partly offset by the partial disposal of the tower business in Sweden.

## Financial position

**CAPEX** excluding right-of-use assets, increased to SEK 7,591 million (7,438). CAPEX excluding fees for licenses, spectrum and right-of-use assets, increased to SEK 7,572 million (7,266). Cash CAPEX increased to SEK 8,423 million (6,884).

**Investments in associates and joint ventures, pension obligation assets and other non-current assets** increased to SEK 9,764 million (8,171), mainly due to positive remeasurements of defined benefit pension plans.

**Long-term interest-bearing receivables** increased to SEK 9,931 million (7,629) mainly driven by market value changes on derivatives.

**Short-term interest-bearing receivables** increased to SEK 12,846 million (9,676) mainly due to net investments in investment bonds and derivatives, partly offset by a decrease in collaterals for derivatives driven by market value changes.

**Long-term borrowings** increased to SEK 102,627 million (94,555) mainly impacted by issued bonds and foreign exchange rate effects, partly offset by reclassifications to short-term borrowings.

**Short-term borrowings** increased to SEK 14,621 million (7,007) mainly due to reclassifications from long-term borrowings.

**Trade payables and other current liabilities, current tax payables and short-term provisions** decreased to SEK 34,189 million (35,734) mainly due to decrease in accounts payable, partly offset by unpaid dividend liability.

## Significant events in the first quarter

- On January 16, 2023, Telia Company announced changes to its Group Executive Management team through the merger of the Communications, Brand and Sustainability functions, appointing Ola Rembe as Senior Vice President, Head of Communications, Brand and Sustainability.
- On February 10, 2023, Telia Company announced that Dan Strömberg, Senior Vice President, Head of LED (Lithuania, Estonia and Denmark) and CEO of Telia Lithuania, plans to retire from Telia Company during the summer of 2023.
- On February 16, 2023, Telia Company issued a bond of EUR 500 million under its existing EMTN (Euro Medium Term Note) program. See Note 8.
- On March 9, 2023, Telia Company issued bonds in four separate tranches with a total amount of SEK 4 billion, under its existing EMTN (Euro Medium Term Note) program. See Note 8.
- On March 24, 2023, Telia Company announced that Per Christian Mørland, Executive Vice President and Group Chief Financial Officer, has given notice of resignation due to family reasons and will be leaving Telia Company during H2 2023 to take on career opportunities closer to his home in Norway.

## Significant events in the second quarter

- On April 5, 2023, Telia Company announced the resolutions passed at the Annual General Meeting.
- On April 25, 2023, Telia Company announced the signing of a binding term sheet agreeing upon the key terms on which to sell 100% of its Danish operations and network assets to Norlys, at an expected enterprise value of DKK 6.25 billion (approximately SEK 9.5 billion), equal to 8.9x Telia Denmark's 2022 reported EBITDA. See Note 13.
- On April 28, 2023, it was announced that the number of shares and votes in Telia Company AB (publ) during April had decreased to 3,932,109,286 due to cancellation of 157,522,416 own shares previously repurchased by the company in accordance with the resolution of the Annual General Meeting on April 5, 2023.
- On June 27, 2023, Telia Company announced the appointment of Tim Pennington as interim Executive Vice President, Group Chief Financial Officer and a member of the Group Executive Management team, effective September 2023. Tim Pennington replaces Per Christian Mørland, who, as previously announced, will leave Telia Company at the end of September 2023.

## Significant events after the end of the second quarter

- There were no significant events after the end of the second quarter.

## Sweden

- Telia continued to be the clear market leader in 5G roll-out, reaching a population coverage of 73% in the quarter.
- Telia launched its new marketing concept, reinforcing that we have been the innovative backbone of Sweden and have been so for more than 170 years. The concept also reinforces Telia's best coverage, best quality and most trusted status.
- As a result of strong capabilities within areas such as local networks, security and cloud services, Telia Cygate was awarded European service provider of the year by Hewlett Packard Enterprises.
- Telia introduced the new platform Telia Smart Connect, a cloud-based mobile switchboard solution for business customers that requires no installation and is administered via an easily accessible web interface.

## Highlights

SEK in millions, except margins, operational data and changes	Apr-Jun 2023	Apr-Jun 2022	Chg %	Jan-Jun 2023	Jan-Jun 2022	Chg %
Revenue	8,983	8,641	4.0	17,963	17,189	4.5
Change (%) like for like	3.9			4.5		
of which service revenue (external)	7,579	7,446	1.8	14,992	14,826	1.1
change (%) like for like	1.8			1.1		
Adjusted EBITDA	3,351	3,358	-0.2	6,664	6,695	-0.5
Margin (%)	37.3	38.9		37.1	38.9	
change (%) like for like	0.2			0.0		
Adjusted operating income	1,621	1,652	-1.9	3,208	3,315	-3.2
Operating income	1,599	1,634	-2.2	3,073	3,239	-5.1
CAPEX excluding fees for licenses, spectrum and right-of-use assets	911	878	3.7	1,734	1,637	5.9
Subscriptions, (thousands)						
Mobile <sup>1</sup>	8,374	7,321	14.4	8,374	7,321	14.4
of which machine-to-machine (postpaid)	3,849	2,737	40.6	3,849	2,737	40.6
Fixed telephony <sup>1</sup>	369	480	-23.3	369	480	-23.3
Broadband <sup>1</sup>	1,381	1,363	1.3	1,381	1,363	1.3
TV <sup>1</sup>	1,004	948	5.9	1,004	948	5.9
Employees <sup>1</sup>	4,150	4,261	-2.6	4,150	4,261	-2.6

1) Restated, see Note 1.

**Revenue** increased 4.0% to SEK 8,983 million (8,641) and like for like, revenue increased 3.9% driven both by increased sales of equipment as well as increased service revenue.

**Service revenue**, like for like, increased 1.8% as mobile and fixed service revenue increased by 1.7% and 1.8%, respectively. The growth in mobile service revenue was due to an increased subscriptions base as well as ARPU whereas fixed service revenue increased as a continued decline in revenue from fixed telephony was more than offset by growth for mainly broadband, TV and business solutions revenue.

**Adjusted EBITDA** decreased 0.2% to SEK 3,351 million (3,358) and adjusted EBITDA margin decreased to 37.3% (38.9). Adjusted EBITDA like for like increased 0.2% as the service revenue growth was partly offset by increased costs.

**CAPEX** excluding fees for licenses, spectrum and right-of-use assets, increased 3.7% to SEK 911 million (878).

**Mobile subscriptions** grew by 174,000 in the quarter driven by an addition of 173,000 postpaid subscriptions used for machine-to-machine related services. TV subscriptions increased by 10,000 and fixed broadband subscriptions decreased by 2,000 in the quarter.

## Finland

- Telia’s network modernization continued and 5G population coverage reached 86%. The part of the network that is jointly owned by Telia and DNA, rolled out 5G in Rovaniemi, a city of over 60k inhabitants, known as Finland’s northernmost university city.
- Telia together with Digita and Valmet developed and implemented a scalable private network solution for Valmet’s production facilities that will enable Valmet to further develop smart production, maintenance, safety and wireless intralogistics automation on top of a reliable and secure platform.
- Telia and the energy company Helen launched a solution transferring waste heat generated at Telia’s Helsinki data center to the district’s heating network. This is an important sustainability measure targeting to heat more than 20k homes and premises.
- Telia and Wolt launched a cooperation to offer a particularly fast delivery option for everyday life electronic products. Wolt will deliver the products ordered from Telia stores within one hour which also reduces the need for Finns to keep a spare end-of life phone and should hence contribute to an increased recycle rate.

## Highlights

SEK in millions, except margins, operational data and changes	Apr-Jun 2023	Apr-Jun 2022	Chg %	Jan-Jun 2023	Jan-Jun 2022	Chg %
Revenue <sup>1</sup>	4,134	3,650	13.3	8,091	7,275	11.2
Change (%) like for like	3.8			3.2		
of which service revenue (external)	3,478	3,117	11.6	6,845	6,209	10.2
change (%) like for like	2.3			2.3		
Adjusted EBITDA	1,258	1,130	11.3	2,455	2,241	9.6
Margin (%)	30.4	31.0		30.3	30.8	
change (%) like for like	2.2			1.7		
Adjusted operating income	369	253	45.6	690	491	40.4
Operating income	248	229	8.6	534	430	24.4
CAPEX excluding fees for licenses, spectrum and right-of-use assets	355	425	-16.5	778	746	4.3
Subscriptions, (thousands)						
Mobile <sup>1</sup>	3,090	3,108	-0.6	3,090	3,108	-0.6
of which machine-to-machine (postpaid)	398	329	21.0	398	329	21.0
Fixed telephony	14	16	-15.4	14	16	-15.4
Broadband <sup>1</sup>	607	585	3.7	607	585	3.7
TV	678	658	3.0	678	658	3.0
Employees <sup>1</sup>	2,648	2,820	-6.1	2,648	2,820	-6.1

1) Restated, see Note 1.

**Revenue** increased 13.3% to SEK 4,134 million (3,650) and like for like, revenue increased 3.8% driven mainly by increased service revenue and to some extent also increased sales of equipment. The effect of exchange rate fluctuations was positive by 9.4%.

**Service revenue**, like for like, increased 2.3% equally driven by increased mobile and fixed service revenue. The latter was predominately driven by a strong development for business solutions revenue that more than compensated for lower revenue from fixed broadband.

**Adjusted EBITDA** increased 11.3% to SEK 1,258 million (1,130) and adjusted EBITDA margin decreased to 30.4% (31.0). Adjusted EBITDA like for like increased 2.2% as growth in service revenue more than compensated for higher operational expenses driven mainly by increased costs related to resources and energy.

**CAPEX** excluding fees for licenses, spectrum and right-of-use assets, decreased 16.5% to SEK 355 million (425).

**Mobile subscriptions** decreased in the quarter by 24,000 driven by a reduction of 26,000 for prepaid subscriptions. TV subscriptions decreased 11,000 and fixed broadband subscriptions increased 1,000 in the quarter.

## Norway

- 5G population coverage of 92% was reached in the quarter and Telia continues to be well on its way to being the first operator in Norway to provide a nationwide 5G network.
- Telia's unlimited mobile data offering, Telia X, has been a firm favorite among customers since its launch in 2019. And in the quarter the Telia X proposition passed the milestone of 200k subscriptions.
- Telia and Telia owned Phonero continued to be successful in the Public segment and signed an agreement with Tromsø municipality for connectivity services. The agreement has a duration of three years with the possibility of extension and includes more than 5k mobile subscriptions and several more connectivity related solutions.
- The Norwegian Communications Authority (Nkom) presented statistics for 2022 showing that Telia, for the fourth consecutive year, had the highest mobile subscriber growth in the Norwegian Enterprise segment.

## Highlights

SEK in millions, except margins, operational data and changes	Apr-Jun 2023	Apr-Jun 2022	Chg %	Jan-Jun 2023	Jan-Jun 2022	Chg %
Revenue	3,618	3,662	-1.2	7,382	7,311	1.0
Change (%) like for like	5.9			5.6		
of which service revenue (external)	3,085	3,137	-1.6	6,284	6,282	0.0
change (%) like for like	5.4			4.6		
Adjusted EBITDA	1,697	1,591	6.7	3,378	3,257	3.7
Margin (%)	46.9	43.4		45.8	44.6	
change (%) like for like	14.3			8.4		
Adjusted operating income	520	594	-12.4	1,246	1,237	0.7
Operating income	498	548	-9.2	1,142	1,184	-3.5
CAPEX excluding fees for licenses, spectrum and right-of-use assets	666	614	8.5	1,227	1,146	7.0
Subscriptions, (thousands)						
Mobile	2,407	2,346	2.6	2,407	2,346	2.6
of which machine-to-machine (postpaid)	234	165	42.4	234	165	42.4
Fixed telephony <sup>1</sup>	13	44	-69.7	13	44	-69.7
Broadband <sup>1</sup>	502	491	2.2	502	491	2.2
TV <sup>1</sup>	481	485	-0.8	481	485	-0.8
Employees	1,297	1,370	-5.3	1,297	1,370	-5.3

1) Restated, see Note 1.

**Revenue** decreased 1.2% to SEK 3,618 million (3,662) and like for like, revenue increased 5.9% due to increased service revenue. The effect of exchange rate fluctuations was negative by 7.1%.

**Service revenue**, like for like, increased 5.4% primarily as mobile service revenue increased 6.5% but also as fixed service revenue increased 4.1% mainly attributable to a strong development for revenue from TV and fixed broadband.

**Adjusted EBITDA** increased 6.7% to SEK 1,697 million (1,591) and adjusted EBITDA margin increased to 46.9% (43.4). Adjusted EBITDA like for like increased 14.3% driven by the growth in service revenue coupled with a lower cost base.

**CAPEX** excluding fees for licenses, spectrum and right-of-use assets, increased 8.5% to SEK 666 million (614).

**Mobile subscriptions** increased by 24,000 in the quarter driven by an addition of 21,000 postpaid subscriptions used for machine-to-machine related services. TV subscriptions declined by 3,000 and fixed broadband subscriptions remained unchanged in the quarter.

## Denmark

- Network modernization and 5G roll-out continued and population coverage reached 90%, supporting growth across the mobile consumer and mobile enterprise segments, as well as within broadband through the popular 5G Internet service.
- Call me, which has been part of Telia Denmark since 2009, launched a new brand platform with focus on the importance of creating and maintaining good connections between people, reinforcing the brand's purpose driven heritage. The launch was also accompanied by new solutions and products that ensures a seamless and consistent customer experience.
- The work around starting to generate clean solar energy from the Power Purchase Agreement signed in 2022 with Better Energy advanced in the quarter after the project received the final permissions. The solar park is expected to be ready by the end of 2024 and will, over a 10-year period, cover about 75% of the energy usage in Telia's and Telenor's jointly owned Danish mobile network.

## Highlights

SEK in millions, except margins, operational data and changes	Apr-Jun 2023	Apr-Jun 2022	Chg %	Jan-Jun 2023	Jan-Jun 2022	Chg %
Revenue	1,379	1,269	8.6	2,703	2,544	6.2
Change (%) like for like	-0.2			-1.4		
of which service revenue (external) <sup>1</sup>	1,071	975	9.8	2,098	1,946	7.8
change (%) like for like	0.8			0.1		
Adjusted EBITDA	335	248	35.1	624	483	29.2
Margin (%)	24.3	19.5		23.1	19.0	
change (%) like for like	24.2			20.0		
Adjusted operating income	88	-5		135	-9	
Operating income	78	-2		119	1	
CAPEX excluding fees for licenses, spectrum and right-of-use assets	146	99	47.6	325	221	47.2
Subscriptions, (thousands)						
Mobile <sup>1</sup>	1,756	1,605	9.4	1,756	1,605	9.4
of which machine-to-machine (postpaid)	459	280	63.8	459	280	63.8
Fixed telephony <sup>1</sup>	72	80	-9.4	72	80	-9.4
Broadband	68	64	6.4	68	64	6.4
TV	13	20	-35.2	13	20	-35.2
Employees <sup>1</sup>	660	670	-1.5	660	670	-1.5

1) Restated, see Note 1.

**Revenue** increased 8.6% to SEK 1,379 million (1,269) and like for like, revenue decreased 0.2% due to mainly lower equipment sales. The effect of exchange rate fluctuations was positive by 8.8%.

**Service revenue**, like for like, increased 0.8% as a decline of 0.1% for mobile service revenue, driven largely by lower interconnect revenue, was more than compensated by a 3.6% growth for fixed service revenue. Excluding the lower interconnect revenue, mobile service revenue increased 0.7%.

**Adjusted EBITDA** increased 35.1% to SEK 335 million (248) and adjusted EBITDA margin increased to a historically high 24.3% (19.5). Adjusted EBITDA like for like increased 24.2% on the back of mobile ARPU growth as well as a lower cost level.

**CAPEX** excluding fees for licenses, spectrum and right-of-use assets, increased 47.6% to SEK 146 million (99).

**Mobile subscriptions** increased by 49,000 in the quarter driven by the addition of 59,000 postpaid subscriptions used for machine-to-machine related services. TV subscriptions declined by 3,000 and fixed broadband subscriptions increased by 2,000 in the quarter.

Telia Company signed a binding term sheet agreeing upon the key terms on which to sell 100% of its Danish operations and network assets to Norlys. Closing of the transaction is expected in the first quarter 2024, at the latest. See Note 13.

## Lithuania

- In the quarter, Telia finalized its mobile network upgrade and 5G roll-out, with the radio access network now fully switched to the new provider Ericsson and reaching 99% of the Lithuanian population. Further development of 5G will continue through the deployment of ultra-high-speed base stations in the coming months.
- On the back of strong capabilities and credentials, Telia Lithuania was the sole provider of IT and connectivity services for the NATO summit in Vilnius held after the end of the quarter.
- From being the only operator in Lithuania able to provide the needed requirements, Telia was appointed to deliver a 1 GB per second Wi-Fi network, including the technical support and security for the Euroleague Final Four tournament in Kaunas.

## Highlights

SEK in millions, except margins, operational data and changes	Apr-Jun 2023	Apr-Jun 2022	Chg %	Jan-Jun 2023	Jan-Jun 2022	Chg %
Revenue	1,305	1,171	11.5	2,627	2,284	15.1
Change (%) like for like	2.2			6.8		
of which service revenue (external)	1,052	905	16.2	2,060	1,767	16.6
change (%) like for like	6.5			8.2		
Adjusted EBITDA	499	414	20.5	982	816	20.4
Margin (%)	38.2	35.4		37.4	35.7	
change (%) like for like	10.4			11.7		
Adjusted operating income	282	208	35.8	556	403	38.1
Operating income	275	208	32.3	540	404	33.6
CAPEX excluding fees for licenses, spectrum and right-of-use assets	105	130	-18.9	227	221	2.5
Subscriptions, (thousands)						
Mobile	1,612	1,582	1.9	1,612	1,582	1.9
of which machine-to-machine (postpaid)	312	322	-2.9	312	322	-2.9
Fixed telephony	164	188	-12.7	164	188	-12.7
Broadband	427	424	0.7	427	424	0.7
TV	258	254	1.6	258	254	1.6
Employees	1,516	1,566	-3.2	1,516	1,566	-3.2

**Revenue** increased 11.5% to SEK 1,305 million (1,171) and like for like, revenue increased 2.2% due to increased service revenue, partly offset by lower sales of equipment. The effect of exchange rate fluctuations was positive by 9.3%.

**Service revenue**, like for like, increased 6.5% due to a positive development for both mobile and fixed service revenue. For mobile service revenue, which increased 6.3%, growth was the result of an increased number of subscriptions as well as a higher ARPU. For fixed service revenue, which increased 6.4%, growth was driven by a positive development for revenue from primarily fixed broadband and business solutions.

**Adjusted EBITDA** increased 20.5% to SEK 499 million (414) and adjusted EBITDA margin increased to 38.2% (35.4). Adjusted EBITDA like for like increased 10.4% driven by the growth in service revenue.

**CAPEX** excluding fees for licenses, spectrum and right-of-use assets, decreased 18.9% to SEK 105 million (130).

**Mobile subscriptions** increased by 12,000 in the quarter. TV subscriptions as well as broadband subscriptions both remained unchanged in the quarter.

## Estonia

- Telia switched on its first 5G base station operating in the 26 GHz frequency band in Tallinn, following which a new mobile internet speed record was immediately achieved. During the test, download speeds exceeded 2 Gbit/second, which marks a new speed record in the company's mobile network.
- Telia performed several projects as part of its digital inclusion agenda, including launching a development program to increase female participation in the ICT sector, hosting the Pride conference in our headquarters and hosting a digital education seminar for 600 participants at the Elders Festival.
- Telia agreed with renewable energy solutions provider Sunly on the construction and operation of 100 solar panel systems to power 100 of Telia's mobile sites for the next 15 years. The systems will produce an estimated 1.8 GWh of energy each year of which 70% to be used by Telia's mobile sites and the rest to be sold to the electricity grid.

## Highlights

SEK in millions, except margins, operational data and changes	Apr-Jun 2023	Apr-Jun 2022	Chg %	Jan-Jun 2023	Jan-Jun 2022	Chg %
Revenue	1,017	867	17.2	1,998	1,736	15.1
Change (%) like for like	7.4			6.8		
of which service revenue (external)	857	725	18.2	1,678	1,454	15.4
change (%) like for like	8.3			7.1		
Adjusted EBITDA	401	323	24.3	783	649	20.7
Margin (%)	39.5	37.2		39.2	37.4	
change (%) like for like	14.0			12.0		
Adjusted operating income	246	151	62.8	485	320	51.5
Operating income	244	219	11.1	477	387	23.2
CAPEX excluding fees for licenses, spectrum and right-of-use assets	111	99	12.1	184	153	20.0
Subscriptions, (thousands)						
Mobile <sup>1</sup>	1,250	1,197	4.5	1,250	1,197	4.5
of which machine-to-machine (postpaid)	463	424	9.3	463	424	9.3
Fixed telephony	184	200	-8.0	184	200	-8.0
Broadband <sup>1</sup>	275	278	-0.9	275	278	-0.9
TV	196	203	-3.3	196	203	-3.3
Employees	1,228	1,300	-5.5	1,228	1,300	-5.5

1) Restated, see Note 1.

**Revenue** increased 17.2% to SEK 1,017 million (867) and like for like, revenue increased 7.4% driven by increased service revenue. The effect of exchange rate fluctuations was positive by 9.8%.

**Service revenue**, like for like, increased 8.3% as mobile service revenue increased 10.2% driven by subscription base expansion as well as ARPU growth, and fixed service revenue growing 7.4% from a positive development for predominately business solutions and fixed broadband.

**Adjusted EBITDA** increased 24.3% to SEK 401 million (323) and adjusted EBITDA margin increased to 39.5% (37.2). Adjusted EBITDA like for like increased 14.0% driven by the service revenue growth.

**CAPEX** excluding fees for licenses, spectrum and right-of-use assets, increased 12.1% to SEK 111 million (99).

**Mobile subscriptions** increased by 2,000 in the quarter. TV subscriptions decreased by 1,000 and fixed broadband subscriptions remained unchanged in the quarter.

## TV and Media

- The work around consolidating the streaming business C More under TV4 in Sweden and MTV in Finland progressed in the quarter according to plan, with new customer propositions expected to be launched in Q3 for Sweden and in Q4 for Finland.
- The linear portfolio of TV4 increased its share of viewing to 39.1% compared to 35.6% in the corresponding quarter of last year.
- To ensure relevance and efficiency in an increasingly competitive environment, the TV4 organization was at the end of May informed about a long-term efficiency program covering the entire organization.
- C More further strengthened its streaming proposition from several high-quality premieres, such as new seasons of the popular series Morden i Sandhamn and Top Dog. And for all football fans, the Swedish football league Allsvenskan started a new season in the quarter.

## Highlights

SEK in millions, except margins, operational data and changes	Apr-Jun 2023	Apr-Jun 2022	Chg %	Jan-Jun 2023	Jan-Jun 2022	Chg %
Revenue	2,207	2,333	-5.4	4,226	4,364	-3.2
Change (%) like for like	-7.4			-4.9		
of which service revenue (external)	2,201	2,333	-5.6	4,213	4,364	-3.5
change (%) like for like	-7.6			-5.2		
Adjusted EBITDA	-7	345		-372	154	
Margin (%)	-0.3	14.8		-8.8	3.5	
change (%) like for like	n/a			n/a		
Adjusted operating income	-214	141		-784	-242	223.4
Operating income	-233	135		-849	-246	244.9
CAPEX excluding fees for licenses, spectrum and right-of-use assets <sup>1</sup>	64	31	102.9	98	52	88.9
Subscriptions, (thousands)						
TV (SVOD)	659	700	-5.9	659	700	-5.9
Employees <sup>1</sup>	1,275	1,266	0.7	1,275	1,266	0.7

1) Restated, see Note 1

**Revenue** decreased 5.4% to SEK 2,207 million (2,333) and like for like, revenue decreased 7.4% driven by decreased service revenue. The effect of exchange rate fluctuations was positive by 2.0%.

**Service revenue**, like for like, decreased 7.6% as growth for TV revenue as well as also a slight increase for Other service revenue were more than offset by advertising revenue declining by 13.8%. The latter driven by a material weakening of the advertising market in Sweden.

**Adjusted EBITDA** declined to SEK -7 million (345) and adjusted EBITDA margin declined to -0.3% (14.8). Adjusted EBITDA like for like decreased to SEK -7 million (346) as a result from lower service revenue and an increased cost base referring mainly to content.

**CAPEX** excluding fees for licenses, spectrum and right-of-use assets, increased 102.9% to SEK 64 million (31)

**Direct subscriptions video-on-demand (SVOD)** decreased by 106,000 in the quarter due to seasonality and a continued challenging streaming market environment.

# Other operations

## Highlights

SEK in millions, except margins, operational data and changes	Apr-Jun 2023	Apr-Jun 2022	Chg %	Jan-Jun 2023	Jan-Jun 2022	Chg %
Revenue <sup>1</sup>	1,180	1,026	15.0	2,312	2,048	12.9
of which Latvia	814	714	14.0	1,615	1,410	14.5
Change (%) like for like	7.6			7.4		
Adjusted EBITDA	238	271	-12.1	517	589	-12.3
of which Latvia	256	218	17.7	493	424	16.2
Margin (%)	20.2	26.4		22.3	28.8	
Income from associated companies	17	16	7.6	40	29	40.2
of which Latvia	31	29	9.2	64	58	11.4
Adjusted operating income	-263	21		-415	107	
Operating income	-465	-141	230.3	-904	-130	593.0
CAPEX excluding fees for licenses, spectrum and right-of-use assets <sup>1</sup>	1,503	1,706	-11.9	2,999	3,090	-2.9
Subscriptions, (thousands)						
Mobile Latvia	1,454	1,372	6.0	1,454	1,372	6.0
of which machine-to-machine (postpaid)	422	387	9.1	422	387	9.1
Employees <sup>1</sup>	6,270	6,149	2.0	6,270	6,149	2.0

1) Restated, see Note 1.

**Revenue** increased 15.0% to SEK 1,180 million (1,026) and like for like, revenue increased 7.6%. The effect of exchange rate fluctuations was positive by 8.2%.

**Adjusted EBITDA** decreased 12.1% to SEK 238 million (271) and adjusted EBITDA margin decreased to 20.2% (26.4). Adjusted EBITDA like for like decreased 22.6% due to higher costs related to the Head office as well as lower EBITDA for the central unit Common Products and Services.

**In Latvia**, revenue increased 14.0% to SEK 814 million (714) and like for like, revenue increased 4.5% driven by increased service revenue, partly offset by sales of equipment. The effect of exchange rate fluctuations was positive by 9.6%. Adjusted EBITDA increased 17.7% to SEK 256 million (218) and the adjusted EBITDA margin increased to 31.5% (30.5). Adjusted EBITDA like for like increased 7.8% as growth of 7.9% for service revenue more than compensated for higher operational expenses. The number of mobile subscriptions increased by 2,000 in the quarter.

In the first quarter of 2022 an agreement was signed regarding a divestment of SIA Telia Latvija, a leading B2B telecom services provider in Latvia. The transaction was completed on June 1, 2022.

## Condensed consolidated statements of comprehensive income

SEK in millions, except per share data and number of shares	Note	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022
Revenue	3, 4	23,297	22,293	46,366	44,110
Goods and services purchased		-8,706	-8,114	-17,806	-16,397
Personnel expenses		-4,036	-3,743	-8,091	-7,435
Other external expenses		-3,046	-2,939	-6,215	-5,788
Other operating income and expenses, net		-139	2	-214	38
<b>EBITDA</b>		<b>7,369</b>	<b>7,499</b>	<b>14,042</b>	<b>14,529</b>
Depreciation, amortization and impairment		-5,135	-4,686	-9,949	-9,293
Income from associated companies and joint ventures		11	18	39	32
<b>Operating income</b>	<b>3</b>	<b>2,245</b>	<b>2,831</b>	<b>4,132</b>	<b>5,268</b>
Financial items, net		-1,009	-710	-1,852	-1,741
<b>Income after financial items</b>	<b>3</b>	<b>1,235</b>	<b>2,121</b>	<b>2,280</b>	<b>3,528</b>
Income taxes		-318	-437	-625	-758
<b>Net income</b>		<b>917</b>	<b>1,684</b>	<b>1,655</b>	<b>2,770</b>
<b>Items that may be reclassified to net income:</b>					
Foreign currency translation differences		771	102	-540	1,380
Cash flow hedges		367	211	363	362
Cost of hedging		27	107	0	88
Debt instruments at fair value through OCI		-1	-6	0	-11
Income taxes relating to items that may be reclassified		283	101	416	103
<b>Items that will not be reclassified to net income:</b>					
Equity instruments at fair value through OCI		3	-59	3	-75
Remeasurements of defined benefit pension plans		505	5,989	1,213	8,719
Income taxes relating to items that will not be reclassified		-105	-1,226	-250	-1,784
<b>Other comprehensive income</b>		<b>1,851</b>	<b>5,218</b>	<b>1,204</b>	<b>8,781</b>
<b>Total comprehensive income</b>		<b>2,769</b>	<b>6,902</b>	<b>2,859</b>	<b>11,550</b>
Net income attributable to:					
Owners of the parent		762	1,524	1,365	2,453
Non-controlling interests		155	160	290	316
Total comprehensive income attributable to:					
Owners of the parent		2,318	6,561	2,221	11,039
Non-controlling interests		451	341	638	511
Earnings per share (SEK), basic and diluted					
Number of shares (thousands)					
Outstanding at period-end	6	3,932,109	4,079,785	3,932,109	4,079,785
Weighted average, basic and diluted		3,932,109	4,086,259	3,932,109	4,087,945
Adjusted EBITDA	2, 15	7,773	7,681	15,031	14,883
Adjusted operating income	2, 15	2,649	3,014	5,121	5,623

## Condensed consolidated statements of financial position

SEK in millions	Note	Jun 30, 2023	Dec 31, 2022
<b>Assets</b>			
Goodwill and other intangible assets	5	75,175	74,547
Property, plant and equipment	5	75,005	74,824
Film and program rights, non-current		3,174	2,299
Right-of-use assets	5	17,515	16,549
Investments in associated companies and joint ventures, pension obligation assets and other non-current assets	9	9,764	8,171
Deferred tax assets		1,174	1,071
Long-term interest-bearing receivables	7, 9	9,931	7,629
<b>Total non-current assets</b>		<b>191,738</b>	<b>185,090</b>
Film and program rights, current		1,801	3,022
Inventories		2,623	2,918
Trade and other receivables and current tax receivables	9	15,196	15,216
Short-term interest-bearing receivables	7, 9	12,846	9,676
Cash and cash equivalents	7	7,240	6,871
<b>Total current assets</b>		<b>39,707</b>	<b>37,703</b>
<b>Total assets</b>		<b>231,445</b>	<b>222,793</b>
<b>Equity and liabilities</b>			
Equity attributable to owners of the parent		58,610	64,239
Equity attributable to non-controlling interests		3,770	3,434
<b>Total equity</b>		<b>62,380</b>	<b>67,673</b>
Long-term borrowings	7, 9	102,627	94,555
Deferred tax liabilities		10,490	10,514
Provisions for pensions and other long-term provisions		5,006	5,022
Other long-term liabilities		2,132	2,289
<b>Total non-current liabilities</b>		<b>120,255</b>	<b>112,379</b>
Short-term borrowings	7, 9	14,621	7,007
Trade payables and other current liabilities, current tax payables and short-term provisions	12	34,189	35,734
<b>Total current liabilities</b>		<b>48,810</b>	<b>42,741</b>
<b>Total equity and liabilities</b>		<b>231,445</b>	<b>222,793</b>

## Condensed consolidated statements of cash flows

SEK in millions	Note	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022
<b>Cash flow before change in working capital</b>		<b>7,065</b>	<b>7,195</b>	<b>14,316</b>	<b>14,458</b>
Increase/decrease Film and program right assets and liabilities <sup>1</sup>		-90	-41	-414	-225
Increase/decrease other operating receivables, liabilities, and inventory		-762	-375	-4,750	31
<b>Change in working capital</b>		<b>-853</b>	<b>-416</b>	<b>-5,164</b>	<b>-194</b>
Amortization and impairment of Film and program rights <sup>1</sup>		-1,463	-1,208	-3,052	-2,721
<b>Cash flow from operating activities</b>		<b>4,750</b>	<b>5,571</b>	<b>6,100</b>	<b>11,543</b>
Cash CAPEX	15	-4,060	-3,678	-8,423	-6,884
<b>Free cash flow</b>	<b>15</b>	<b>690</b>	<b>1,893</b>	<b>-2,323</b>	<b>4,659</b>
Cash flow from other investing activities		-1,892	1,783	-5,122	393
<b>Total cash flow from investing activities</b>		<b>-5,951</b>	<b>-1,895</b>	<b>-13,545</b>	<b>-6,491</b>
<b>Cash flow before financing activities</b>		<b>-1,202</b>	<b>3,676</b>	<b>-7,445</b>	<b>5,052</b>
<b>Cash flow from financing activities</b>		<b>-2,293</b>	<b>-628</b>	<b>7,848</b>	<b>-8,384</b>
<b>Cash flow for the period</b>		<b>-3,495</b>	<b>3,048</b>	<b>403</b>	<b>-3,332</b>
<b>Cash and cash equivalents, opening balance</b>		<b>10,503</b>	<b>8,130</b>	<b>6,871</b>	<b>14,358</b>
Cash flow for the period		-3,495	3,048	403	-3,332
Exchange rate differences in cash and cash equivalents		233	18	-33	171
<b>Cash and cash equivalents, closing balance</b>		<b>7,240</b>	<b>11,197</b>	<b>7,240</b>	<b>11,197</b>

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

1) Total cash out flow 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
<b>Opening balance, January 1, 2022</b>	<b>80,731</b>	<b>2,812</b>	<b>83,544</b>
Dividends	-8,373	-305	-8,679
Share-based payments	7	-	7
Acquisition of treasury shares	-396	-	-396
New share issue	5,265	186	5,451
<i>Total transactions with owners</i>	<i>-3,498</i>	<i>-119</i>	<i>-3,617</i>
Total comprehensive income	11,039	511	11,550
<b>Closing balance, June 30, 2022</b>	<b>88,272</b>	<b>3,205</b>	<b>91,477</b>
Dividends	121	-128	-7
Share-based payments	14	-	14
Acquisition of treasury shares	-5,103	-	-5,103
Change in non-controlling interests	-9	4	-6
<i>Total transactions with owners</i>	<i>-4,977</i>	<i>-124</i>	<i>-5,101</i>
Total comprehensive income	-19,046	354	-18,693
Cash flow hedge transferred to assets	-10	-	-10
<b>Closing balance, December 31, 2022</b>	<b>64,239</b>	<b>3,434</b>	<b>67,673</b>
Dividends	-7,864	-302	-8,166
Share-based payments	14	-	14
Cancellation of treasury shares, net effect	-	-	-
Bonus issue, net effect	-	-	-
<i>Total transactions with owners</i>	<i>-7,850</i>	<i>-302</i>	<i>-8,152</i>
Total comprehensive income	2,221	638	2,859
<b>Closing balance, June 30, 2023</b>	<b>58,610</b>	<b>3,770</b>	<b>62,380</b>

# Note 1.

## Basis of preparation

### General

The Telia Company group applies International Financial Reporting Standards (IFRSs) 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 Financial 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 2022 except for changes described below. 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.

### Changes in accounting principles

#### Classification of expenses by nature in Statement of comprehensive income

As of January 1, 2023, Telia Company has changed the presentation of the statement of comprehensive income from a classification of expenses by their function to a classification based on their nature. The new presentation is deemed to provide reliable and more relevant information as a classification of expenses by nature provides more useful information to users of the financial statements about the key components and drivers of Telia Company's profitability, it better represents the way the business is managed and how management reports internally and classification of expenses by nature is more commonly used in the Telco industry. Comparative information has been restated to present classification of expenses by nature.

The new line-item Goods and services purchased includes goods and sub-contracting services purchased, change in inventories, interconnect and roaming expenses as well as other network expenses. The new line-item Other external expenses includes marketing expenses, IT expenses and consultancy fees and other external expenses. Personnel restructuring costs and impairment losses of goodwill previously presented within line-item Other operating expenses have been reclassified to the new line items Personnel expenses and Depreciation, amortization and impairment respectively. The new line-item Depreciation, amortization and impairment relates to property, plant and equipment, intangible assets and right-of-use assets. Amortization and impairment of film and program rights are included in the line-item Goods and services purchased and amortization of costs to obtain a contract is included in the line-item Other external expenses. For more details related to 2022, see the

Annual and Sustainability Report 2022 notes C7 Expenses by nature, C8 Other operating income and expenses and C32 Human resources. For definition and reconciliation of the subtotal EBITDA see section Definitions and Note 15.

#### IFRS 17 Insurance contracts

The new standard IFRS 17 "Insurance contracts" became effective January 1, 2023 and has been implemented by Telia Company. The standard is applicable for Telia Company's insurance contracts issued to customers via the insurance company Telia Försäkring AB. The insurance contracts refer to property insurance related to equipment sold to customers. The coverage period for these insurance contracts is no more than one year and Telia Company accounts for these contracts applying the simplified Premium Allocation Approach (PAA) under which the insurance premiums received are recognized as a liability for remaining coverage and insurance revenue is recognized over the period when the insurance coverage is provided. Telia Company also applies the exceptions for insurance contracts with a short coverage period under which the liabilities for remaining coverage and incurred claims are not discounted. The implementation of IFRS 17 had no material impact on Telia Company's financial statements and the insurance operation is limited.

### References

For more information regarding:

- Review of the group, see pages 6-7.
- Significant events, see page 8.
- Risks and uncertainties, see page 38.

### Restatement of 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 main changes performed are reclassification of revenue from Mobile end user revenue to Broadband as well as from Other fixed revenue to Business solutions.

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.

## Restatement of financial and operational data

SEK in millions	Apr-Jun 2022									
	Sweden	Finland	Norway	Denmark	Lithuania	Estonia	TV and Media	Other operations	Eliminations	Total
Mobile end user revenue	-133	-130	0	-19	-	-18	-	-	-	-299
Mobile interconnect	-	-	-	-	-	-	-	-	-	-
Other mobile service revenue	0	74	-	0	-	-0	-	-	-	74
<b>Mobile service revenue</b>	<b>-133</b>	<b>-56</b>	<b>0</b>	<b>-19</b>	<b>-</b>	<b>-18</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-225</b>
Telephony	22	-4	-	6	-	-	-	-	-	24
Broadband	178	124	28	0	-	17	0	-3	-	343
TV	-	-	-	-	-	-	-	-	-	-
Business solutions	183	166	-28	0	2	7	0	14	-	345
Other fixed service revenue	-251	-230	0	-5	-2	-6	-	-10	-	-506
<b>Fixed service revenue</b>	<b>133</b>	<b>56</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>18</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>206</b>
Advertising revenue	-	-	-	-	-	-	-	-	-	-
Other service revenue	-	0	-	0	0	0	-	0	-	0
<b>Total service revenue</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>-19</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>-19</b>
Equipment revenue	0	-	-	19	-	-	-	0	-	19
<b>Total external revenue</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>0</b>
Internal revenue	0	-5	-	-	-	-	0	25	-19	0
<b>Total revenue</b>	<b>0</b>	<b>-5</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>25</b>	<b>-19</b>	<b>0</b>

## Subscriptions, (thousands)

Mobile	-206	-122	0	-27	-	-35	-	-	-	-389
<i>of which machine-to-machine (postpaid)</i>	0	0	0	0	-	0	-	-	-	-
Fixed telephony	32	0	15	27	-	0	-	-	-	74
Broadband	117	122	-3	0	-	35	-	-	-	271
TV	-80	0	10	0	-	0	-	-	-	-70

SEK in millions	Jan-Jun 2022									
	Sweden	Finland	Norway	Denmark	Lithuania	Estonia	TV and Media	Other operations	Eliminations	Total
Mobile end user revenue	-260	-217	0	-40	-	-35	-	-	-	-551
Mobile interconnect	-	-	-	-	-	-	-	-	-	-
Other mobile service revenue	0	133	0	-	-	-	-	0	-	133
<b>Mobile service revenue</b>	<b>-260</b>	<b>-84</b>	<b>0</b>	<b>-40</b>	<b>-</b>	<b>-35</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-418</b>
Telephony	45	-9	-	11	-	-	-	-	-	48
Broadband	350	231	55	0	-	32	-1	-5	-	664
TV	-	-	-	-	-	-	-	-	-	-
Business solutions	367	313	-55	-2	5	15	1	24	-	669
Other fixed service revenue	-503	-452	-1	-9	-5	-13	0	-19	-	-1,002
<b>Fixed service revenue</b>	<b>260</b>	<b>84</b>	<b>0</b>	<b>1</b>	<b>-</b>	<b>35</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>379</b>
Advertising revenue	-	-	-	-	-	-	-	-	-	-
Other service revenue	0	-	-	0	0	-	0	0	-	0
<b>Total service revenue</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>-39</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>-39</b>
Equipment revenue	0	-	-	39	-	-	-	0	-	39
<b>Total external revenue</b>	<b>0</b>	<b>0</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>0</b>
Internal revenue	0	-10	-	-	-	-	0	58	-48	0
<b>Total revenue</b>	<b>0</b>	<b>-10</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>58</b>	<b>-48</b>	<b>0</b>

## Subscriptions, (thousands)

Mobile	-206	-122	0	-27	-	-35	-	-	-	-389
<i>of which machine-to-machine (postpaid)</i>	0	0	0	0	-	0	-	-	-	-
Fixed telephony	32	0	15	27	-	0	-	-	-	74
Broadband	117	122	-3	0	-	35	-	-	-	271
TV	-80	0	10	0	-	0	-	-	-	-70

## Note 2.

### Adjustment items

#### Adjustment items within operating income

SEK in millions	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022
<b>Total within EBITDA</b>	<b>-404</b>	<b>-183</b>	<b>-989</b>	<b>-354</b>
Restructuring charges, synergy implementation costs, costs related to historical legal disputes, regulatory charges and taxes etc.:				
Sweden	-22	-18	-134	-76
Finland	-59	-25	-95	-62
Norway	-22	-45	-104	-53
Denmark	-9	-16	-17	-9
Lithuania	-9	-3	-17	-4
Estonia	-3	-5	-8	-6
TV and Media	-19	-5	-65	-10
Other operations	-201	-162	-489	-322
<b>Sub total</b>	<b>-345</b>	<b>-278</b>	<b>-928</b>	<b>-543</b>
<i>whereof personnel redundancy costs</i>	-103	-79	-464	-192
<i>whereof consultant costs including transformation and integration</i>	-115	-102	-238	-199
<i>whereof IT costs including transformation</i>	-50	-51	-122	-91
<i>whereof other</i>	-77	-46	-104	-60
Capital gains/losses	-59	96	-60	188
<b>Within Depreciation, amortization and impairment losses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Within Income from associated companies and joint ventures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total adjustment items within operating income</b>	<b>-404</b>	<b>-183</b>	<b>-989</b>	<b>-354</b>

## Note 3.

### Segment information

SEK in millions	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022
<b>Revenue</b>				
Sweden	8,983	8,641	17,963	17,189
<i>of which external</i>	8,937	8,621	17,872	17,151
Finland <sup>1</sup>	4,134	3,650	8,091	7,275
<i>of which external</i>	4,072	3,613	7,984	7,195
Norway	3,618	3,662	7,382	7,311
<i>of which external</i>	3,525	3,640	7,225	7,280
Denmark	1,379	1,269	2,703	2,544
<i>of which external</i>	1,363	1,259	2,677	2,520
Lithuania	1,305	1,171	2,627	2,284
<i>of which external</i>	1,299	1,165	2,616	2,272
Estonia	1,017	867	1,998	1,736
<i>of which external</i>	1,010	865	1,989	1,729
TV and Media	2,207	2,333	4,226	4,364
<i>of which external</i>	2,201	2,333	4,213	4,364
Other operations <sup>1</sup>	1,180	1,026	2,312	2,048
<b>Total segments<sup>1</sup></b>	<b>23,823</b>	<b>22,619</b>	<b>47,304</b>	<b>44,750</b>
Eliminations <sup>1</sup>	-526	-326	-937	-640
<b>Group</b>	<b>23,297</b>	<b>22,293</b>	<b>46,366</b>	<b>44,110</b>
<b>Adjusted EBITDA</b>				
Sweden	3,351	3,358	6,664	6,695
Finland	1,258	1,130	2,455	2,241
Norway	1,697	1,591	3,378	3,257
Denmark	335	248	624	483
Lithuania	499	414	982	816
Estonia	401	323	783	649
TV and Media	-7	345	-372	154
Other operations	238	271	517	589
<b>Total segments</b>	<b>7,773</b>	<b>7,681</b>	<b>15,031</b>	<b>14,883</b>
Eliminations	-	0	-	0
<b>Group</b>	<b>7,773</b>	<b>7,681</b>	<b>15,031</b>	<b>14,883</b>
<b>Operating income</b>				
Sweden	1,599	1,634	3,073	3,239
Finland	248	229	534	430
Norway	498	548	1,142	1,184
Denmark	78	-2	119	1
Lithuania	275	208	540	404
Estonia	244	219	477	387
TV and Media	-233	135	-849	-246
Other operations	-465	-141	-904	-130
<b>Total segments</b>	<b>2,245</b>	<b>2,832</b>	<b>4,132</b>	<b>5,268</b>
Eliminations	-	0	0	0
<b>Group</b>	<b>2,245</b>	<b>2,831</b>	<b>4,132</b>	<b>5,268</b>
Financial items, net	-1,009	-710	-1,852	-1,741
<b>Income after financial items</b>	<b>1,235</b>	<b>2,121</b>	<b>2,280</b>	<b>3,528</b>

1) Restated, see Note 1.

SEK in millions	Jun 30, 2023	Jun 30, 2023	Dec 31, 2022	Dec 31, 2022
	Segment assets	Segment liabilities	Segment assets	Segment liabilities
Sweden	45,951	11,233	46,760	13,351
Finland	40,317	4,127	38,303	5,224
Norway	47,474	5,737	49,722	7,327
Denmark	8,253	2,535	7,772	2,815
Lithuania	7,968	1,357	7,498	1,975
Estonia	6,604	997	6,310	1,382
TV and Media	12,176	2,474	13,348	3,381
Other operations	27,105	6,755	26,570	8,072
<b>Total segments</b>	<b>195,849</b>	<b>35,215</b>	<b>196,283</b>	<b>43,527</b>
Unallocated	35,596	133,851	26,510	111,593
<b>Total assets/liabilities, group</b>	<b>231,445</b>	<b>169,065</b>	<b>222,793</b>	<b>155,120</b>

## Note 4. Revenue

SEK in millions	Apr-Jun 2023									
	Sweden	Finland	Norway	Denmark	Lithuania	Estonia	TV and Media	Other operations	Eliminations	Total
Mobile end user revenue	3,117	1,628	1,788	700	442	297	-	432	-	8,405
Mobile interconnect	127	75	98	63	19	13	-	19	-	413
Other mobile service revenue	153	298	233	107	1	5	-	9	-	805
<b>Mobile service revenue</b>	<b>3,397</b>	<b>2,001</b>	<b>2,119</b>	<b>870</b>	<b>462</b>	<b>316</b>	<b>-</b>	<b>460</b>	<b>-</b>	<b>9,623</b>
Telephony	284	6	13	37	39	22	-	0	-	403
Broadband	1,451	281	404	69	213	199	-	-	-	2,617
TV	595	147	423	19	107	86	758	-	-	2,136
Business solutions	889	893	83	34	101	105	-	12	-	2,116
Other fixed service revenue	696	94	12	14	125	127	-	0	-	1,069
<b>Fixed service revenue</b>	<b>3,916</b>	<b>1,421</b>	<b>935</b>	<b>173</b>	<b>585</b>	<b>541</b>	<b>758</b>	<b>12</b>	<b>-</b>	<b>8,340</b>
Advertising revenue	-	-	-	-	-	-	1,392	-	-	1,392
Other service revenue	266	56	32	28	5	1	51	119	-	558
<b>Total service revenue<sup>1</sup></b>	<b>7,579</b>	<b>3,478</b>	<b>3,085</b>	<b>1,071</b>	<b>1,052</b>	<b>857</b>	<b>2,201</b>	<b>591</b>	<b>-</b>	<b>19,914</b>
Equipment revenue <sup>1</sup>	1,358	594	439	293	248	153	-	298	-	3,384
<b>Total external revenue</b>	<b>8,937</b>	<b>4,072</b>	<b>3,525</b>	<b>1,363</b>	<b>1,299</b>	<b>1,010</b>	<b>2,201</b>	<b>889</b>	<b>-</b>	<b>23,297</b>
Internal revenue	46	61	94	15	6	6	6	291	-526	0
<b>Total revenue</b>	<b>8,983</b>	<b>4,134</b>	<b>3,618</b>	<b>1,379</b>	<b>1,305</b>	<b>1,017</b>	<b>2,207</b>	<b>1,180</b>	<b>-526</b>	<b>23,297</b>

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

SEK in millions	Apr-Jun 2022 <sup>2</sup>									
	Sweden	Finland	Norway	Denmark	Lithuania	Estonia	TV and Media	Other operations	Eliminations	Total
Mobile end user revenue	3,080	1,475	1,835	632	361	243	-	365	-	7,992
Mobile interconnect	120	83	108	64	28	15	-	24	-	442
Other mobile service revenue	139	240	187	103	8	4	-	9	-	691
<b>Mobile service revenue</b>	<b>3,339</b>	<b>1,798</b>	<b>2,130</b>	<b>800</b>	<b>398</b>	<b>262</b>	<b>-</b>	<b>398</b>	<b>-</b>	<b>9,125</b>
Telephony	355	9	24	36	42	23	-	1	-	490
Broadband	1,386	274	423	56	174	173	-	-	-	2,485
TV	569	133	407	20	98	77	717	-	-	2,022
Business solutions	856	760	84	28	77	80	0	14	-	1,898
Other fixed service revenue	679	86	26	14	112	108	-	-	-	1,026
<b>Fixed service revenue</b>	<b>3,844</b>	<b>1,263</b>	<b>964</b>	<b>154</b>	<b>504</b>	<b>461</b>	<b>718</b>	<b>14</b>	<b>-</b>	<b>7,921</b>
Advertising revenue	-	-	-	-	-	-	1,576	-	-	1,576
Other service revenue	262	57	43	22	3	2	39	98	-	526
<b>Total service revenue<sup>1</sup></b>	<b>7,446</b>	<b>3,117</b>	<b>3,137</b>	<b>975</b>	<b>905</b>	<b>725</b>	<b>2,333</b>	<b>510</b>	<b>-</b>	<b>19,148</b>
Equipment revenue <sup>1</sup>	1,175	496	503	284	260	139	-	287	-	3,144
<b>Total external revenue</b>	<b>8,621</b>	<b>3,613</b>	<b>3,640</b>	<b>1,259</b>	<b>1,165</b>	<b>865</b>	<b>2,333</b>	<b>797</b>	<b>-</b>	<b>22,292</b>
Internal revenue	20	37	22	10	6	3	0	229	-326	0
<b>Total revenue</b>	<b>8,641</b>	<b>3,650</b>	<b>3,662</b>	<b>1,269</b>	<b>1,171</b>	<b>867</b>	<b>2,333</b>	<b>1,026</b>	<b>-326</b>	<b>22,293</b>

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-Jun 2023									
	Sweden	Finland	Norway	Denmark	Lithuania	Estonia	TV and Media	Other operations	Eliminations	Total
Mobile end user revenue	6,179	3,193	3,646	1,363	858	585	-	856	-	16,679
Mobile interconnect	242	146	201	126	38	26	-	36	-	816
Other mobile service revenue	297	591	452	211	12	9	-	15	-	1,586
<b>Mobile service revenue</b>	<b>6,718</b>	<b>3,930</b>	<b>4,298</b>	<b>1,700</b>	<b>908</b>	<b>620</b>	<b>-</b>	<b>907</b>	<b>-</b>	<b>19,081</b>
Telephony	577	24	30	75	79	45	-	0	-	829
Broadband	2,863	564	841	136	415	391	-	-	-	5,210
TV	1,180	296	852	38	211	171	1,505	-	-	4,252
Business solutions	1,765	1,725	170	66	194	197	0	27	-	4,144
Other fixed service revenue	1,400	194	25	27	244	251	-0	0	-	2,141
<b>Fixed service revenue</b>	<b>7,785</b>	<b>2,802</b>	<b>1,916</b>	<b>342</b>	<b>1,143</b>	<b>1,056</b>	<b>1,505</b>	<b>27</b>	<b>-</b>	<b>16,577</b>
Advertising revenue	-	-	-	-	-	-	2,609	-	-	2,609
Other service revenue	489	113	69	55	10	2	99	253	-	1,091
<b>Total service revenue<sup>1</sup></b>	<b>14,992</b>	<b>6,845</b>	<b>6,284</b>	<b>2,098</b>	<b>2,060</b>	<b>1,678</b>	<b>4,213</b>	<b>1,188</b>	<b>-</b>	<b>39,358</b>
Equipment revenue <sup>1</sup>	2,880	1,139	941	579	555	311	-	602	-	7,008
<b>Total external revenue</b>	<b>17,872</b>	<b>7,984</b>	<b>7,225</b>	<b>2,677</b>	<b>2,616</b>	<b>1,989</b>	<b>4,213</b>	<b>1,790</b>	<b>-</b>	<b>46,366</b>
Internal revenue	91	106	158	26	12	9	13	522	-937	0
<b>Total revenue</b>	<b>17,963</b>	<b>8,091</b>	<b>7,382</b>	<b>2,703</b>	<b>2,627</b>	<b>1,998</b>	<b>4,226</b>	<b>2,312</b>	<b>-937</b>	<b>46,366</b>

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

SEK in millions	Jan-Jun 2022 <sup>2</sup>									
	Sweden	Finland	Norway	Denmark	Lithuania	Estonia	TV and Media	Other operations	Eliminations	Total
Mobile end user revenue	6,114	2,966	3,675	1,256	702	483	-	722	-	15,918
Mobile interconnect	239	167	221	135	57	31	-	49	-	898
Other mobile service revenue	273	468	354	198	15	6	-	20	-	1,335
<b>Mobile service revenue</b>	<b>6,626</b>	<b>3,601</b>	<b>4,250</b>	<b>1,589</b>	<b>774</b>	<b>521</b>	-	<b>791</b>	-	<b>18,151</b>
Telephony	726	21	52	73	85	48	-	1	-	1,006
Broadband	2,767	543	849	111	342	343	-	-	-	4,956
TV	1,129	272	828	38	199	152	1,449	-	-	4,067
Business solutions	1,703	1,494	165	56	152	171	1	24	-	3,766
Other fixed service revenue	1,374	165	53	30	209	213	0	0	-	2,044
<b>Fixed service revenue</b>	<b>7,698</b>	<b>2,496</b>	<b>1,947</b>	<b>308</b>	<b>987</b>	<b>927</b>	<b>1,450</b>	<b>25</b>	-	<b>15,838</b>
Advertising revenue	-	-	-	-	-	-	2,841	-	-	2,841
Other service revenue	502	112	85	49	6	6	74	222	-	1,056
<b>Total service revenue<sup>1</sup></b>	<b>14,826</b>	<b>6,209</b>	<b>6,282</b>	<b>1,946</b>	<b>1,767</b>	<b>1,454</b>	<b>4,364</b>	<b>1,038</b>	-	<b>37,886</b>
Equipment revenue <sup>1</sup>	2,325	986	998	575	505	275	-	560	-	6,224
<b>Total external revenue</b>	<b>17,151</b>	<b>7,195</b>	<b>7,280</b>	<b>2,520</b>	<b>2,272</b>	<b>1,729</b>	<b>4,364</b>	<b>1,598</b>	-	<b>44,110</b>
Internal revenue	38	79	31	24	12	7	0	449	-640	0
<b>Total revenue</b>	<b>17,189</b>	<b>7,275</b>	<b>7,311</b>	<b>2,544</b>	<b>2,284</b>	<b>1,736</b>	<b>4,364</b>	<b>2,048</b>	<b>-640</b>	<b>44,110</b>

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	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022
<b>CAPEX</b>	<b>4,837</b>	<b>4,533</b>	<b>10,472</b>	<b>9,252</b>
Intangible assets	927	927	1,800	1,859
Property, plant and equipment	2,952	3,055	5,790	5,579
Right-of-use assets	957	551	2,882	1,814
<b>Acquisitions and other investments</b>	<b>275</b>	<b>71</b>	<b>300</b>	<b>117</b>
Asset retirement obligations	130	6	155	40
Goodwill, intangible and tangible non-current assets and right-of-use assets acquired in business combinations	26	-	26	-
Equity instruments	119	65	119	77
<b>Total investments</b>	<b>5,112</b>	<b>4,604</b>	<b>10,772</b>	<b>9,369</b>

## Note 6. Treasury shares

As of December 31, 2022, Telia Company held 157,522,416 treasury shares and the total number of issued and outstanding shares was 4,089,631,702 and 3,932,109,286 respectively. The annual general meeting held on April 5, 2023, approved a reduction of the share capital of SEK -534 million by way of cancellation of all treasury shares held and a corresponding increase of the share capital of SEK 534 million by way of bonus issue, which was executed during the second quarter of

2023. As of June 30, 2023, 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

SEK in millions	Jun 30, 2023	Dec 31, 2022
Long-term borrowings	102,627	94,555
<i>of which lease liabilities, non-current</i>	14,789	13,971
Less 50% of hybrid capital <sup>1</sup>	-10,022	-9,962
Short-term borrowings	14,621	7,007
<i>of which lease liabilities, current</i>	3,480	3,261
Less derivatives recognized as financial assets and hedging long-term and short-term borrowings and related credit support annex (CSA)	-7,895	-7,373
Less long-term bonds and interest rates derivatives at fair value through income statement and OCI	-4,742	-3,698
Less short-term investments	-6,342	-2,261
Less cash and cash equivalents	-7,240	-6,871
<b>Net debt</b>	<b>81,007</b>	<b>71,397</b>

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 long-term and short-term borrowings and related credit support annex (CSA) are part of the balance sheet line-items Long-term interest-bearing receivables and Short-term interest-bearing receivables. Hybrid capital is part of the balance sheet line-item Long-term borrowings. Long-term bonds at fair

value through income statement and OCI are part of the balance sheet line-item Long-term interest-bearing receivables. Short-term investments are part of the balance sheet line-item Short-term interest-bearing receivables.

## Note 8.

### Loan financing and credit rating

In February 2023, Telia Company issued a 9-year bond of EUR 500 million (SEK 5.6 billion) to a yield of 3.799 percent and with a coupon of 3.625 percent, maturing in February 2032. The bond was issued under Telia's existing EUR 12 billion EMTN (Euro Medium Term Note) program.

In March 2023, Telia Company issued bonds in four separate tranches with a total amount of SEK 4 billion, under its existing EUR 12 billion EMTN (Euro Medium Term Note) program. The bonds are separated in two maturities with a fixed and floating tranche on each, in total SEK 2 billion maturing in March 2026, and in total SEK 2 billion maturing in September 2028. The coupon of the 3-year bond was set at 4.375 percent per annum for the fixed tranche, corresponding to a yield of 4.39 percent, and Mid-swaps +73 basis points for the floating tranche. The coupon of the 5.5-year bond was set at 4.375 percent per annum for the fixed tranche corresponding to a yield of 4.42 percent, and Mid-swaps +110 basis points for the floating tranche. The proceeds will partly be used to refinance senior debt.

During April 2023, Telia Company issued certificates with a total nominal amount of SEK 1.0 billion under the existing short-term commercial paper program. This was done mainly to reactivate this local, short-term program. In April outstanding hybrid bonds at a nominal amount of EUR 100 million (SEK 1.2 billion) was repaid.

The banking sector turbulence present in the first quarter of 2023 that led to strains on the financial markets has stabilized. Telia Company has good availability to the capital markets if any funding need would be identified.

The credit rating of Telia Company remained unchanged during the second quarter of 2023. 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

Long-term and short-term borrowings <sup>1</sup> SEK in millions	Jun 30, 2023		Dec 31, 2022	
	Carrying value	Fair value	Carrying value	Fair value
<b>Long-term borrowings</b>				
Interest rate derivatives at fair value	7,375	7,375	7,078	7,078
Cross-currency interest rate derivatives at fair value	93	93	170	170
<b>Long-term borrowings at fair value</b>	<b>7,468</b>	<b>7,468</b>	<b>7,247</b>	<b>7,247</b>
Open-market financing borrowings in fair value hedge relationships	37,719	42,168	38,915	43,439
Open-market financing borrowings at amortized cost	41,754	42,542	33,698	34,335
Other borrowings at amortized cost	897	897	723	723
Lease liabilities at amortized cost	14,789		13,971	
<b>Total long-term borrowings</b>	<b>102,627</b>		<b>94,555</b>	
<b>Short-term borrowings</b>				
Interest rate derivatives at fair value	344	344	50	50
Cross-currency interest rate derivatives at fair value	-	-	179	179
<b>Short-term borrowings at fair value</b>	<b>344</b>	<b>344</b>	<b>229</b>	<b>229</b>
Open-market financing borrowings in fair value hedge relationships	7,952	8,247	1,709	1,726
Open-market financing borrowings at amortized cost	1,929	1,932	949	957
Other borrowings at amortized cost	916	916	858	858
Lease liabilities at amortized cost	3,480		3,261	
<b>Total short-term borrowings</b>	<b>14,621</b>		<b>7,007</b>	

1) For financial assets the carrying amount is a reasonable approximation of fair value. For information on fair value estimation, see the Annual and Sustainability Report 2022, Note C3 to the consolidated financial statements.

Financial assets and liabilities by fair value hierarchy level <sup>1</sup> SEK in millions	Jun 30, 2023				Dec 31, 2022			
	Carrying value	of which			Carrying value	of which		
		Level 1	Level 2	Level 3		Level 1	Level 2	Level 3
<b>Financial assets at fair value</b>								
Equity instruments at fair value through OCI	607	0	-	607	601	4	-	596
Equity instruments at fair value through income statement	6	-	-	6	18	-	-	18
Long- and short-term bonds at fair value through OCI	831	831	-	-	836	836	-	-
Long- and short-term bonds at fair value through income statement	10,260	10,061	199	-	5,174	5,174	-	-
Derivatives designated as hedging instruments	4,213	-	4,213	-	2,205	-	2,205	-
Derivatives at fair value through income statement	668	-	668	-	137	-	137	-
<b>Total financial assets at fair value by level</b>	<b>16,584</b>	<b>10,892</b>	<b>5,080</b>	<b>612</b>	<b>8,971</b>	<b>6,015</b>	<b>2,342</b>	<b>614</b>
<b>Financial liabilities at fair value</b>								
Derivatives designated as hedging instruments	7,801	-	7,801	-	7,388	-	7,388	-
Derivatives at fair value through income statement	131	-	131	-	162	-	162	-
<b>Total financial liabilities at fair value by level</b>	<b>7,932</b>	<b>-</b>	<b>7,932</b>	<b>-</b>	<b>7,550</b>	<b>-</b>	<b>7,550</b>	<b>-</b>

1) For information on fair value hierarchy levels and fair value estimation, see the Annual and Sustainability Report 2022, Note C3 to the consolidated financial statements and the 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 done.

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.

Movements within Level 3, fair value hierarchy, SEK in millions	Assets, Jan-Jun 2023		Total
	Equity instruments at fair value through OCI	Equity instruments at fair value through income statement	
<b>Level 3, opening balance</b>	<b>596</b>	<b>18</b>	<b>614</b>
Purchases	6	-	6
Settlements	-	-12	-12
Exchange rate differences	4	0	4
<b>Level 3, closing balance</b>	<b>607</b>	<b>6</b>	<b>612</b>

Movements within Level 3, fair value hierarchy, SEK in millions	Assets, Jan-Dec 2022		Total
	Equity instruments at fair value through OCI	Equity instruments at fair value through income statement	
<b>Level 3, opening balance</b>	<b>576</b>	<b>18</b>	<b>594</b>
Changes in fair value	-46	-	-46
<i>of which recognized in other comprehensive income</i>	-46	-	-46
Purchases/capital contributions	77	-	77
Disposals	-10	-	-10
Settlements	-3	-	-3
Exchange rate differences	3	-	3
<b>Level 3, closing balance</b>	<b>596</b>	<b>18</b>	<b>614</b>

## Note 10.

### Contingent liabilities, collateral pledged and litigations

SEK in millions	Jun 30, 2023	Dec 31, 2022
Issued financial guarantees	351	322
<i>of which referred to guarantees for pension obligations</i>	350	321
Collateral pledged	16	40
<b>Total contingent liabilities and collateral pledged</b>	<b>367</b>	<b>363</b>

As disclosed in the Annual and Sustainability Report 2022, the Norwegian Tax Administration (NTA) has performed a VAT audit investigating 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. NTA has in the second quarter 2023 issued a decision requesting Telia Company to pay an amount of approximately SEK 0.3 billion. However, Telia Company has been granted respite with any payment until date for appeal (when payment respite will be reviewed) and no material provision has been recognized since it is deemed probable that Telia Company will win a final appeal in court.

The Finnish Tax Agency (FTA) has in 2022 issued a decision requesting Telia Company to pay Real Estate Transfer Tax of approximately SEK 0.2 billion, related to a share transaction in 2019 involving Telia Towers Finland Oy. The Finnish Supreme Administrative Court has in the second quarter 2023 confirmed that Telia Towers Finland Oy is not to be classified as a Real estate company. The Finnish Tax Agency has on July 5, 2023, decided to revoke its entire previous claim on Telia Company.

For other ongoing legal proceedings, see Note C30 in the Annual and Sustainability Report 2022.

## Note 11.

### Contractual obligations and commitments

SEK in millions	Jun 30, 2023	Dec 31, 2022
Contractual obligations and commitments	18,129	18,479
<i>of which film and program rights</i>	<i>13,016</i>	<i>13,516</i>
<b>Total contractual obligations and commitments</b>	<b>18,129</b>	<b>18,479</b>

## Note 12.

### Accounts payable

SEK in millions	Jun 30, 2023	Dec 31, 2022
Accounts payable	14,172	20,286
<i>of which accounts payable under vendor financing agreements</i>	<i>7,354</i>	<i>11,413</i>
<b>Total accounts payable</b>	<b>14,172</b>	<b>20,286</b>

As disclosed in the annual and sustainability report 2022, 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. From the second quarter 2023 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 47%.

## Note 13.

# Assets held for sale, discontinued operations and disposals

## Disposals

### Binding term sheet agreeing key terms on which to sell the operations and network assets in Denmark

On April 25, 2023, Telia Company announced that it has signed a binding term sheet agreeing upon the key terms on which to sell 100% of its operations and network assets in Denmark to Norlys a.m.b.a. (Norlys) at an expected 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 Telia Denmark's 2022 reported EBITDA. The transaction is subject to the parties signing final and binding agreements (expected in summer 2023), approval from Norlys' owners and customary regulatory approvals, with closing expected in the first quarter 2024, at the latest. 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.

The sales process for Denmark is proceeding according to plan, but as final and binding agreements have not yet been signed and the due diligence process is still ongoing, management deem that the actions required to complete the transaction cannot ensure that significant changes to the plan are unlikely. Management's assessment is therefore that as of June 30, 2023 the criteria for classification as held for sale and discontinued operations are not yet met for the operations and network assets in Denmark.

## Note 14.

# Financial key ratios

	Jun 30, 2023	Dec 31, 2022
Return on equity (% , rolling 12 months) <sup>1</sup>	neg.	neg.
Return on capital employed (% , rolling 12 months) <sup>1</sup>	neg.	neg.
Equity/assets ratio (%) <sup>1</sup>	25.3	26.8
Net debt/adjusted EBITDA ratio (multiple, rolling 12 months)	2.66	2.35
Parent owners' equity per share (SEK) <sup>1</sup>	14.91	16.34

1) Equity is adjusted by weighted ordinary dividend, see the Annual and Sustainability Report 2022 section Definitions for key ratio definitions.

## Note 15.

### Alternative performance measurements

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 of these non-IFRS measures are described in the Annual and Sustainability Report 2022. 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	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022
<b>Revenue</b>	<b>23,297</b>	<b>22,293</b>	<b>46,366</b>	<b>44,110</b>
Excluded: Equipment revenue	-3,384	-3,144	-7,008	-6,224
<b>Service revenue (external)</b>	<b>19,914</b>	<b>19,148</b>	<b>39,358</b>	<b>37,886</b>
Excluded: Effects from changes in foreign exchange rates <sup>1</sup>	-280	123	-568	205
Excluded: Effects from acquired and disposed operations	-2	-5	-2	-23
<b>Service revenue on a like-for-like basis<sup>2</sup></b>	<b>19,632</b>	<b>19,266</b>	<b>38,788</b>	<b>38,067</b>
<i>Change (%) like for like</i>	1.9		1.9	
<i>of which Telco operations</i>	17,469	16,926	34,636	33,689
<i>Change (%) like for like, Telco operations</i>	3.2		2.8	
<i>of which TV and Media</i>	2,163	2,341	4,152	4,378

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.

#### Adjusted EBITDA

SEK in millions	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022
<b>EBITDA</b>	<b>7,369</b>	<b>7,499</b>	<b>14,042</b>	<b>14,529</b>
Adjustment items within EBITDA (Note 2)	404	183	989	354
<b>Adjusted EBITDA</b>	<b>7,773</b>	<b>7,681</b>	<b>15,031</b>	<b>14,883</b>
Excluded: Effects from changes in foreign exchange rates <sup>1</sup>	-56	52	-157	79
Excluded: Effects from acquired and disposed operations	15	1	28	-3
<b>Adjusted EBITDA on a like-for-like basis<sup>2</sup></b>	<b>7,731</b>	<b>7,734</b>	<b>14,902</b>	<b>14,959</b>
<i>Change (%) like for like</i>	0.0		-0.4	
<i>of which Telco operations</i>	7,738	7,389	15,270	14,805
<i>Change (%) like for like, Telco operations</i>	4.7		3.1	
<i>of which TV and Media</i>	-7	346	-369	155
Excluded: Impact from increased energy costs <sup>3</sup>	49		177	
<b>Adjusted EBITDA on a like-for-like basis<sup>2</sup> excluding impact from increased energy costs<sup>3</sup></b>	<b>7,780</b>	<b>7,734</b>	<b>15,079</b>	<b>14,959</b>

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) Increased energy costs in 2023 compared to 2022.

#### Adjusted operating income

SEK in millions	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022
<b>Operating income</b>	<b>2,245</b>	<b>2,831</b>	<b>4,132</b>	<b>5,268</b>
Adjustment items within Operating income (Note 2)	404	183	989	354
<b>Adjusted operating income</b>	<b>2,649</b>	<b>3,014</b>	<b>5,121</b>	<b>5,623</b>

## CAPEX, Cash CAPEX and Cash CAPEX in relation to Revenue

SEK in millions	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022
Investments in intangible assets	927	927	1,800	1,859
Investments in property, plant and equipment	2,952	3,055	5,790	5,579
<b>CAPEX excluding right of use assets</b>	<b>3,879</b>	<b>3,982</b>	<b>7,591</b>	<b>7,438</b>
Investments in right-of-use assets	957	551	2,882	1,814
<b>CAPEX</b>	<b>4,837</b>	<b>4,533</b>	<b>10,472</b>	<b>9,252</b>
Excluded: investments in license and spectrum fees and right-of-use assets	-976	-551	-2,900	-1,985
<b>CAPEX excluding fees for licenses and spectrum and right of use assets</b>	<b>3,861</b>	<b>3,982</b>	<b>7,572</b>	<b>7,266</b>

SEK in millions, except ratio	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022
<b>CAPEX</b>	<b>4,837</b>	<b>4,533</b>	<b>10,472</b>	<b>9,252</b>
Excluded: investments in right-of-use assets	-957	-551	-2,882	-1,814
Net of not paid investments and additional payments from previous periods	180	-304	832	-554
<b>Cash CAPEX</b>	<b>4,060</b>	<b>3,678</b>	<b>8,423</b>	<b>6,884</b>
Excluded: Cash CAPEX for licenses and spectrum fees	-26	-9	-253	-194
<b>Cash CAPEX, excluding fees for licenses and spectrum</b>	<b>4,033</b>	<b>3,670</b>	<b>8,169</b>	<b>6,690</b>
<b>Revenue</b>	<b>23,297</b>	<b>22,293</b>	<b>46,366</b>	<b>44,110</b>
<b>Cash CAPEX, excluding fees for licenses and spectrum in relation to Revenue (%)</b>	<b>17.3</b>	<b>16.5</b>	<b>17.6</b>	<b>15.2</b>

## Free cash flow

SEK in millions	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022
Cash flow from operating activities	4,750	5,571	6,100	11,543
Cash CAPEX (paid intangible and tangible assets)	-4,060	-3,678	-8,423	-6,884
<b>Free cash flow</b>	<b>690</b>	<b>1,893</b>	<b>-2,323</b>	<b>4,659</b>

## Operational free cash flow and Structural part of Operational free cash flow

SEK in millions	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022
Cash flow from operating activities	4,750	5,571	6,100	11,543
Cash CAPEX	-4,060	-3,678	-8,423	-6,884
<b>Free cash flow</b>	<b>690</b>	<b>1,893</b>	<b>-2,323</b>	<b>4,659</b>
Excluded: Cash CAPEX for licenses and spectrum fees	26	9	253	194
Excluded: Dividends from associates	-134	-135	-134	-136
Excluded: Taxes paid on dividends from associates	-	-	-	-
Repayments of lease liabilities	-690	-639	-1,531	-1,427
<b>Operational free cash flow</b>	<b>-108</b>	<b>1,127</b>	<b>-3,734</b>	<b>3,290</b>
Excluded: Changes in working capital	853	416	5,164	194
<b>Structural part of Operational free cash flow</b>	<b>745</b>	<b>1,543</b>	<b>1,430</b>	<b>3,485</b>

## Net debt and Net debt/Adjusted EBITDA ratio (multiple, rolling 12 months)

SEK in millions, except for multiple	Jun 30, 2023	Dec 31, 2022
<b>Net debt</b>	<b>81,007</b>	<b>71,397</b>
Adjusted EBITDA accumulated current year	15,031	30,328
Adjusted EBITDA accumulated previous year	15,445	-
<b>Adjusted EBITDA rolling 12 months excluding disposed operations</b>	<b>30,475</b>	<b>30,328</b>
<b>Net debt/adjusted EBITDA ratio (multiple)</b>	<b>2.66x</b>	<b>2.35x</b>

## Adjusted EBITDA margin

SEK in millions, except ratio	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022
Revenue	23,297	22,293	46,366	44,110
Adjusted EBITDA	7,773	7,681	15,031	14,883
<b>Adjusted EBITDA margin (%)</b>	<b>33.4</b>	<b>34.5</b>	<b>32.4</b>	<b>33.7</b>

# Parent company

## Condensed income statements

SEK in millions	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022
Revenue	597	374	1,109	885
Goods and services purchased	-366	-158	-760	-611
Personnel expenses	-219	-198	-449	-388
Other external expenses	-168	-127	-198	-82
Other operating income and expenses, net	-36	-16	-49	-68
<b>EBITDA</b>	<b>-193</b>	<b>-124</b>	<b>-347</b>	<b>-264</b>
Amortization, depreciation and impairment	0	0	0	-1
<b>Operating income</b>	<b>-193</b>	<b>-125</b>	<b>-347</b>	<b>-264</b>
Financial items, net	-700	11,304	-1,225	10,737
<b>Income after financial items</b>	<b>-893</b>	<b>11,179</b>	<b>-1,571</b>	<b>10,473</b>
Appropriations	1,863	1,244	2,537	2,255
<b>Income before taxes</b>	<b>970</b>	<b>12,423</b>	<b>966</b>	<b>12,729</b>
Income taxes	-1	-32	-1	-97
<b>Net income</b>	<b>969</b>	<b>12,391</b>	<b>965</b>	<b>12,631</b>

Revenue and Goods and services purchased in the second quarter and first half of 2023 increased to SEK 597 million (374) and SEK 1,109 million (885), and -366 (-158) and -760 (-611), respectively, mainly related to film and program rights.

Financial items, net in the second quarter 2023 decreased to SEK -700 million (11,304). 2022 was mainly impacted by a capital gain of SEK 11,063 million from the disposal of Telia Towers Sweden AB. The second quarter 2023 was impacted by dividends from subsidiaries of

SEK 1,491 million (1,610) and negative impacted by increased foreign exchange losses.

Financial items net in the first half of 2023 decreased to SEK -1,225 million (10,737). 2022 was mainly impacted by the capital gain of SEK 11,063 million from the disposal of Telia Towers Sweden AB. The first half of 2023 was impacted by dividends from subsidiaries of SEK 1,622 million (1,673). In addition, first half of 2023 was negatively impacted by increased foreign exchange losses.

## Condensed balance sheets

SEK in millions	Jun 30, 2023	Dec 31, 2022
<b>Assets</b>		
Non-current assets	150,949	153,316
Current assets	43,291	36,833
<b>Total assets</b>	<b>194,240</b>	<b>190,149</b>
<b>Equity and liabilities</b>		
Restricted shareholders' equity	15,712	15,712
Non-restricted shareholders' equity	48,837	55,441
<b>Total shareholders' equity</b>	<b>64,548</b>	<b>71,153</b>
Untaxed reserves	4,263	5,862
Provisions	507	432
Long-term liabilities	86,944	79,871
Short-term liabilities and short-term provisions	37,979	32,831
<b>Total equity and liabilities</b>	<b>194,240</b>	<b>190,149</b>

Non-current assets decreased to SEK 150,949 (153,316) mainly due to decreased long interest-bearing receivables from group companies.

Current assets increased to SEK 43,291 million (36,833) due to increased cash and bank, short-term investments and current interest-bearing receivables from group companies partly offset by paid group contribution receivables.

Untaxed reserves decreased to SEK 4,263 million (5,862) due to reversal of part of profit equalization reserves.

Long-term liabilities increased to SEK 86,944 million (79,871) mainly impacted by issued bonds and foreign exchange rate effects, partly offset by reclassifications to short-term liabilities.

Short-term liabilities and short-term provisions increased to SEK 37,979 million (32,831) mainly due to reclassifications from long-term liabilities and unpaid dividend liability, partly offset by decreased current interest-bearing liabilities to group companies.

## Risks and uncertainties

Telia Company operates in a broad range of geographical product and service markets in the highly competitive and regulated telecommunications industry. 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 business, financial as well as ethics and sustainability risks and uncertainties, and to mitigate such risks as appropriate. The Telia Company Risk Universe consists of

a Principal Risk taxonomy based on 12 Principal Risk areas and over 30 sub-risk areas that are identified and prioritized together with Group Executive Management, as the most material risks that impact Telia's strategic 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 2022, Directors Report, section Risk and uncertainties.

## Board of directors' and president's certification

The Board of Directors and the President and CEO certify that the Interim Report gives a true and fair overview of the Parent Company's and Group's operations, their financial position and results of operations, and describes significant risks and uncertainties facing the Parent Company and other companies in the Group.

Stockholm, July 20, 2023

Lars-Johan Jarnheimer  
Chair of the Board

Ingrid Bonde  
Vice-Chair of the Board

Hannes Ametsreiter  
Board member

Stefan Carlsson  
Board member,  
employee representative

Luisa Delgado  
Board member

Sarah Eccleston  
Board member

Tomas Eliasson  
Board member

Rickard Gustafson  
Board member

Jeanette Jäger  
Board member

Jimmy Maymann  
Board member

Martin Sääf  
Board member,  
employee representative

Rickard Wäst  
Board member,  
employee representative

Allison Kirkby  
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 industry; 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 industry 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.

**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:** The total cash flow from operating activities and cash CAPEX.

**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 less derivatives recognized as financial assets (and hedging long-term and short-term borrowings) and related credit support annex (CSA), less 50% of hybrid capital (which, consistent with market practice

for the type of instrument, is treated as equity), less short-term investments, long-term bonds at fair value through income statement and OCI and cash/cash equivalents.

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

**Operational free cash flow:** Free cash flow 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-September 2023**

October 19, 2023

**Year-end report January-December 2023**

January 26, 2024

**Interim report January-March 2024**

April 25, 2024

This information is information that Telia Company AB is obliged to make public pursuant to the EU Market Abuse Regulation and Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 07.00 CET on July 20, 2023.

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