



Fourth quarter 2021 results

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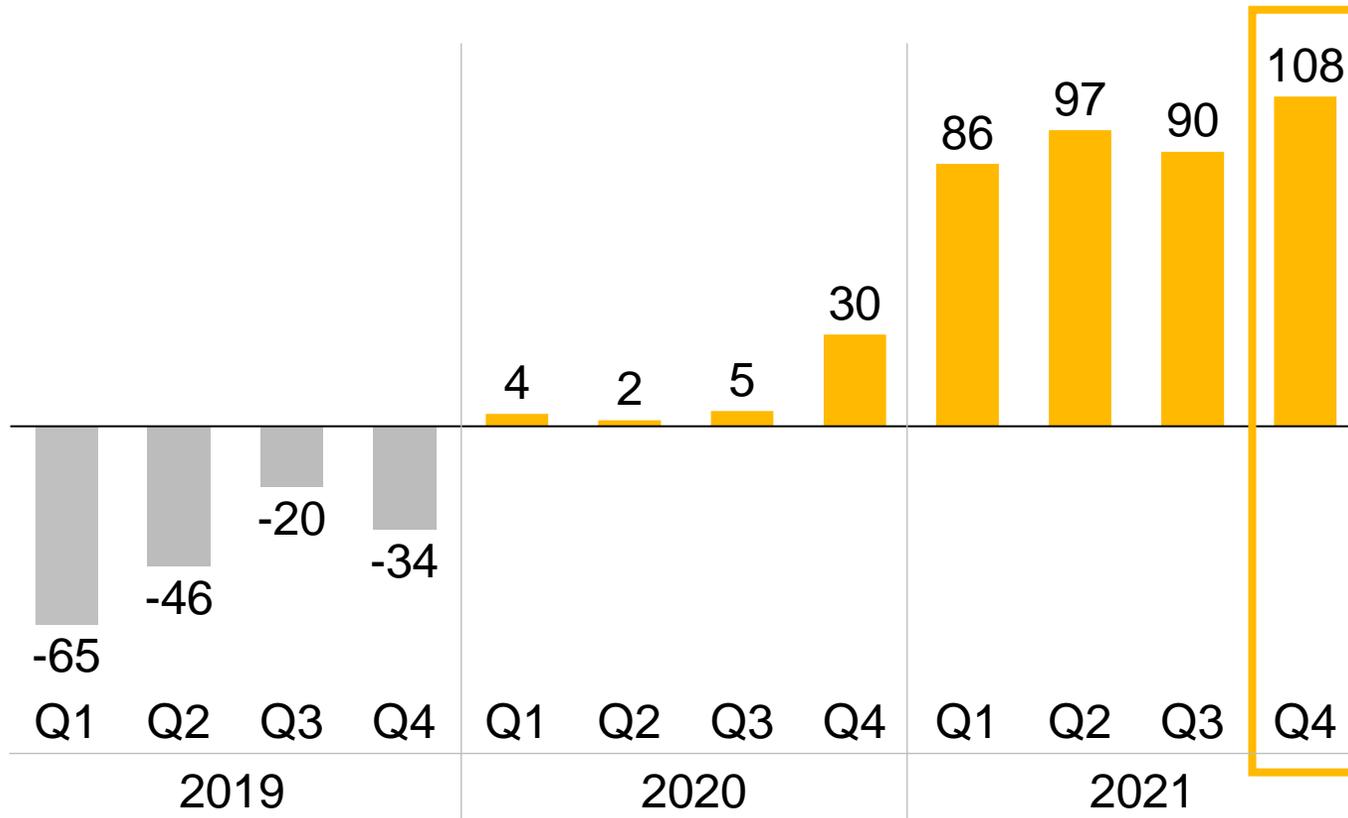
Fourth quarter 2021 highlights

- Adjusted **EBITDA of NOK 108 million** (18% margin)
- All time high **smartphone service revenues** at NOK 466 million, **up 11%** from Q4 2020
- 694k smartphone subscriptions at end of Q4, **up 17k in Q4**
- **Churn at 20%** (annualized) – down from 23% in Q4 2020
- Positive response in the market after the softlaunch of **NiceMobil**
- **5G network** launched in November
- Update on refinancing process

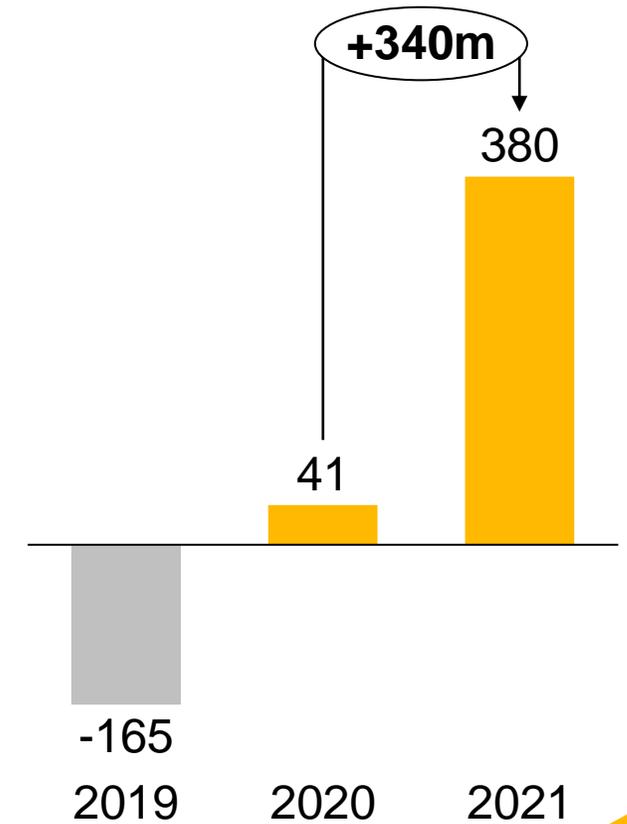
NOK 108 million in adj. EBITDA in Q4 2021

- a NOK 340 million improvement for full year 2021

Adjusted EBITDA
NOK millions per quarter



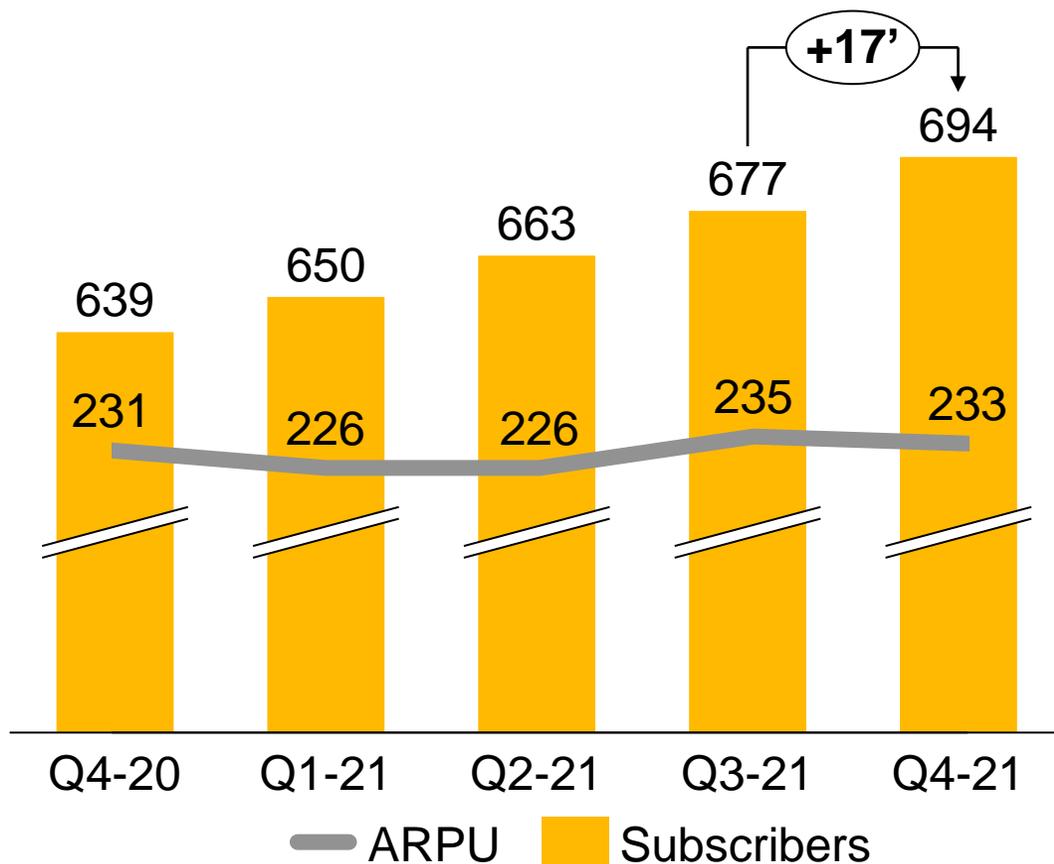
Adjusted EBITDA
NOK millions, full year



Continued growth in smartphone subscribers

Smartphone subscribers & ARPU

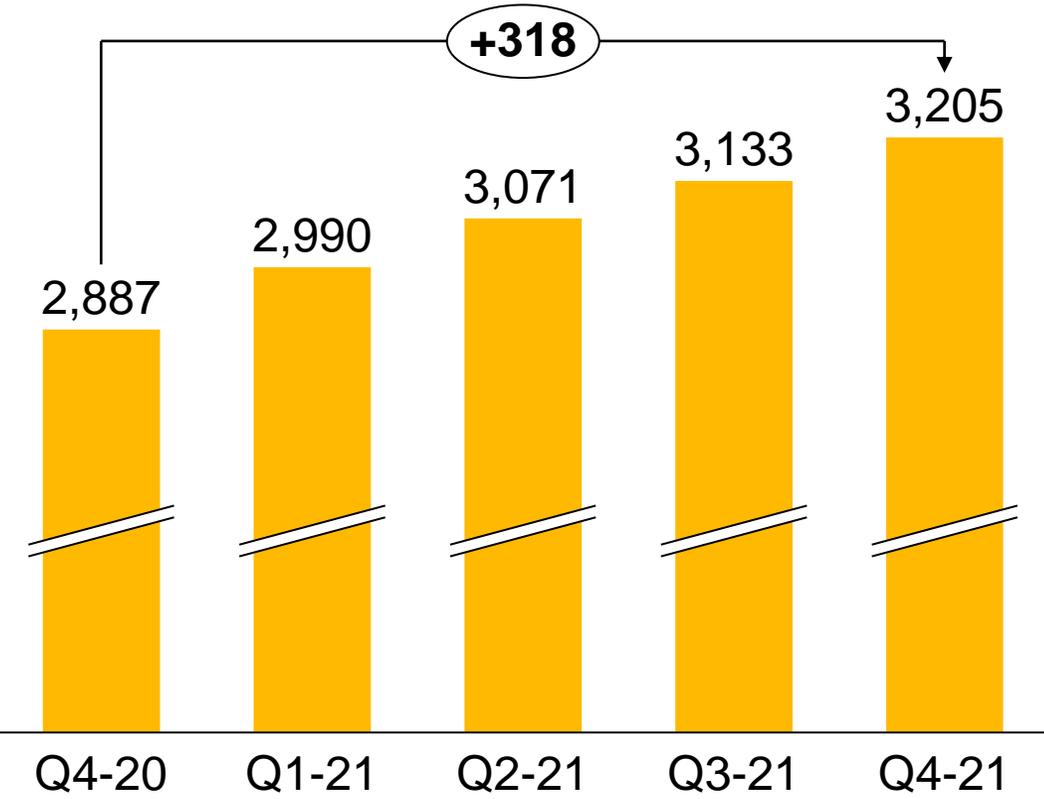
1,000 subscribers end of period / Average monthly ARPU in NOK



- Growth of 17,000 subscribers in the quarter
- B2B with 13% subscriber growth in 2021
- Maintains market leading win rate in B2C segment
- IceMax (unlimited plan) launched in January
- Positive NPS and churn development. Churn at 20% in Q4 – down from 23% in Q4 2020
- ARPU at 233, up from 231 in Q4 2020

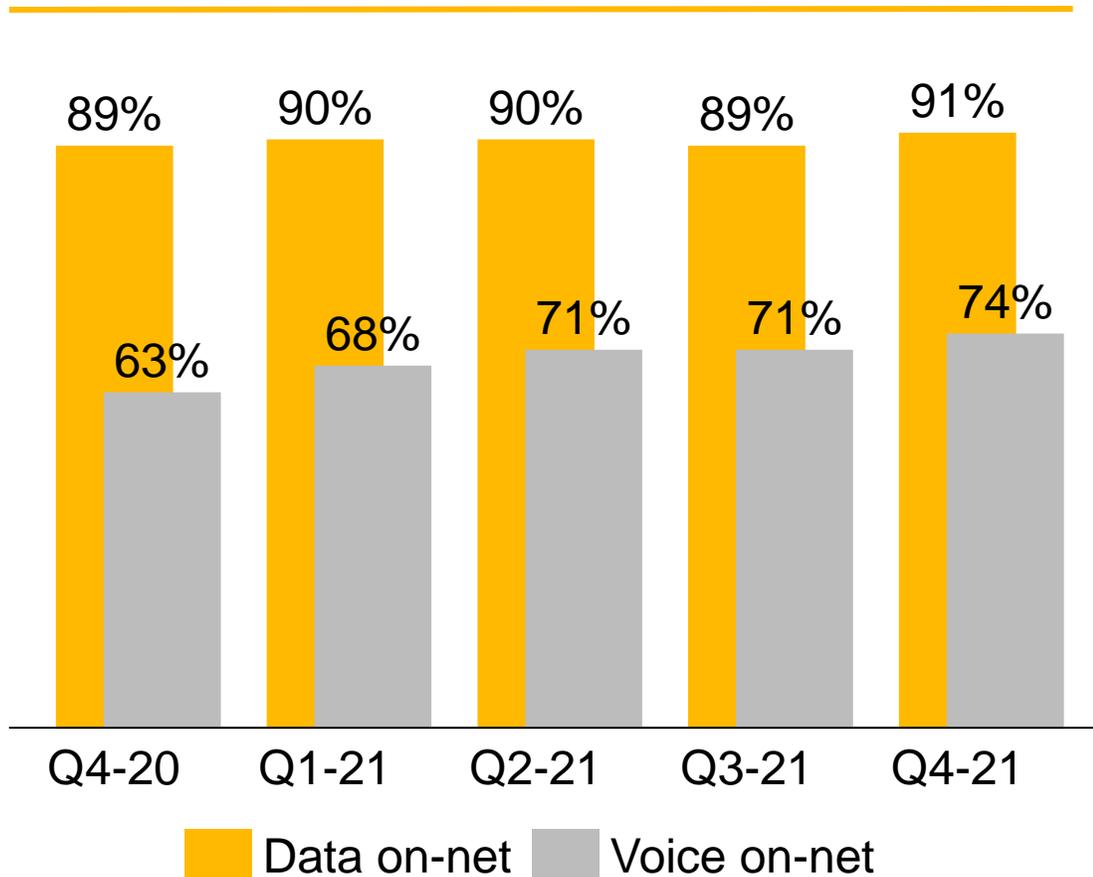
We continue to build base stations – in line with guiding for 2021

Operational smartphone sites



High quality network with increasing population coverage

Average on-net share



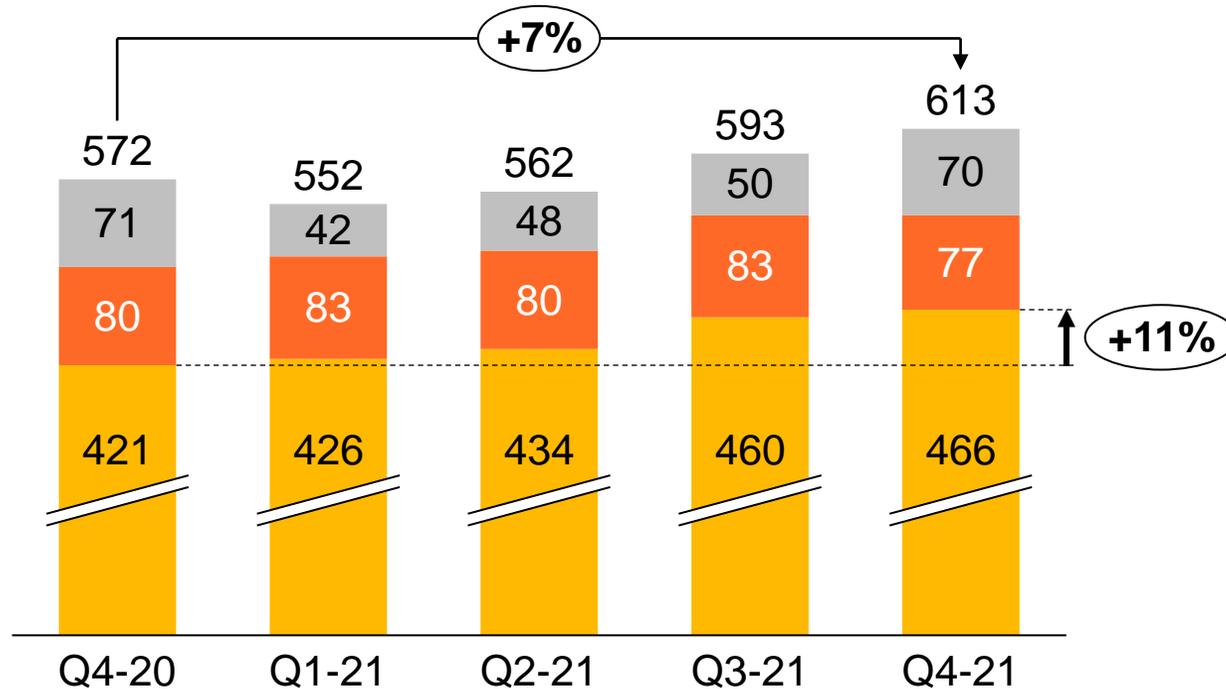
- High quality network
 - Top score among Nokia networks in Europe
 - #1 on up-time in Tutela 2020 report
 - Awarded “Global Leader” in Open Signal Global Awards 2022
- On-net share:
 - On-net share on both data and voice at all-time high

Finance

EBITDA margin of 18% in Q4 2021

Operating revenues

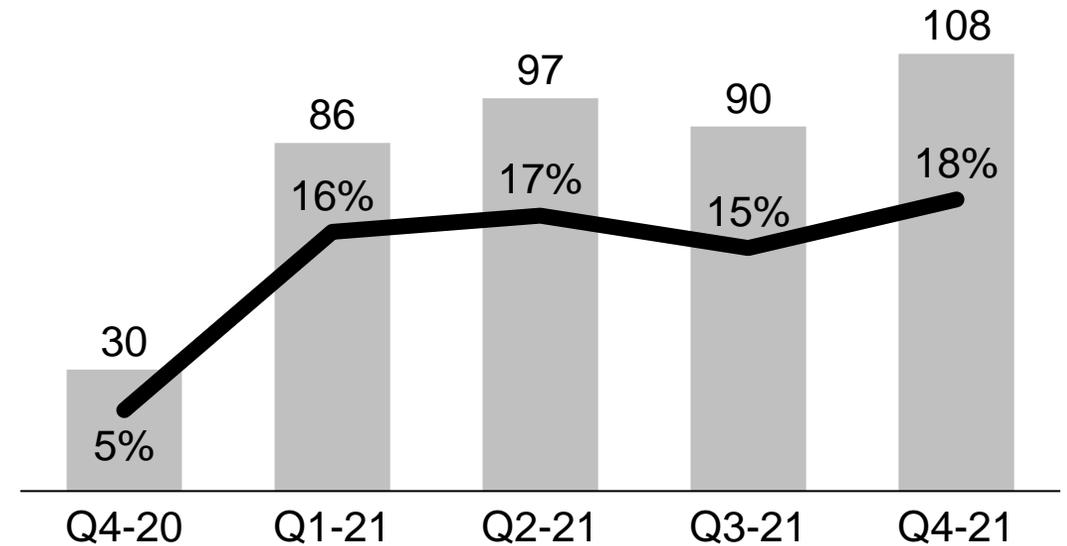
NOK millions



- Other revenues
- MBB service revenues
- Smartphone service revenues

Adj EBITDA and adj EBITDA margin

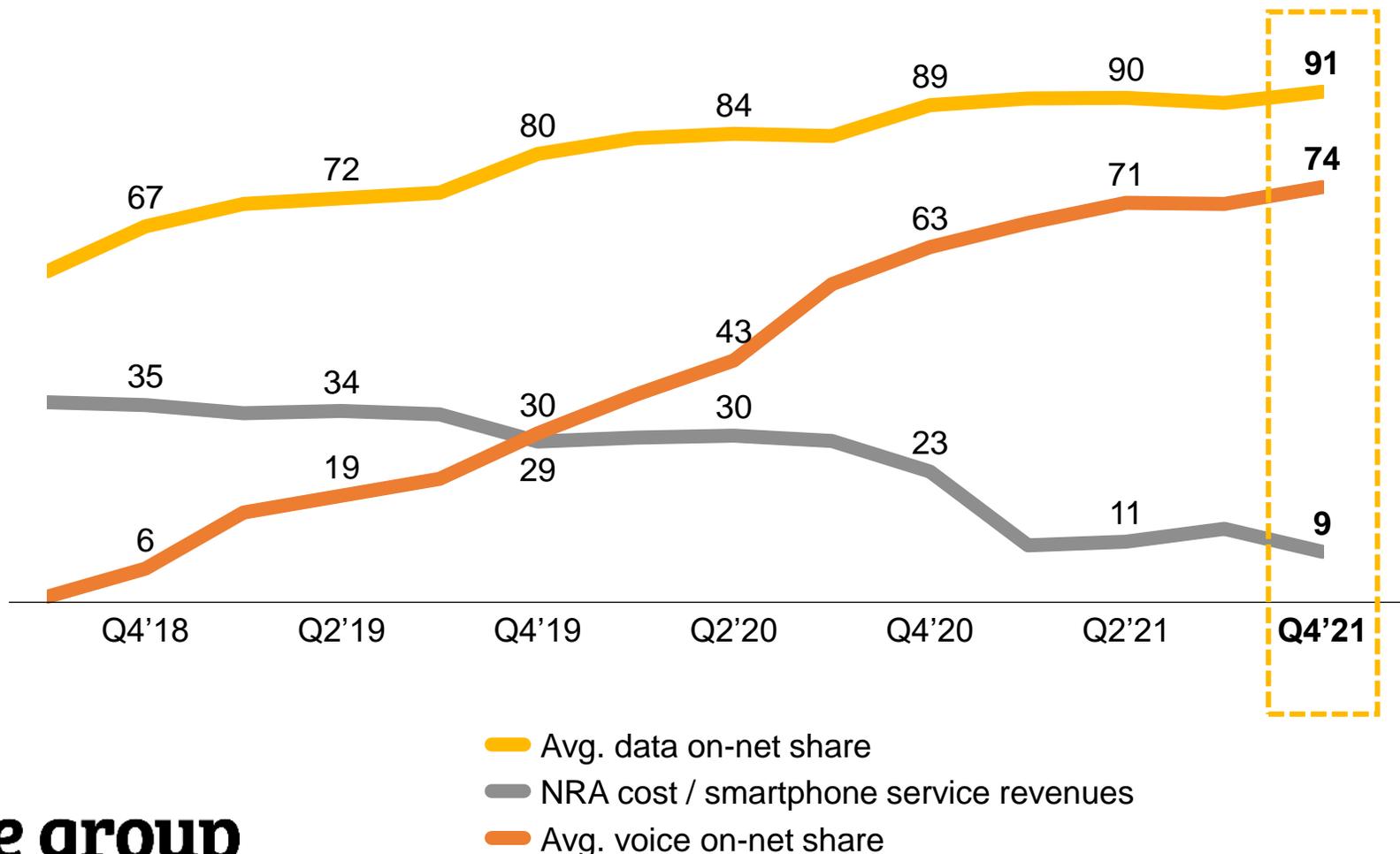
NOK millions / %



- Adj EBITDA
- Adj EBITDA margin

Improved on-net share and reduced NRA costs

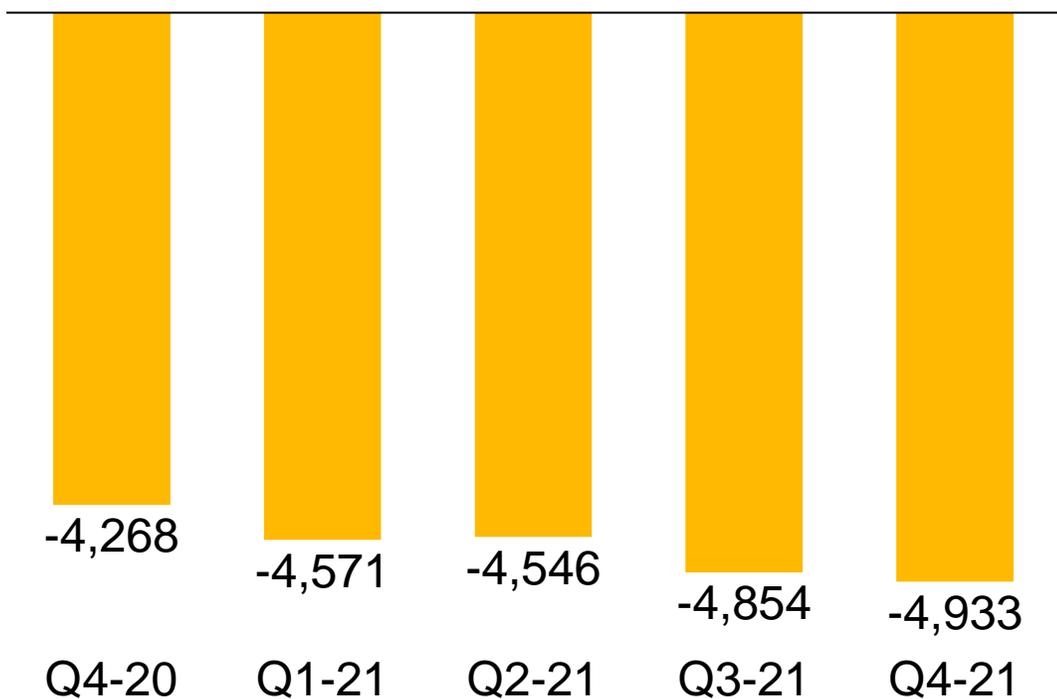
On-net data share (%) on-net voice share (%) and network rental cost as % of revenues



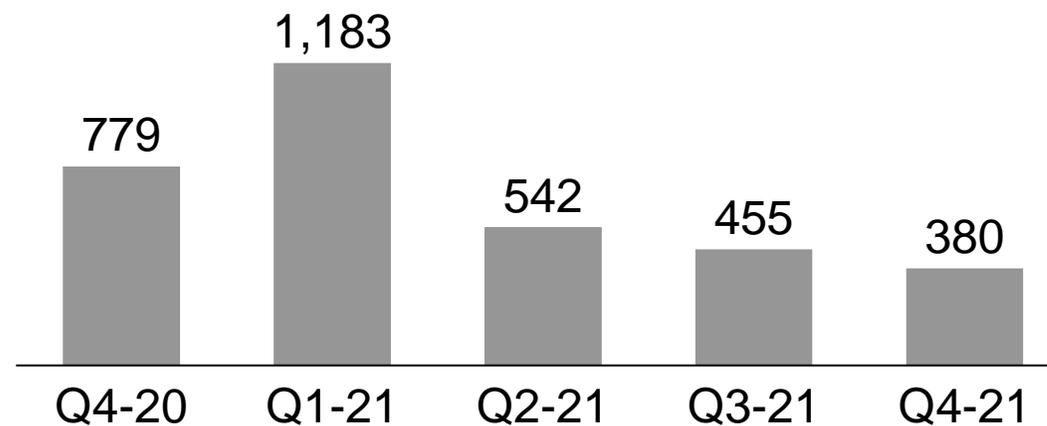
- Network build-out has enabled a shift from variable to fixed cost base
- Network rent cost has continuously decreased as on-net share has increased
- Step-down in NRA cost from 1 January 2021 with new Telia roaming agreement
- Total NRA cost for 2021 at NOK 195 million, down from NOK 441 million in 2020

Net interest bearing debt and cash position

Net interest bearing debt (NOK millions)



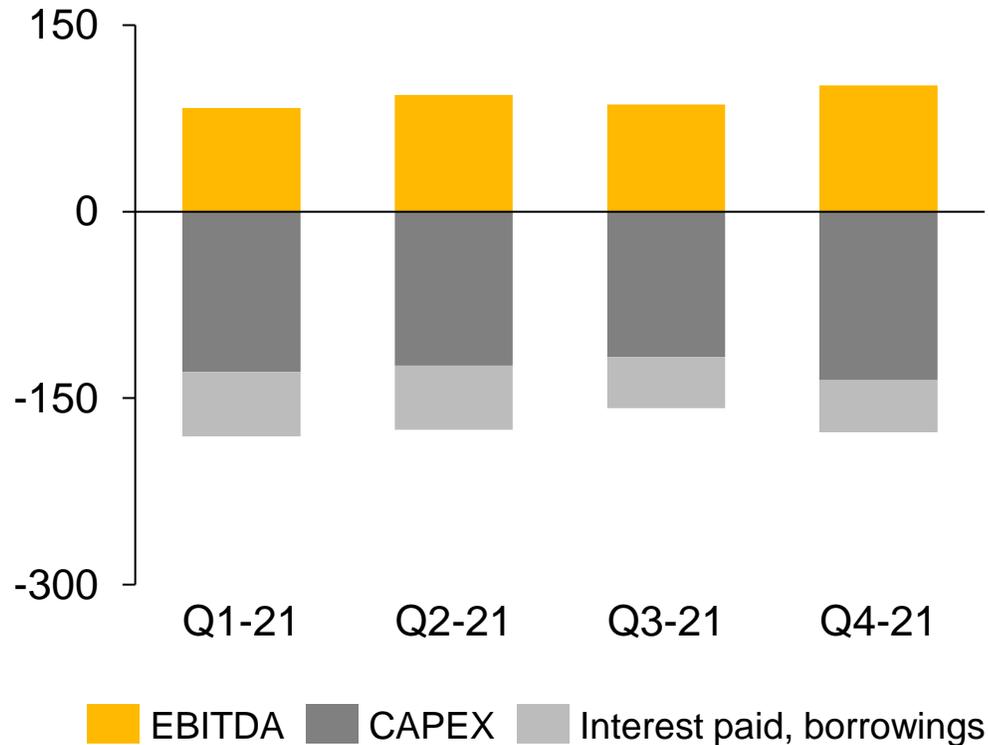
Cash and cash equivalents (NOK millions)



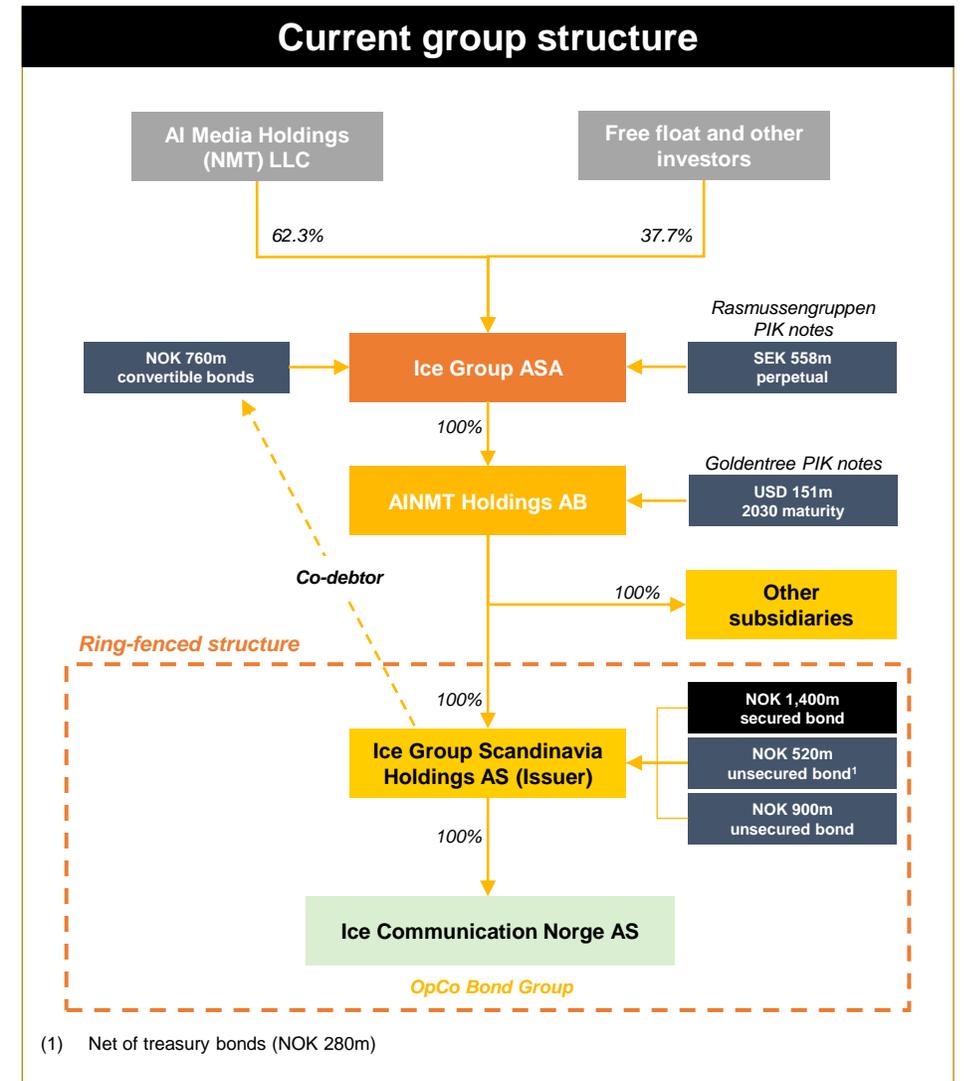
EBITDA is developing positively, but cash flow remains negative mainly due to CAPEX and interest payments

EBITDA*, CAPEX and Interest paid, borrowings

NOK millions



*Note that EBITDA above is higher than "cash EBITDA" due to IFRS16



Update on refinancing process

- The refinancing process has been challenging due to the complex capital structure
- Discussions with creditors, shareholders and a range of potential new investors to explore all options for a successful refinancing solution
- The board and management of the company have received and evaluated offers and proposals on several different structures from different investor groups, including an equity raise element and/or conversion of debt or a business transaction
- The goal has been to maximize all stakeholder value in this process
- The company is confident in reaching a solution where creditor values are kept, but based on the offers received there is a risk with regard to level of shareholder value compared to current share price
- This process is not impacting the operations of the business or its relationship with customers or suppliers.
- Due to the company's short-term liquidity needs, the company believes it is imperative to enter into definitive agreements within a short time
- The company will come back to market with more news on the outcome of the process

Summary

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**Continued
positive
operational
and financial
development
in Q4**

**Launch of
NiceMobil**

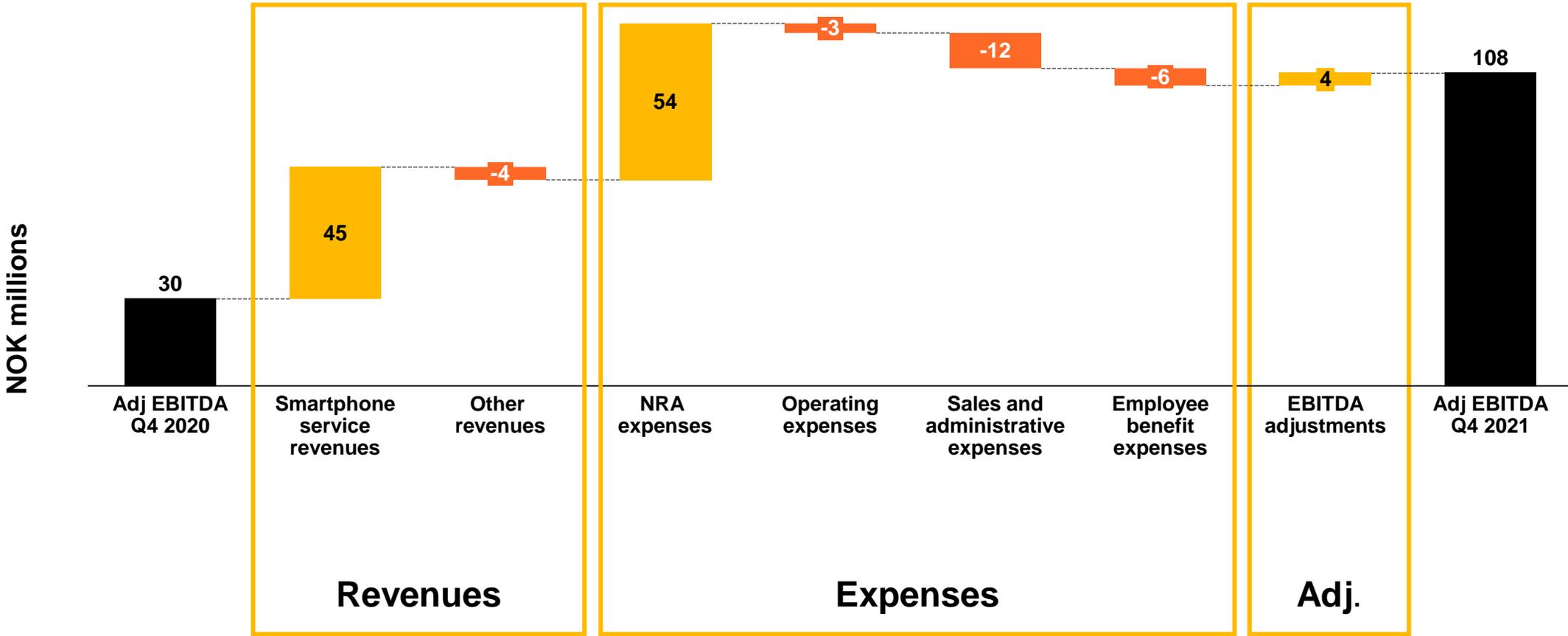


**Update on
refinancing
process
expected
within short**

Q & A

Appendix

Adj. EBITDA development – Q4 2020 vs Q4 2021



Income statement

NOK millions	2020 Q4	2021 Q4
Service revenue	421	466
Other operating revenue	14	12
Operating revenue (Smartphone)	435	478
Service revenue	80	77
Other operating revenue	57	58
Operating revenue (MBB)	137	135
Service revenue total	500	543
Other operating revenue total	71	70
Total operating revenue	572	613
Operating expenses, NRA	(98)	(44)
Operating expenses, excl. NRA	(165)	(168)
Sales and administrative expenses	(213)	(225)
Employee benefit expenses	(68)	(74)
Depreciation, amortization and impairment losses	(156)	(152)
Total operating expenses	(699)	(664)
Operating result	(127)	(51)
Financial items - net	(26)	(199)
Share profit of joint ventures	-	-
Result before tax	(154)	(250)
Income taxes	3	0
Net result for the period	(151)	(249)

Cash flow

NOK millions	2020 Q4	2021 Q4
Result before tax	(154)	(250)
Payments related to lease interest	31	14
Paid interest expense	37	42
Depreciation & amortisation of non-current assets	114	103
Depreciation & amortisation of right-of-use assets	42	49
Depreciation & amortisation of contracts with customers	57	61
Net interest expense	75	112
Adjustments for other non-cash items	(115)	11
Change in inventory	2	(1)
Change in current receivables	45	(6)
Change in current liabilities	(97)	44
Change in contracts with customers	(84)	(71)
Cash flows from operating activities	(48)	108
Investments in intangible assets	(72)	(83)
Investments in tangible assets	(124)	(53)
Net cash flows from other financial assets	0	50
Cash flows from investing activities	(196)	(85)
Financing from shareholders	-	(0)
Borrowings	-	-
Repayments	-	(0)
Payments related to lease liabilities	(62)	(55)
Interest paid, borrowings	(39)	(42)
Cash flows from financing activities	(101)	(98)
Cash flows for the period	(345)	(75)
Cash and cash equivalents at the beginning of the period	1,123	455
Exchange rate differences in cash and cash equivalents	0	(0)
Cash and cash equivalents at the end of the period	779	380

Balance sheet

NOK millions	2020 Q4	2021 Q4
<i>Assets</i>		
Intangible assets	1,984	2,394
Tangible assets	2,916	2,989
Other non-current assets	408	392
Total non-current assets	5,307	5,776
Inventory	6	8
Trade receivables	178	193
Other receivables	14	1
Other current assets	-	-
Prepaid expenses and accrued income	90	78
Cash and cash equivalents	779	380
Total current assets	1,068	660
TOTAL ASSETS	6,375	6,436

NOK millions	2020 Q4	2021 Q4
<i>Equity and liabilities</i>		
Equity attributable to the Parent Company shareholders	(1,793)	(2,649)
Total Equity	(1,793)	(2,649)
Non-current borrowings	3,604	4,744
Non-current leases	2,073	2,645
Deferred tax liabilities	-	-
Other non-current liabilities	2	4
Total non-current liabilities	5,679	7,394
Trade payables	283	309
Current borrowings	1,400	520
Current leases	176	195
Other current liabilities	24	33
Accrued expenses and deferred income	606	633
Total current liabilities	2,489	1,691
Total liabilities	8,168	9,084
TOTAL EQUITY AND LIABILITIES	6,375	6,436

Key KPIs

NORWAY	2020				2021			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
No. of active subscriptions (in thousands)	668	683	701	718	726	736	746	760
- smart phone	584	598	619	639	650	663	677	694
- consumer	545	558	578	598	608	619	630	646
- business	39	40	41	41	42	44	46	47
- MBB (excl. M2M/IoT)	85	84	82	78	76	73	70	67
Smartphone ARPU	224	223	233	231	226	226	235	233
Number of Smartphone base stations in service EoP	2,238	2,470	2,696	2,887	2,990	3,071	3,133	3,205
Smartphone avg. Data on-net share %	83 %	84 %	83 %	89 %	90 %	90 %	89 %	91 %
Voice on-net share %	37 %	43 %	57 %	63 %	68 %	71 %	71 %	74 %
Smartphone churn, annualized %	27 %	24 %	26 %	23 %	21 %	20 %	23 %	20 %

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