

A woman with dark hair tied back, wearing a green ribbed cardigan, is sitting on a couch and holding a black tablet. A young child with dark hair is sitting next to her, looking at the tablet. The scene is lit with soft, natural light from a large window in the background, which has a grid pattern. The overall mood is calm and focused.

# 2021

Tele2 Interim Report  
First Quarter

**TELE2**

# Q1 2021 HIGHLIGHTS

- End-user service revenue of SEK 4.7 billion declined by 1% compared to Q1 2020 on an organic basis due to a negative impact from the pandemic.
- Revenue of SEK 6.6 billion was flat compared to Q1 2020 on an organic basis.
- Underlying EBITDAaL of SEK 2.3 billion increased by 6% organically compared to Q1 2020 driven by strong performance in the Baltics, cost savings, temporarily low commercial spend and bad debt provisions recognized in Q1 2020.
- Net profit from total operations of SEK 0.9 billion decreased by SEK 0.3 billion compared to Q1 2020.
- Equity free cash flow from continuing operations of SEK 0.8 (1.3) billion in the quarter decreased mainly due to a spectrum capex payment. Over the last twelve months, SEK 4.3 billion was generated, equivalent to roughly SEK 6.3 per share.
- The Board of Directors proposes an extraordinary dividend of SEK 3.00 per share to be distributed in July, 2021.
- Spectrum licenses in Sweden acquired, enabling nationwide roll-out of 5G network.
- Capital Markets Day to be held on May 25, 2021.

## Key financial data

SEK million	Jan-Mar 2021	Jan-Mar 2020	Organic %	Full year 2020
<b>Continuing operations</b>				
End-user service revenue	4,730	4,825	-1%	19,184
Revenue	6,550	6,581	0%	26,554
Operating profit	1,202	1,148		7,371
Profit after financial items	1,072	989		6,855
Underlying EBITDAaL	2,314	2,194	6%	9,239
Capex excluding spectrum and leases	702	517		2,717
Operating cash flow	1,613	1,677		6,523
Operating cash flow, rolling 12 months	6,459	6,766		6,523
Equity free cashflow	820	1,285		4,799
Equity free cash flow, rolling 12 months	4,334	5,163		4,799
<b>Total operations</b>				
Net profit	865	1,180		7,408
Earnings per share after dilution (SEK)	1.25	1.71		10.71
Equity free cashflow	820	1,282		4,879
Economic net debt to underlying EBITDAaL	2.5x	2.6x		2.6x



### Continuing and discontinued operations

Figures presented in this report refer to Q1 (January-March) 2021 and continuing operations unless otherwise stated. Figures shown in parentheses refer to the comparable periods in 2020. Discontinued operations include the former operations, primarily in Germany, Croatia and Kazakhstan. See Note 10.

### Non-IFRS measures

This report contains certain non-IFRS measures which are defined and reconciliated to the closest reconcilable line items in the section *Non-IFRS measures* on page 27. Note that organic growth rates exclude effects from currency movements. For further definitions of industry terms and acronyms, please refer to the Investor section at [www.tele2.com](http://www.tele2.com).

# CEO LETTER – Q1 2021

Our first quarter has been a story of disciplined focus and delivery in the face of pandemic headwinds. We managed to grow underlying EBITDAaL by 6 percent through continued execution on the business transformation program, operational discipline and impressive performance in the Baltics. While we are not back to normal yet, the future is now more predictable, giving us confidence that we can distribute an extraordinary dividend of SEK 3.00 while keeping a strong balance sheet.

Over the last 12 months, Tele2 has dealt with significant uncertainty in our markets caused by the pandemic as well as regulatory unpredictability. Around this time last year we shifted our focus to defending underlying EBITDAaL as a precaution. This was done successfully without interfering with our midterm ambitions and we have been able to continue distributing cash to our shareholders while maintaining a strong balance sheet.

While we are not out of the pandemic yet and still expect some headwinds for a few months, the future is now more predictable. This means that we can turn our focus back towards achieving growth later in the year and make necessary investments to prepare the company for the future. We are also very pleased that we can continue remunerating our shareholders while maintaining a strong balance sheet. In light of this, the Board has decided to propose an extraordinary dividend of SEK 3.00 per share this year and expects to call for an Extraordinary General Meeting to be held in June 2021. Pending shareholder approval, the extraordinary dividend will be distributed in July, 2021.

Our results this quarter reflect another period of successful cost control in the face of pandemic headwinds. We were able to deliver strong growth in underlying EBITDAaL, partly because of bad debt provisions in Q1 2020 giving a somewhat easier comparison, but also due to underlying spending discipline and continued delivery on our transformation program.

As expected, revenue trends were impacted by lower activity as our markets are under COVID-19 restrictions. However, we see clear signs of strength across the business, giving us comfort that we have a resilient business model and that we are on the right strategic trajectory. Across our Baltic markets we see continued impressive performance despite complete lockdowns over extended periods of time. While Sweden B2B still faces structural headwinds, we see initial indications of improvement in both the Small and Large segments as a result of our efforts to rework our offerings.

In Sweden Consumer we see the strength of a value led strategy as tailwinds from last year's more-for-more initiatives support continued growth in mobile postpaid and fixed broadband even in an environment where sales are affected by low market activity. We continued to execute on the more-for-more strategy during the quarter following product improvements such as upgrades to broadband speed and mobile data. We expect to see the effect on ASPU starting in Q2 2021 with the full effect in the second half of the year.

So far, we have driven FMC mainly by connecting separate brands and offering benefits to improve loyalty in the existing customer base. However, for this to really move the needle and drive sustainable growth we need to look beyond the existing customer base and drive organic FMC sales by establishing a leading FMC premium brand that can cater to the whole household.

In the near future we will take the next step in our brand optimization journey and consolidate our premium consumer brands in Sweden into one. Over time, this will help us scale the benefits we see in our current FMC customer



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Our first quarter has been a story of disciplined focus and delivery in the face of pandemic headwinds

base as we solidify our position in the premium end of the market with a clear focus on FMC. Furthermore, we see this as a step back from unnecessary brand proliferation in an already saturated Swedish market.

However, while the brand launch is a major commercial exercise it is just one step in a longer journey which involves migrating to an IT-architecture that enables both more commercial flexibility and significant cost reduction over time. It also allows us to create a whole new level of coordination and focus as we align all internal processes not only to drive sales and reduce complexity but also to improve the customer lifetime value by creating a unified customer experience from end to end.

In the coming quarters we will shift our focus back toward growth and execute on the necessary initiatives that will ensure success in a post pandemic world. We will take the next step in our brand journey to unlock the full potential of FMC in the Swedish consumer market. We will continue executing on our transformation program to support our commercial efforts and deliver on our cost reduction target of at least SEK 1 billion by the end of 2022. We will ramp up the 5G rollout which, along with the Remote PHY upgrade on the fixed network, will ensure that we can continue delivering a great service to our customers and maintain a premium position in the market. We will execute on our strategy to set Sweden B2B on the path to stabilization. With a solid plan in place, it is now time to execute and invest in growth.

**Kjell Johnsen**  
President and Group CEO

# Financial overview

## Analysis of revenue

Continuing operations SEK million	Jan-Mar 2021	Jan-Mar 2020	Organic %	Full year 2020
Mobile	1,413	1,417	0%	5,726
- Postpaid	1,181	1,159	2%	4,721
- Prepaid	231	259	-10%	1,005
Fixed	1,437	1,489	-3%	5,840
- Fixed broadband	678	646	5%	2,653
- Digital TV	695	755	-8%	2,878
- Cable & Fiber	420	442	-5%	1,693
- DTT	275	314	-12%	1,185
- Fixed telephony & DSL	64	87	-27%	309
Landlord & Other	170	175	-3%	694
<b>Sweden Consumer</b>	<b>3,020</b>	<b>3,081</b>	<b>-2%</b>	<b>12,260</b>
Sweden Business	946	1,000	-5%	3,889
Baltics	763	744	8%	3,035
<b>End-user service revenue</b>	<b>4,730</b>	<b>4,825</b>	<b>-1%</b>	<b>19,184</b>
Operator revenue	557	599	-6%	2,341
Equipment revenue	1,263	1,157	11%	5,029
<b>Revenue</b>	<b>6,550</b>	<b>6,581</b>	<b>0%</b>	<b>26,554</b>

**End-user service revenue** decreased by 1% organically, mainly due to headwinds related to the pandemic including loss of international roaming revenue.

- **Sweden Consumer** decreased by 2% as continued growth in mobile postpaid and fixed broadband was offset by decline in digital TV and mobile prepaid.
- **Sweden Business** decreased by 5%, due to continued price pressure in the market, decline in legacy fixed services and loss of roaming revenue.
- **Baltics** increased by 8% organically despite continued COVID-19 restrictions. This was mainly driven by strong ASPU (Average Spend Per User) growth from continued monetization of growing data consumption and migration of customers from pre- to postpaid subscriptions.

**Total revenue** was roughly flat organically compared to Q1 2020 as decline in end-user service revenue and operator revenue was offset by growth in equipment revenue. The decline in operator revenue was mainly due to reduced termination rates between operators.

## Analysis of income statement

Continuing operations SEK million	Jan-Mar 2021	Jan-Mar 2020	Full year 2020
Revenue	6,550	6,581	26,554
<b>Underlying EBITDAaL</b>	<b>2,314</b>	<b>2,194</b>	<b>9,239</b>
Reversal lease depreciation and interest	316	307	1,245
<b>Underlying EBITDA</b>	<b>2,630</b>	<b>2,501</b>	<b>10,484</b>
Items affecting comparability	-69	-39	1,844
<b>EBITDA</b>	<b>2,561</b>	<b>2,462</b>	<b>12,329</b>
Depreciation/amortization	-1,372	-1,315	-5,269
- of which amortization of surplus from acquisitions	-300	-301	-1,203
- of which lease depreciation	-301	-289	-1,182
- of which other depreciation/amortization	-771	-725	-2,883
Result from shares in associated companies and joint ventures	13	0	311
<b>Operating profit</b>	<b>1,202</b>	<b>1,148</b>	<b>7,371</b>
Net interest and other financial items	-130	-158	-517
Income tax	-205	-195	378
<b>Net profit</b>	<b>867</b>	<b>794</b>	<b>7,233</b>

**Underlying EBITDAaL** increased by 6% organically, driven by strong performance in the Baltics, cost savings in Sweden and bad debt provisions of approximately SEK 35 million recognized in Q1 2020. The cost savings were primarily related to the business transformation program initiated in 2020.

**Items affecting comparability** of SEK -69 (-39) million was mainly driven by restructuring cost related to the business transformation program in Sweden. Refer to Note 3 for more details.

**Operating profit** increased to SEK 1,202 (1,148) million, driven by growth in underlying EBITDA.

## Analysis of cash flow statement

SEK million	Jan-Mar 2021	Jan-Mar 2020	Full year 2020
<b>Continuing operations</b>			
Underlying EBITDA	2,630	2,501	10,484
Items affecting comparability	-69	-39	1,844
Amortization of lease liabilities	-381	-372	-1,168
Capex paid	-1,086	-599	-2,704
Changes in working capital	-26	92	-337
Net financial items paid	-104	-102	-467
Taxes paid	-161	-209	-916
Other cash items	17	15	-1,937
<b>Equity free cash flow</b>	<b>820</b>	<b>1,285</b>	<b>4,799</b>
Equity free cash flow, rolling 12 months <sup>1)</sup>	4,334	5,163	4,799
<b>Total operations</b>			
Equity free cash flow, continuing operations	820	1,285	4,799
Equity free cash flow, discontinued operations	-0	-3	80
<b>Equity free cash flow</b>	<b>820</b>	<b>1,282</b>	<b>4,879</b>

<sup>1)</sup> Reconciliation of equity free cash flow rolling 12 months are presented in an excel document (Q1 2021-financials to the market) on Tele2's website www.tele2.com

**Capex paid** of SEK -1,086 (-599) million includes a SEK 333 million payment for the 100 MHz that Tele2 was awarded in the 3.5 GHz spectrum auction in Sweden in January, 2021.

**Taxes paid** of SEK -161 (-209) million include repaid preliminary tax in Sweden in the quarter.

**Equity free cash flow from continuing operations** of SEK 820 (1,285) million in the quarter decreased mainly due to higher capex paid. Over the last twelve months, SEK 4.3 billion was generated, equivalent to roughly SEK 6.3 per share.

## Analysis of financial position

Total operations SEK million	Mar 31 2021	Dec 31 2020
Bonds	24,391	21,175
Financial institutions and other liabilities	3,751	3,954
Cash and cash equivalents	-4,686	-970
Other adjustments	-298	-217
<b>Economic net debt</b>	<b>23,158</b>	<b>23,942</b>
Lease liabilities	5,184	5,327
<b>Net debt</b>	<b>28,342</b>	<b>29,269</b>
<b>Underlying EBITDAaL, rolling 12 months<sup>1)</sup></b>	<b>9,360</b>	<b>9,239</b>
<b>Economic net debt to Underlying EBITDAaL</b>	<b>2.5x</b>	<b>2.6x</b>
Unutilized overdraft facilities and credit lines	8,710	8,560

<sup>1)</sup> Includes all operations owned and controlled by Tele2 at the end of each reporting period.

**Economic net debt** of SEK 23.2 (23.9 at year-end 2020) billion was reduced by SEK 0.8 billion during the quarter, driven by cash generation.

**Economic net debt to underlying EBITDAaL** (financial leverage) of 2.5x (2.6x year end 2020) was at the lower end of the leverage target range of 2.5-3.0x ahead of dividend payments.

# Financial guidance

## Financial guidance unchanged

Tele2 AB provides the following guidance for continuing operations in constant currencies.

### Full-year 2021

The guidance for 2021 includes an assumption that international roaming will be at a similar level to 2020.

- Group end-user service revenue roughly flat compared to 2020.
- Group underlying EBITDAaL growth of 2-4% compared to 2020.
- Capex excluding spectrum and leasing assets of SEK 2.8–3.3 billion.

### Mid-term

- Low single-digit growth of end-user service revenue.
- Mid-single-digit growth of underlying EBITDAaL.
- Annual capex excluding spectrum and leasing assets of SEK 2.8–3.3 billion during the roll-out of 5G and Remote-PHY.

## Dividend

For the financial year 2020, the Board of Directors of Tele2 AB has decided to recommend to the Annual General Meeting (AGM) on April 22, 2021 that an ordinary dividend of SEK 6.00 be paid per ordinary A and B share, in two equal tranches on April 29 and October 8, 2021.

In addition, the Board intends to call for an Extraordinary General Meeting in June to propose an extraordinary dividend of SEK 3.00 per ordinary A and B share, to be paid in July, 2021.

## Financial policy

- Tele2 will seek to operate within a range for economic net debt to underlying EBITDAaL of between 2.5–3.0x, and to maintain investment grade credit metrics.
- Tele2's policy will aim to maintain target leverage by distributing capital to shareholders through:
  - An ordinary dividend of at least 80 percent of equity free cash flow, and,
  - Extraordinary dividends and/or share repurchases, based on remaining equity free cash flow, proceeds from asset sales and re-leveraging of underlying EBITDAaL growth.

# Group summary

Continuing operations SEK million	Jan-Mar 2021	Jan-Mar 2020	Organic %	Full year 2020
<b>END-USER SERVICE REVENUE</b>				
Sweden	3,966	4,080	-3%	16,149
Lithuania	409	394	10%	1,631
Latvia	224	223	6%	901
Estonia	130	127	8%	503
<b>Total</b>	<b>4,730</b>	<b>4,825</b>	<b>-1%</b>	<b>19,184</b>
<b>REVENUE</b>				
Sweden	5,335	5,431	-2%	21,601
Lithuania	692	639	14%	2,812
Latvia	353	339	10%	1,424
Estonia	197	200	4%	819
Internal sales, elimination	-26	-27	-4%	-102
<b>Total</b>	<b>6,550</b>	<b>6,581</b>	<b>0%</b>	<b>26,554</b>
<b>UNDERLYING EBITDAaL</b>				
Sweden	1,864	1,788	4%	7,468
Lithuania	271	238	20%	1,043
Latvia	134	125	14%	556
Estonia	45	43	9%	173
<b>Total</b>	<b>2,314</b>	<b>2,194</b>	<b>6%</b>	<b>9,239</b>
<b>CAPEX</b>				
Sweden	646	464	39%	2,399
Lithuania	23	18	35%	120
Latvia	13	13	3%	104
Estonia	21	22	-3%	93
<b>Capex excluding spectrum and leases</b>	<b>702</b>	<b>517</b>	<b>36%</b>	<b>2,717</b>
Spectrum	333	—		—
Right-of-use assets (leases)	258	326		1,182
<b>Total</b>	<b>1,292</b>	<b>843</b>		<b>3,899</b>
<i>of which:</i>				
– Network	346	214		1,301
– IT	229	161		740
– Customer equipment	102	104		516
– Other	25	38		159
<b>Capex excluding spectrum and leases</b>	<b>702</b>	<b>517</b>		<b>2,717</b>

# Overview by segment

## Sweden

End-user service revenue declined by 3% with decline in both Sweden Consumer and Sweden Business. This was mainly due to decline in legacy fixed services and COVID-19 headwinds such as loss of international roaming revenue.

Continued execution on the business transformation program resulted in annualized run rate savings of SEK 300 million at the end of the quarter, mainly related to efficiency improvements within the Technology and IT organizations. Together with cost savings realized in previous year the total effect on underlying EBITDAaL was approximately SEK 70 million in the quarter.

Underlying EBITDAaL increased by 4% primarily driven by continued execution of the business transformation program, temporarily lower commercial spend and bad debt provisions of approximately SEK 25 million in Q1 2020.

In January 2021, Tele2 together with Telenor bought 100 MHz in the Swedish 3.5 GHz spectrum auction for which Tele2 paid SEK 333 million. Capex excluding spectrum and leases increased by SEK 182 million, mainly due to investments into the 5G network and IT transformation.

Financials SEK million	Jan-Mar 2021	Jan-Mar 2020	Organic %	Full year 2020
<b>End-user service revenue</b>	<b>3,966</b>	<b>4,080</b>	<b>-3%</b>	<b>16,149</b>
Revenue	5,335	5,431	-2%	21,601
Underlying EBITDA	2,136	2,051		8,538
<b>Underlying EBITDAaL</b>	<b>1,864</b>	<b>1,788</b>	<b>4%</b>	<b>7,468</b>
Underlying EBITDAaL margin	35%	33%		35%
<b>Capex</b>				
Network	308	179		1,073
IT	221	149		681
Customer equipment	100	102		508
Other	17	34		137
<b>Capex excluding spectrum and leases</b>	<b>646</b>	<b>464</b>		<b>2,399</b>
Spectrum	333	—		—
Right-of-use-assets (leases)	223	290		987
<b>Capex</b>	<b>1,202</b>	<b>754</b>		<b>3,387</b>
Capex excluding spectrum and leases / revenue	12%	9%		11%



## Sweden Consumer

Continued progress was made in the FMC strategy with 285,000 customers now on FMC offers. Following upgrades of customer data bundles and broadband speeds, price adjustments were implemented on mobile postpaid and fixed broadband with the effect on ASPU expected from Q2 2021.

Mobile net intake was negative in the quarter as sales were affected by lower activity in physical channels due to COVID-19 restrictions. Mobile end-user service revenue was roughly flat as decline in mobile prepaid was offset by continued growth in mobile postpaid.

Fixed Broadband end-user service revenue growth of 5% was driven by positive net intake and ASPU growth in the quarter on the back of price adjustments made in 2020.

Digital TV end-user service revenue declined by 8% driven by volume decline within DTT and lower revenue from premium sports packages.

	Jan-Mar 2021	Jan-Mar 2020	Mar 31 2021	Mar 31 2020	Organic %	Full year 2020
<b>RGUs (thousands)</b>	<b>Net intake</b>		<b>RGU base</b>			
Mobile	-25	-4	2,932	2,959	-1%	2,956
– Postpaid	-6	31	1,925	1,905	1%	1,931
– Prepaid	-18	-34	1,007	1,053	-4%	1,025
Fixed	-23	-23	2,100	2,154	-3%	—
– Fixed broadband	4	10	916	883	4%	2,122
– Digital TV	-14	-15	965	1,007	-4%	911
– Cable & Fiber	-5	-3	657	662	-1%	979
– DTT	-9	-12	308	345	-11%	662
– Fixed telephony & DSL	-13	-18	219	264	-17%	317
<b>Total RGUs</b>	<b>-47</b>	<b>-27</b>	<b>5,031</b>	<b>5,112</b>	<b>-2%</b>	<b>5,079</b>
Addressable fixed footprint	-5	27	3,516	3,342		3,521

	Jan-Mar 2021	Jan-Mar 2020	Organic %	Full year 2020
<b>ASPU (SEK)</b>				
Mobile	160	160	0%	161
– Postpaid	204	204	0%	207
– Prepaid	76	81	-6%	79
Fixed	227	229	-1%	226
– Fixed broadband	247	245	1%	248
– Digital TV	238	248	-4%	240
– Cable & Fiber	212	222	-4%	213
– DTT	294	298	-1%	293
– Fixed telephony & DSL	94	107	-12%	100
<b>Revenue (SEK million)</b>				
Mobile	1,413	1,417	0%	5,726
– Postpaid	1,181	1,159	2%	4,721
– Prepaid	231	259	-10%	1,005
Fixed	1,437	1,489	-3%	5,840
– Fixed broadband	678	646	5%	2,653
– Digital TV	695	755	-8%	2,878
– Cable & Fiber	420	442	-5%	1,693
– DTT	275	314	-12%	1,185
– Fixed telephony & DSL	64	87	-27%	309
Landlord & Other	170	175	-3%	694
<b>End-user service revenue</b>	<b>3,020</b>	<b>3,081</b>	<b>-2%</b>	<b>12,260</b>
Operator revenue	174	162		676
Equipment revenue	492	467		1,989
Internal sales	0	0		0
<b>Revenue</b>	<b>3,686</b>	<b>3,710</b>	<b>-1%</b>	<b>14,926</b>

## Sweden Business

Competition remained intense during the quarter with price pressure across the market as operators continue focus to defend the existing customer base. In Large Enterprise Tele2 launched a new SD-WAN offering and saw positive uptake of cloud-based services and handsets and accessories. In the Small segment, Tele2 launched a new simplified portfolio, ramped up digital sales capabilities and continued the customer migration to the target IT architecture for both fixed and mobile services.

Positive mobile net intake was driven by good initial traction from the new mobile portfolio in the Small segment and new Large Enterprise contracts. New contracts include ATG, Dustin, Högländsförbundet, PostNord and SJ AB.

End-user service revenue declined by 5% driven by decline in legacy fixed services, mobile price pressure and lower international roaming revenues stemming from the pandemic. The decline in wholesale revenue was primarily related to lack of international roaming revenue.

### Sweden Business

	Jan-Mar 2021	Jan-Mar 2020	Mar 31 2021	Mar 31 2020	Organic %	Full year 2020
<b>RGUs (thousands)</b>	<b>Net intake</b>		<b>RGU base</b>			
Mobile (excluding IoT)						
– Postpaid	18	31	964	950	1%	947

	Jan-Mar 2021	Jan-Mar 2020	Organic %	Full year 2020
<b>ASPU (SEK)</b>				
Mobile (excluding IoT)				
– Postpaid	135	154	-13%	145
<b>Revenue (SEK million)</b>				
Mobile	453	488	-7%	1,866
Fixed	234	249	-6%	980
Solutions	259	262	-1%	1,043
<b>End-user service revenue</b>	<b>946</b>	<b>1,000</b>	<b>-5%</b>	<b>3,889</b>
Operator revenue	25	35		119
Equipment revenue	445	423		1,684
Internal sales	1	–		0
<b>Revenue</b>	<b>1,416</b>	<b>1,458</b>	<b>-3%</b>	<b>5,692</b>

### Sweden Wholesale

Financials SEK million	Jan-Mar 2021	Jan-Mar 2020	Organic %	Full year 2020
Operator revenue	231	261		978
Internal sales	1	1		5
<b>Revenue</b>	<b>232</b>	<b>263</b>	<b>-12%</b>	<b>984</b>

# Baltics

## Lithuania

During the quarter, the pandemic continued to negatively impact the business in Lithuania, primarily through lower international roaming revenue and less activity in the market due to COVID-19 restrictions. Focus remained on directing consumers to online channels and migrating customers from prepaid- to postpaid subscriptions. Retail traffic recuperated slightly during the latter part of the quarter as some restrictions were lifted.

While the net intake of mobile postpaid continued to be positive, total net intake was negative due to the negative development in mobile prepaid.

More-for-more campaigns and migration of customers from pre- to post-paid drove an ASPU increase of 10% in local currency.

End-user service revenue increased by 10% in local currency driven by growth in ASPU. Underlying EBITDAaL increased by 20% in local currency driven by higher end-user service revenue, higher equipment sales compared to Q1 2020 and bad debt provisions recognized in Q1 2020.

	Jan-Mar 2021	Jan-Mar 2020	Mar 31 2021	Mar 31 2020	Organic %	Full year 2020
<b>RGUs (thousands)</b>	<b>Net intake</b>		<b>RGU base</b>			
Mobile	-2	-17	1,882	1,878	0%	1,884
– Postpaid	16	5	1,200	1,148	5%	1,184
– Prepaid	-18	-22	682	730	-7%	700
	<b>Jan-Mar 2021</b>	<b>Jan-Mar 2020</b>	<b>Organic %</b>	<b>Full year 2020</b>		
<b>ASPU (EUR)</b>						
Mobile	7.2	6.5	10%			6.9
– Postpaid	9.0	8.5	6%			8.7
– Prepaid	4.0	3.5	15%			3.8
<b>Revenue (SEK million)</b>						
Mobile	409	394	9%			1,630
– Postpaid	324	311	10%			1,279
– Prepaid	84	83	7%			351
Fixed	1	—				2
<b>End-user service revenue</b>	<b>409</b>	<b>394</b>	<b>10%</b>			<b>1,631</b>
Operator revenue	59	62				262
Equipment revenue	210	170				869
Internal sales	14	13				50
<b>Revenue</b>	<b>692</b>	<b>639</b>	<b>14%</b>			<b>2,812</b>
Underlying EBITDA	288	255				1,111
<b>Underlying EBITDAaL</b>	<b>271</b>	<b>238</b>	<b>20%</b>			<b>1,043</b>
Underlying EBITDAaL margin	39%	37%				37%
Capex	37	36				177
<b>Capex excluding spectrum and leases</b>	<b>23</b>	<b>18</b>				<b>120</b>
Capex excluding spectrum and leases / revenue	3%	3%				4%

## Latvia

During the quarter, the pandemic continued to negatively impact the business in Latvia, primarily through lower international roaming revenue and less activity in the market due to COVID-19 restrictions. Strategic focus remained on digitalizing key processes and logistics, combined with customer base protection and upselling efforts.

Mobile net intake of 11,000 RGUs in the quarter was driven by continued momentum within mobile postpaid while mobile prepaid was stable. Mobile ASPU increased by 3% driven by continued data monetization.

End-user service revenue increased by 6% in local currency, driven by both ASPU growth and positive net intake in mobile postpaid. Underlying EBITDAaL increased by 14% in local currency, driven by higher end-user service revenue, higher equipment sales compared to Q1 2020 and bad debt provisions recognized in Q1 2020.

	Jan-Mar 2021	Jan-Mar 2020	Mar 31 2021	Mar 31 2020	Organic %	Full year 2020
<b>RGUs (thousands)</b>	<b>Net intake</b>		<b>RGU base</b>			
Mobile	11	-4	981	950	3%	970
– Postpaid	12	11	714	668	7%	703
– Prepaid	-1	-16	266	282	-6%	267
	<b>Jan-Mar 2021</b>	<b>Jan-Mar 2020</b>	<b>Organic %</b>			<b>Full year 2020</b>
<b>ASPU (EUR)</b>						
Mobile	7.5	7.3	3%			7.4
– Postpaid	9.1	9.0	1%			9.1
– Prepaid	3.4	3.5	-3%			3.4
<b>Revenue (SEK million)</b>						
Mobile	223	223	5%			900
– Postpaid	196	191	8%			780
– Prepaid	27	32	-11%			121
Fixed	1	0				1
<b>End-user service revenue</b>	<b>224</b>	<b>223</b>	<b>6%</b>			<b>901</b>
Operator revenue	45	45				177
Equipment revenue	75	59				309
Internal sales	9	11				38
<b>Revenue</b>	<b>353</b>	<b>339</b>	<b>10%</b>			<b>1,424</b>
Underlying EBITDA	146	135				599
<b>Underlying EBITDAaL</b>	<b>134</b>	<b>125</b>	<b>14%</b>			<b>556</b>
Underlying EBITDAaL margin	38%	37%				39%
Capex	23	22				176
<b>Capex excluding spectrum and leases</b>	<b>13</b>	<b>13</b>				<b>104</b>
Capex excluding spectrum and leases / revenue	4%	4%				7%

## Estonia

The pandemic negatively impacted the business primarily through loss of international roaming revenue and less activity in the market as the country went into another lockdown in the latter part of the quarter. In the quarter, Tele2 Estonia was able to continue the turnaround of business as positive operational trends from previous year persists. The strategic focus remained on pushing FMC offers to customers through own infrastructure and wholesale while focusing on the more-for-more strategy on the existing customer base.

Mobile net intake was roughly flat in the quarter as slight increase in mobile postpaid was offset by a decline in mobile prepaid. Mobile ASPU increased by 2% in local currency driven by upselling and increased sales in higher value products.

Mobile end-user service revenue increased by 3% in local currency, driven by growth in ASPU and volume compared to Q1 2020. Underlying EBITDAaL increased by 9% in local currency driven by higher end-user service revenue.

	Jan-Mar 2021	Jan-Mar 2020	Mar 31 2021	Mar 31 2020	Organic %	Full year 2020
<b>RGUs (thousands)</b>	<b>Net intake</b>		<b>RGU base</b>			
Mobile	-1	-9	436	428	2%	437
– Postpaid	1	1	384	375	2%	384
– Prepaid	-2	-10	52	53	-2%	52

	Jan-Mar 2021	Jan-Mar 2020	Organic %	Full year 2020
<b>ASPU (EUR)</b>				
Mobile	8.9	8.7	2%	8.7
– Postpaid	9.7	9.6	1%	9.6
– Prepaid	3.1	2.9	6%	2.9
<b>Revenue (SEK million)</b>				
Mobile	118	121	3%	478
– Postpaid	114	116	4%	457
– Prepaid	5	5	-6%	21
Fixed	12	6	115%	24
<b>End-user service revenue</b>	<b>130</b>	<b>127</b>	<b>8%</b>	<b>503</b>
Operator revenue	24	34		130
Equipment revenue	41	37		178
Internal sales	2	2		8
<b>Revenue</b>	<b>197</b>	<b>200</b>	<b>4%</b>	<b>819</b>
Underlying EBITDA	60	59		237
<b>Underlying EBITDAaL</b>	<b>45</b>	<b>43</b>	<b>9%</b>	<b>173</b>
Underlying EBITDAaL margin	23%	22%		21%
Capex	31	32		159
<b>Capex excluding spectrum and leases</b>	<b>21</b>	<b>22</b>		<b>93</b>
Capex excluding spectrum and leases / revenue	10%	11%		11%

## Associated companies

Associated companies are accounted for in accordance with the equity method. This means that Tele2's share of the company's profit or loss after tax is reported under Operating profit, along with amortization of the Group surplus values.

### The Netherlands

Tele2 owns 25% of T-Mobile Netherlands. This section shows 100% of the company, as reported by Deutsche Telekom<sup>1)</sup>.

During Q4 2020 T-Mobile Netherlands (TMNL) continued to attract new customers in the mobile postpaid and fixed network segment. Revenue decreased by 2% due to lower roaming and handset revenue.

EBITDAaL increased by 4% on the back of continued realization of synergies between the merger of TMNL and Tele2 Netherlands.

In October 2020, TMNL announced its intention to acquire the MVNO Simpel. The acquisition was approved by the authorities and closed in December, 2020.

	Oct-Dec 2020	Oct-Dec 2019		Full year 2020	Full year 2019	Organic %
<b>Customers (in thousands)</b>	<b>Net intake</b>			<b>Customer base</b>		
Fixed Network						
- Fixed Network Access Lines				682	619	10%
- Broadband Customers				668	605	10%
Mobile Communications						
- Contract <sup>2)</sup>	22	83		6,427	5,189	24%
- Prepaid	-17	-1		376	421	-11%
<b>Customers</b>				<b>6,803</b>	<b>5,610</b>	<b>21%</b>

	Oct-Dec 2020	Oct-Dec 2019	Organic %	Full year 2020	Full year 2019	Organic %
<b>ARPU (EUR)</b>						
Contract	16	17	-6%	16	17	-6%
Prepaid	3	3	0%	3	3	-12%
<b>Financials (EUR million)<sup>3)</sup></b>						
Service revenue - Mobile communications	279	273	2%	1,092	1,066	2%
Product view	505	513	-2%	1,946	1,910	2%
- Fixed network	97	90	8%	383	361	6%
- Mobile communications	408	422	-3%	1,563	1,550	1%
Segment view	505	513	-2%	1,946	1,910	2%
- of which Consumer	386	384	1%	1,457	1,418	3%
- of which Business	99	100	-1%	391	392	0%
<b>Total revenue</b>	<b>505</b>	<b>513</b>	<b>-2%</b>	<b>1,946</b>	<b>1,910</b>	<b>2%</b>
EBITDA	157	154	2%	639	591	8%
<b>EBITDAaL</b>	<b>135</b>	<b>130</b>	<b>4%</b>	<b>554</b>	<b>502</b>	<b>10%</b>
EBITDAaL margin	27%	25%		29%	26%	
<b>Cash capex (before spectrum)</b>	<b>66</b>	<b>111</b>	<b>-41%</b>	<b>283</b>	<b>294</b>	<b>-4%</b>
<b>Net debt</b>	<b>2,078</b>			<b>2,078</b>		
- of which lease obligations	691			691		
- of which spectrum liability	202			202		

<sup>1)</sup> As reported by Deutsche Telekom in the financial results for the fourth quarter of 2020 on February 26, 2021 (except net debt, which reflects the TMNL position and includes intragroup debt). Definitions and accounting rules may differ from Tele2 Group reporting.

<sup>2)</sup> Customer contracts have been adjusted with Simpel Customer Base as of Q4 2020.

<sup>3)</sup> Financials are adjusted for special factors.

# Other items

## Risks and uncertainty factors

Tele2's operations are affected by a number of external factors. The current spread of COVID-19 makes the importance of the services we provide greater than ever before. Even if the global pandemic adds uncertainty to our financial performance in the short term, our business model is resilient. The valuation of our segments (which equals our cash generating units) shows hence no need for impairment, and when evaluating the credit market, we conclude that we have the ability to comfortably fund our business.

In the long term, the risk factors considered to be most significant to Tele2's future development are spectrum auctions, regulation, market competitiveness and changing technology, strategy implementation and integration, network and IT infrastructure and quality, data protection and cyber security, external relationships, suppliers and joint ventures, customer churn, recruitment of skilled personnel, geopolitical conditions, environmental costs, corruption and unethical business practices and financial risks such as currency risk, interest risk, liquidity risk, credit risk, risks related to tax matters and impairment of assets. Please refer to Tele2's 2020 Annual and Sustainability Report (Administration report and Note 2) for a detailed description of Tele2's risk exposure and risk management.

## Financial calendar

Tele2 will release its financial and operating results for the period ending June 30, 2021 on July 14, 2021, the period ending September 30, 2021 on October 19, 2021 and the period ending December 31, 2021 on February 1, 2022.

## Auditors' review report

This interim report has not been subject to specific review by the company's auditors.

# Board's assurance

The Board of Directors and CEO declare that the interim report provides a fair overview of the parent company's and Group's operations, their financial position and performance, and describes material risks and uncertainties facing the parent company and other companies in the Group.

Stockholm, April 22, 2021

Tele2 AB

Carla Smits-Nusteling  
*Chairman*

Andrew Barron  
*Deputy Chairman*

Anders Björkman

Cynthia Gordon

Eva Lindqvist

Georgi Ganev

Lars-Åke Norling

Kjell Johnsen  
*President and CEO*

## Q1 2021 PRESENTATION

Tele2 will host a presentation, with the possibility to join through a conference call, for the global financial community at 10:00 am CET (09:00 am GMT/04:00 am EST) on Thursday, April 22, 2021. The presentation will be held in English and also made available as a webcast on Tele2's website: [www.tele2.com](http://www.tele2.com).

This information is information that Tele2 AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out below, at 07:00 am CET on April 22, 2021.

### Dial-in information:

To ensure that you are connected to the conference call, please dial in a few minutes before the start of the conference call to register your attendance.

### Dial-in numbers:

SE: +46 (0) 8 50 69 21 80  
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## Contacts

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Visit our website: [www.tele2.com](http://www.tele2.com)

## Appendices

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# Condensed consolidated income statement

SEK million	Note	Jan-Mar 2021	Jan-Mar 2020	Full year 2020
Revenue	2, 3	6,550	6,581	26,554
Cost of services provided and equipment sold	2, 3	-3,842	-3,746	-15,098
<b>Gross profit</b>		<b>2,709</b>	<b>2,834</b>	<b>11,456</b>
Selling expenses	2, 3	-1,052	-1,153	-4,467
Administrative expenses	2, 3	-505	-556	-2,087
Result from shares in associated companies and joint ventures	4	13	0	311
Other operating income	3	66	73	2,350
Other operating expenses	3	-28	-51	-193
<b>Operating profit</b>	3	<b>1,202</b>	<b>1,148</b>	<b>7,371</b>
Interest income		6	5	23
Interest expenses		-126	-150	-491
Other financial items		-10	-14	-49
<b>Profit after financial items</b>		<b>1,072</b>	<b>989</b>	<b>6,855</b>
Income tax	3	-205	-195	378
<b>Net profit, continuing operations</b>		<b>867</b>	<b>794</b>	<b>7,233</b>
Net profit discontinued operations	10	-2	386	175
<b>Net profit, total operations</b>		<b>865</b>	<b>1,180</b>	<b>7,408</b>
<b>Continuing operations</b>				
<i>Attributable to:</i>				
Equity holders of the parent company		867	794	7,233
<b>Net profit, continuing operations</b>		<b>867</b>	<b>794</b>	<b>7,233</b>
Earnings per share (SEK)	8	1.26	1.15	10.51
Earnings per share, after dilution (SEK)	8	1.25	1.15	10.45
<b>Total operations</b>				
<i>Attributable to:</i>				
Equity holders of the parent company		865	1,180	7,408
<b>Net profit, total operations</b>		<b>865</b>	<b>1,180</b>	<b>7,408</b>
Earnings per share (SEK)	8	1.26	1.72	10.76
Earnings per share, after dilution (SEK)	8	1.25	1.71	10.71

# Condensed consolidated comprehensive income

SEK million	Note	Jan-Mar 2021	Jan-Mar 2020	Full year 2020
<b>NET PROFIT</b>		<b>865</b>	<b>1,180</b>	<b>7,408</b>
<b>Components not to be reclassified to net profit</b>				
Pensions, actuarial gains/losses		28	-21	58
Pensions, actuarial gains/losses, tax effect		-6	4	-12
<b>Components not to be reclassified to net profit/loss</b>		<b>23</b>	<b>-17</b>	<b>46</b>
<b>Components that may be reclassified to net profit</b>				
Translation differences in foreign operations		112	392	-184
Tax effect on above		—	-5	-4
Reversed cumulative translation differences from divested companies	3, 10	—	352	-1,480
Tax effect on above	3, 10	—	-158	-1,438
Translation differences in associated companies	4	140	435	-278
Translation differences		252	1,015	-3,384
Hedge of net investments in foreign operations		-65	-211	129
Tax effect on above		13	45	-28
Reversed cumulative hedge from divested companies	10	—	-143	-143
Tax effect on above	10	—	41	41
Hedge of net investments		-52	-268	-1
<b>Exchange rate differences</b>		<b>200</b>	<b>748</b>	<b>-3,385</b>
Profit arising on changes in fair value of hedging instruments		25	9	27
Reclassified cumulative profit/loss to income statement		-7	-8	-21
Tax effect on cash flow hedges		-4	-0	-1
<b>Cash flow hedges</b>		<b>14</b>	<b>1</b>	<b>5</b>
<b>Components that may be reclassified to net profit/loss</b>		<b>214</b>	<b>749</b>	<b>-3,380</b>
<b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>		<b>237</b>	<b>732</b>	<b>-3,334</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>1,102</b>	<b>1,912</b>	<b>4,074</b>
<i>Attributable to:</i>				
Equity holders of the parent company		1,102	1,912	4,074
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>1,102</b>	<b>1,912</b>	<b>4,074</b>

# Condensed consolidated balance sheet

SEK million	Note	Mar 31 2021	Dec 31 2020
<b>ASSETS</b>			
Goodwill		29,698	29,651
Other intangible assets		17,283	17,269
<b>Intangible assets</b>		<b>46,981</b>	<b>46,921</b>
Tangible assets		7,523	7,540
Right-of-use assets		5,288	5,349
Shares in associated companies and joint ventures	4	7,170	7,018
Other financial assets	5	707	737
Capitalized contract costs		500	493
Deferred tax assets		193	245
<b>Non-current assets</b>		<b>68,361</b>	<b>68,303</b>
Inventories		888	824
Current receivables		4,819	5,174
Cash and cash equivalents	6	4,686	970
<b>Current assets</b>		<b>10,392</b>	<b>6,968</b>
<b>Assets classified as held for sale</b>	10	<b>142</b>	<b>140</b>
<b>TOTAL ASSETS</b>		<b>78,896</b>	<b>75,411</b>
<b>EQUITY AND LIABILITIES</b>			
Attributable to equity holders of the parent company		33,876	32,751
<b>Equity</b>	8	<b>33,876</b>	<b>32,751</b>
Interest-bearing liabilities	5	28,104	27,234
Non-interest-bearing liabilities		4,272	4,311
<b>Non-current liabilities</b>		<b>32,375</b>	<b>31,545</b>
Interest-bearing liabilities	5	6,767	4,881
Non-interest-bearing liabilities		5,325	5,679
<b>Current liabilities</b>		<b>12,092</b>	<b>10,561</b>
<b>Liabilities directly associated with assets classified as held for sale</b>	10	<b>553</b>	<b>554</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>78,896</b>	<b>75,411</b>

# Condensed consolidated cash flow statement

Total operations SEK million	Note	Jan-Mar 2021	Jan-Mar 2020	Full year 2020
<b>Operating activities</b>				
Net profit		865	1,180	7,408
Adjustments for non-cash items in net profit		1,448	1,061	1,750
Changes in working capital		-26	77	-342
<b>Cash flow from operating activities</b>		<b>2,287</b>	<b>2,317</b>	<b>8,816</b>
<b>Investing activities</b>				
Additions to intangible and tangible assets		-1,086	-644	-2,749
Acquisition and sale of shares and participations	9	—	2,131	2,098
Other financial assets, lending		—	-2	-3
<b>Cash flow from investing activities</b>		<b>-1,086</b>	<b>1,486</b>	<b>-654</b>
<b>Financing activities</b>				
Proceeds from loans		3,081	79	3,402
Repayments of loans		-586	-1,867	-4,837
Dividends paid	8	—	—	-6,198
<b>Cash flow from financing activities</b>		<b>2,495</b>	<b>-1,788</b>	<b>-7,633</b>
<b>Net change in cash and cash equivalents</b>		<b>3,695</b>	<b>2,015</b>	<b>529</b>
Cash and cash equivalents at beginning of period		970	448	448
Exchange rate differences in cash and cash equivalents		20	8	-7
<b>Cash and cash equivalents at end of the period</b>	<b>6</b>	<b>4,686</b>	<b>2,471</b>	<b>970</b>

# Condensed consolidated statements of changes in equity

Total operations SEK million	Note	Mar 31, 2021					
		Attributable to equity holders of the parent company					
		Share capital	Other paid-in capital	Hedge reserve	Translation reserve	Retained earnings	Total equity
<b>Equity at January 1</b>		863	27,378	-202	-78	4,791	32,751
Net profit		—	—	—	—	865	865
Other comprehensive income for the period, net of tax		—	—	-38	252	23	237
<b>Total comprehensive income for the period</b>		—	—	-38	252	888	1,102
<b>Other changes in equity</b>							
Share-based payments	8	—	—	—	—	18	18
Share-based payments, tax effect	8	—	—	—	—	5	5
New shares issues	8	3	—	—	—	—	3
Repurchase of own shares	8	—	—	—	—	-3	-3
<b>Equity at end of the period</b>		866	27,378	-240	173	5,698	33,876

Total operations SEK million	Note	Mar 31, 2020					
		Attributable to equity holders of the parent company					
		Share capital	Other paid-in capital	Hedge reserve	Translation reserve	Retained earnings	Total equity
<b>Equity at January 1</b>		863	27,378	-207	3,306	3,465	34,805
Net profit		—	—	—	—	1,180	1,180
Other comprehensive income for the period, net of tax		—	—	-267	1,015	-17	732
<b>Total comprehensive income for the period</b>		—	—	-267	1,015	1,163	1,912
<b>Other changes in equity</b>							
Share-based payments	8	—	—	—	—	15	15
Share-based payments, tax effect	8	—	—	—	—	4	4
<b>Equity at end of the period</b>		863	27,378	-473	4,321	4,646	36,735

# Parent company

## Condensed income statement

SEK million	Jan-Mar 2021	Jan-Mar 2020	Full year 2020
Revenue	14	10	34
Administrative expenses	-41	-38	-165
Other operating expenses	-1	-2	6
<b>Operating loss</b>	<b>-28</b>	<b>-29</b>	<b>-124</b>
Dividend from group company	—	—	22,000
Interest revenue and similar income	38	44	146
Interest expense and similar costs	-163	-633	-1,201
<b>Profit/loss after financial items</b>	<b>-153</b>	<b>-618</b>	<b>20,820</b>
Appropriations, group contribution	—	—	1,290
Tax on profit/loss	31	132	-205
<b>Net profit/loss</b>	<b>-122</b>	<b>-486</b>	<b>21,906</b>

## Condensed balance sheet

SEK million	Note	Mar 31 2021	Dec 31 2020
<b>ASSETS</b>			
Financial assets		72,376	69,110
<b>Non-current assets</b>		<b>72,376</b>	<b>69,110</b>
Current receivables		1,530	1,551
<b>Current assets</b>		<b>1,530</b>	<b>1,551</b>
<b>TOTAL ASSETS</b>		<b>73,906</b>	<b>70,661</b>
<b>EQUITY AND LIABILITIES</b>			
Restricted equity	8	5,851	5,848
Unrestricted equity	8	37,301	37,392
<b>Equity</b>		<b>43,153</b>	<b>43,240</b>
Interest-bearing liabilities	5	22,540	21,497
<b>Non-current liabilities</b>		<b>22,540</b>	<b>21,497</b>
Interest-bearing liabilities	5	7,853	5,530
Non-interest-bearing liabilities		360	393
<b>Current liabilities</b>		<b>8,213</b>	<b>5,923</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>73,906</b>	<b>70,661</b>

# Notes

## NOTE 1 ACCOUNTING PRINCIPLES AND DEFINITIONS

The interim financial information for the Group for the three month period ended March 31, 2021 has been prepared in accordance with International Accounting Standard (IAS) 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board (IASB) and the Swedish Annual Accounts Act, and for the parent company in accordance with the Swedish Annual Accounts Act and RFR 2 *Reporting for legal entities* and other statements issued by the Swedish Financial Reporting Board. In all respects other than those described below, Tele2 has presented the financial statements for the period ended March 31, 2021 in accordance with the accounting policies and principles applied in the 2020 Annual and Sustainability Report. The description of these principles and definitions are found in Note 1 in the Annual and Sustainability Report 2020. Disclosures as required by IAS 34 p. 16 A are presented both in the financial statements and notes as well as in other parts of the interim report.

The amendments to IFRSs applicable from January 1, 2021 have no effects to Tele2's financial reports for the three month period ended March 31, 2021.

From January 1, 2021 Tele2 changed the classification of the segment Sweden to include the parent company Tele2 AB and other minor operations that previously were reported under the segment Other. Previous periods have been restated, please refer to Note 2.

Figures presented in this report refer to January 1 – March 31 (Q1), 2021 and continuing operations unless otherwise stated. Figures shown in parentheses refer to the comparable periods in 2020.

## NOTE 2 REVENUE AND SEGMENTS

### Revenue per segment

Continuing operations SEK million	Jan-Mar 2021	Jan-Mar 2020	Full year 2020
Sweden	5,335	5,431	21,601
Lithuania	692	639	2,812
Latvia	353	339	1,424
Estonia	197	200	819
<b>Total including internal sales</b>	<b>6,577</b>	<b>6,608</b>	<b>26,656</b>
Internal sales, elimination	-26	-27	-102
<b>TOTAL</b>	<b>6,550</b>	<b>6,581</b>	<b>26,554</b>

### Internal sales

Continuing operations SEK million	Jan-Mar 2021	Jan-Mar 2020	Full year 2020
Sweden	2	1	6
Lithuania	14	13	50
Latvia	9	11	38
Estonia	2	2	8
<b>TOTAL</b>	<b>26</b>	<b>27</b>	<b>102</b>

### Revenue split per category

Continuing operations SEK million	Jan-Mar 2021	Jan-Mar 2020	Full year 2020
<b>Sweden Consumer</b>			
End-user service revenue	3,020	3,081	12,260
Operator revenue	174	162	676
Equipment revenue	492	467	1,989
Internal sales	0	0	0
<b>Total</b>	<b>3,686</b>	<b>3,710</b>	<b>14,926</b>
<b>Sweden Business</b>			
End-user service revenue	946	1,000	3,889
Operator revenue	25	35	119
Equipment revenue	445	423	1,684
Internal sales	1	—	0
<b>Total</b>	<b>1,416</b>	<b>1,458</b>	<b>5,692</b>
<b>Sweden Wholesale</b>			
Operator revenue	231	261	978
Internal sales	1	1	5
<b>Total</b>	<b>232</b>	<b>263</b>	<b>984</b>
<b>Lithuania</b>			
End-user service revenue	409	394	1,631
Operator revenue	59	62	262
Equipment revenue	210	170	869
Internal sales	14	13	50
<b>Total</b>	<b>692</b>	<b>639</b>	<b>2,812</b>
<b>Latvia</b>			
End-user service revenue	224	223	901
Operator revenue	45	45	177
Equipment revenue	75	59	309
Internal sales	9	11	38
<b>Total</b>	<b>353</b>	<b>339</b>	<b>1,424</b>
<b>Estonia</b>			
End-user service revenue	130	127	503
Operator revenue	24	34	130
Equipment revenue	41	37	178
Internal sales	2	2	8
<b>Total</b>	<b>197</b>	<b>200</b>	<b>819</b>
Internal sales, elimination	-26	-27	-102
<b>CONTINUING OPERATIONS</b>			
<b>End-user service revenue</b>	<b>4,730</b>	<b>4,825</b>	<b>19,184</b>
<b>Operator revenue</b>	<b>557</b>	<b>599</b>	<b>2,341</b>
<b>Equipment revenue</b>	<b>1,263</b>	<b>1,157</b>	<b>5,029</b>
<b>TOTAL</b>	<b>6,550</b>	<b>6,581</b>	<b>26,554</b>

### Underlying EBITDAaL

Continuing operations SEK million	Jan-Mar 2021	Jan-Mar 2020	Full year 2020
Sweden	1,864	1,788	7,468
Lithuania	271	238	1,043
Latvia	134	125	556
Estonia	45	43	173
<b>TOTAL</b>	<b>2,314</b>	<b>2,194</b>	<b>9,239</b>

## NOTE 3 OPERATING PROFIT AND TAX

### Reconciling items to reported operating profit/loss

Continuing operations SEK million	Jan-Mar 2021	Jan-Mar 2020	Full year 2020
<b>Underlying EBITDAaL</b>	<b>2,314</b>	<b>2,194</b>	<b>9,239</b>
Reversal lease depreciation and interest	316	307	1,245
<b>Underlying EBITDA</b>	<b>2,630</b>	<b>2,501</b>	<b>10,484</b>
Acquisition costs	-6	-1	-6
Restructuring costs	-61	-38	-261
Disposal of non-current assets	-1	—	2,002
Other items affecting comparability	—	—	109
<b>Items affecting comparability</b>	<b>-69</b>	<b>-39</b>	<b>1,844</b>
<b>EBITDA</b>	<b>2,561</b>	<b>2,462</b>	<b>12,329</b>
Depreciation/amortization	-1,372	-1,315	-5,269
Impairment	—	—	—
Result from shares in associated companies and joint ventures	13	0	311
<b>Operating profit</b>	<b>1,202</b>	<b>1,148</b>	<b>7,371</b>

### Acquisition costs

Continuing operations SEK million	Jan-Mar 2021	Jan-Mar 2020	Full year 2020
Com Hem, Sweden	—	-0	3
Other	-6	-1	-9
<b>Acquisition costs<sup>1)</sup></b>	<b>-6</b>	<b>-1</b>	<b>-6</b>

<sup>1)</sup> Reported as other operating expenses.

### Restructuring costs

Continuing operations SEK million	Jan-Mar 2021	Jan-Mar 2020	Full year 2020
Redundancy costs	-29	-6	-120
Other employee and consultancy costs	-22	-17	-69
Exit of contracts and other costs	-10	-16	-73
<b>Restructuring costs</b>	<b>-61</b>	<b>-38</b>	<b>-261</b>
Reported as:			
– Cost of services provided	-30	-4	-52
– Selling expenses	-21	-15	-130
– Administrative expenses	-10	-20	-79

### Disposal of non-current assets

Continuing operations SEK million	Jan-Mar 2021	Jan-Mar 2020	Full year 2020
Recycled translation differences	—	—	2,033
Other	-1	—	-31
<b>Disposal of non-current assets<sup>1)</sup></b>	<b>-1</b>	<b>—</b>	<b>2,002</b>

<sup>1)</sup> Reported as other operating income and other operating expenses.

In Q4 2020, translation differences of SEK 3,313 million were recycled to the income statement in conjunction with the closure of the operation in Luxembourg, with no impact on total assets or equity. SEK 2,033 million was included in Other operating income and SEK 1,280 million in Income tax. For further details, please refer to Note 6 in the Annual and Sustainability report 2020.

### Other items affecting comparability

Continuing operations SEK million	Jan-Mar 2021	Jan-Mar 2020	Full year 2020
Provision for legal dispute, Sweden	—	—	109
<b>Total</b>	<b>—</b>	<b>—</b>	<b>109</b>
Reported as:			
– Costs of services provided	—	—	109

In Q3 2020, a provision was released related to a legal dispute in Sweden where we have now reached an agreement.

## NOTE 4 SHARES IN ASSOCIATED COMPANIES AND JOINT VENTURES

SEK million	Mar 31 2021	Mar 31 2020	Dec 31 2020
<b>T-Mobile Netherlands</b>			
Cost at January 1	7,011	6,976	6,976
Share of profit for the year	12	3	313
Exchange rate differences	140	434	-278
<b>Total T-Mobile Netherlands</b>	<b>7,163</b>	<b>7,413</b>	<b>7,011</b>
Other associated companies and joint ventures	7	7	7
<b>Total shares in associated companies and joint ventures</b>	<b>7,170</b>	<b>7,420</b>	<b>7,018</b>

## NOTE 5 FINANCIAL ASSETS AND LIABILITIES

### Financing

SEK million	Mar 31 2021	Dec 31 2020
Bonds	24,391	21,175
European Investment Bank (EIB)	1,279	1,254
Nordic Investment Bank (NIB)	1,988	1,987
Other	248	252
<b>Total liabilities to financial institutions</b>	<b>27,906</b>	<b>24,669</b>
Provisions	1,545	1,660
Lease liabilities	5,184	5,327
Other interest-bearing liabilities	235	460
<b>Total interest-bearing liabilities</b>	<b>34,870</b>	<b>32,115</b>

Average maturity and average interest rate (including derivatives) for outstanding debt to financial institutions at March 31, 2021 amounted to 4.4 years and 1.29 percent, respectively.

As of the date of this report, Tele2 has a credit facility with a syndicate of ten banks maturing in 2024.

In March 2021, Tele2 issued a ten year bond of EUR 300 million with an annual coupon of 0.75 percent. The notes have been issued under Tele2's EMTN program and are listed for trading on the Luxembourg Stock Exchange.

### Classification and fair values

Tele2's financial assets consist mainly of receivables from end customers, other operators and resellers as well as cash and cash equivalents. Tele2's financial liabilities consist mainly of loans, bonds, lease liabilities and accounts payables. For the category "Liabilities to financial institutions and similar liabilities" the reported value amounted on March 31, 2021 to SEK 27,906 (December 31, 2020: 24,669) million and the fair value to SEK 28,750 (December 31, 2020: 25,537) million.

During 2021, no transfers have been made between the different levels in the fair value hierarchy and no significant changes were made to valuation techniques, inputs used or assumptions.



## NOTE 6 RELATED PARTIES

Tele2's share of cash and cash equivalents in joint operations (Svenska UMTS-nät AB and Net4Mobility HB, Sweden and SIA Centuria, Latvia), for which Tele2 has limited disposal rights was included in the Group's cash and cash equivalents and amounted at March 31, 2021 to SEK 54 (December 31, 2020: 36) million. Other transactions with joint operations and other related parties are presented in Note 34 of the 2020 Annual and Sustainability Report.

## NOTE 7 CONTINGENT LIABILITIES

In Q4 2020, a provision was made related to the tax deduction on exchange losses on loans to Tele2 Kazakhstan, previously reported as contingent liability. It is presented under discontinued operations for Tele2 Kazakhstan, please refer to Note 10.

## NOTE 8 EQUITY, NUMBER OF SHARES AND INCENTIVE PROGRAMS

### Number of shares

	Mar 31 2021	Dec 31 2020
Total number of shares	692,821,597	690,341,597
Number of treasury shares	-4,170,765	-1,714,023
<b>Number of outstanding shares</b>	<b>688,650,832</b>	<b>688,627,574</b>
Number of outstanding shares, weighted average	688,628,866	688,392,123
Number of shares after dilution	692,429,603	692,609,831
Number of shares after dilution, weighted average	692,529,140	691,924,160

In Q1 2021, Tele2 issued, and immediately repurchased, 2,480,000 new C shares to be used for future exercises of LTIs, resulting in an increase in share capital of SEK 3 million. As a result of early vesting of the LTI 2019 being exercised in Q1 2021, Tele2 delivered 23,258 B-shares in treasury shares to some of the participants in the program at a weighted share price of SEK 115.95. In addition, 6,177 of class A shares were reclassified into class B shares. Changes in shares during previous year are stated in Note 23 in the 2020 Annual and Sustainability Report.

### Outstanding share right programs

	Mar 31 2021	Dec 31 2020
LTI 2020	1,416,233	1,499,975
LTI 2019	1,194,671	1,313,475
LTI 2018	1,167,867	1,168,807
<b>Total outstanding share rights</b>	<b>3,778,771</b>	<b>3,982,257</b>

All outstanding long-term incentive programs (LTI 2018, LTI 2019 and LTI 2020) are based on the same structure, except for that LTI 2020 have an operating cash flow performance measure. Additional information regarding the objective, conditions and requirements related to the LTI programs is stated in Note 31 of the 2020 Annual and Sustainability Report. During the three months in 2021, the total cost including social security costs for the long-term incentive programs (LTI) amounted to SEK 32 (26) million before tax.

### LTI 2018

The exercise of the share rights in LTI 2018 was conditional upon the fulfilment of certain retention and performance-based conditions, measured from April 1, 2018 until March 31, 2021. The outcome of these performance conditions was in accordance with below and the outstanding 1,167,867 share rights, to be adjusted for dividend compensation April 2021, are expected to be exchanged for shares in Tele2 during Q2 2021.

Series	Retention and performance based conditions	Minimum hurdle (50%)	Stretch targets (100%)	Performance outcome	Allotment
Series A	Total Shareholder Return Tele2 (TSR)	—	>=0%	40.0%	100%
Series B	Total Shareholder Return Tele2 (TSR) compared to a peer group	>0%	>=20%	34.1%	100%

## Dividend

To the Annual General Meeting on April 22, 2021, Tele2's Board of Directors proposes for the financial year 2020 an ordinary dividend of SEK 6.00 per share (SEK 4.1 billion), to be paid in two equal tranches in April and October 2021. In addition, to an Extraordinary General Meeting in June the board intends to propose an extraordinary dividend of SEK 3.00 per share (SEK 2.1 billion), to be paid in July 2021.

## NOTE 9 BUSINESS ACQUISITIONS AND DIVESTMENTS

Acquisitions and divestments of shares and participations affecting cash flow were as follows:

SEK million	Jan-Mar 2021	Jan-Mar 2020	Full year 2020
<b>Acquisitions</b>			
Other minor acquisitions	—	-5	-6
<b>Total acquisition of shares and participations</b>	<b>—</b>	<b>-5</b>	<b>-6</b>
<b>Divestments</b>			
Tele2 Croatia	—	2,031	2,039
Tele2 Germany	—	—	-39
Earn out settlement Tele2 Austria	—	100	99
Other minor divestments	—	5	6
<b>Total sale of shares and participations</b>	<b>—</b>	<b>2,136</b>	<b>2,104</b>
<b>TOTAL CASH FLOW EFFECT</b>	<b>—</b>	<b>2,131</b>	<b>2,098</b>

Information on acquisitions and divestments made in 2020 is provided in the 2020 Annual and Sustainability Report in Note 14 and Note 33, respectively.

## NOTE 10 DISCONTINUED OPERATIONS

### Tele2 Germany

On December 3, 2020 Tele2 announced the agreement to sell its German business to the Tele2 Germany management for an enterprise value of up to EUR 22.8 million, dependent upon the financial performance of the business until the end of 2024, and on December 11, 2020 the divestment was completed. On March 31, 2021 the estimated fair value of the future cash flows amounted to SEK 142 (December 31, 2020: 140) million. The fair value estimate is sensitive to changes in key assumptions supporting the expected future cash flows for Tele2 Germany. A deviation from the current assumptions regarding the fair value would impact the earn-out asset. Tele2 Germany is reported separately under discontinued operations.

### Tele2 Kazakhstan

Tele2 was notified in April 2019 that the Swedish Tax Agency has rejected Tele2's claim for a deduction of an exchange loss related to a conversion of a shareholder loan to the joint venture MTS in Kazakhstan from USD to Kazakh Tenge in connection with the establishment of Tele2's previous joint venture in Kazakhstan. After appealing the decision, the Administrative court has in December 2020 partly ruled in favour of Skatteverket. The remaining additional tax claim amounted at March 31, 2021 to SEK 241 million and a tax surcharge and interest of SEK 115 million (December 31, 2020: SEK 241 and 114 million respectively). Tele2 has appealed the decision to the Administrative Court of appeal. Based on the ruling in the Administrative Court it is Tele2's and its advisors opinion that, it is uncertain whether Tele2 ultimately will succeed in the dispute. Consequently, a provision of SEK 355 million was recognized in Q4 2020 under discontinued operations. At March 31, 2021 the provision amounted to SEK 356 million.

## Income statement

All discontinued operations are included below. Tele2 Germany and Tele2 Croatia were divested in 2020. Tele2 Netherlands and Tele2 Kazakhstan were divested in 2019.

Discontinued operations SEK million	Jan-Mar 2021	Jan-Mar 2020	Full year 2020
Revenue	—	435	690
Cost of services provided and equipment sold	—	-236	-339
<b>Gross profit</b>	<b>—</b>	<b>199</b>	<b>350</b>
Selling expenses	—	-63	-74
Administrative expenses	—	-55	-99
Other operating income	—	1	2
Other operating expenses	—	-1	-1
<b>Operating profit</b>	<b>—</b>	<b>81</b>	<b>179</b>
Interest income	—	0	0
Interest expenses	-1	-2	-19
<b>Profit/loss after financial items</b>	<b>-1</b>	<b>80</b>	<b>160</b>
Income tax from the operation	—	-20	-51
<b>Net profit/loss from the operation</b>	<b>-1</b>	<b>60</b>	<b>110</b>
<b>Profit/loss on disposal of operation including sales costs and cumulative exchange rate gain</b>	<b>-1</b>	<b>210</b>	<b>286</b>
– of which Germany	3	—	-25
– of which Croatia	-1	213	247
– of which Netherlands, sold 2019	-3	-12	55
– of which Austria, sold 2017	—	9	8
<b>Income tax from capital gain</b>	<b>—</b>	<b>116</b>	<b>-221</b>
– of which Germany	—	—	0
– of which Croatia	—	116	116
– of which Kazakhstan, sold 2019	—	—	-337
<b>NET PROFIT/LOSS</b>	<b>-2</b>	<b>386</b>	<b>175</b>
<i>Attributable to:</i>			
Equity holders of the parent company	-2	386	175
<b>NET PROFIT/LOSS</b>	<b>-2</b>	<b>386</b>	<b>175</b>
Earnings per share (SEK)	—	0.57	0.25
Earnings per share, after dilution (SEK)	—	0.56	0.25

## Balance sheet

Assets and liabilities associated with assets held for sale as of March 31, 2021 refer to earnouts and provisions for price adjustments and similar for divested operations.

Discontinued operations SEK million	Mar 31 2021	Dec 31 2020
<b>ASSETS</b>		
Financial assets	126	123
<b>Non-current assets</b>	<b>126</b>	<b>123</b>
Current receivables	16	16
<b>Current assets</b>	<b>16</b>	<b>16</b>
<b>Assets classified as held for sale</b>	<b>142</b>	<b>140</b>
<b>LIABILITIES</b>		
Interest-bearing liabilities	153	149
<b>Non-current liabilities</b>	<b>153</b>	<b>149</b>
Interest-bearing liabilities	59	63
Non-interest-bearing liabilities	341	341
<b>Current liabilities</b>	<b>400</b>	<b>405</b>
<b>Liabilities directly associated with assets classified as held for sale</b>	<b>553</b>	<b>554</b>

## Cash flow statement

Discontinued operations SEK million	Jan-Mar 2021	Jan-Mar 2020	Full year 2020
Cash flow from operating activities	-0	60	143
Cash flow from investing activities	—	2,092	2,058
Cash flow from financing activities	—	-31	-31
<b>Net change in cash and cash equivalents</b>	<b>-0</b>	<b>2,122</b>	<b>2,170</b>

# Non-IFRS measures

This report contains certain financial measures that are not defined by IFRS but are used by Tele2 to assess the financial performance of the business. These measures are included in the report as they are considered important supplementary measures of operating performance and liquidity. They should not be considered a substitute to Tele2's financial statements prepared in accordance with IFRS. Tele2's definitions of these measures are described below, but other companies may calculate non-IFRS measures differently and these measures are therefore not always comparable to similar measures used by other companies.

## EBITDA

Tele2 considers EBITDA to be a relevant measure to present profitability aligned with industry standard.

*EBITDA:* Operating profit/loss before depreciation/amortization, impairment as well as results from shares in associated companies and joint ventures.

## Underlying EBITDA

Tele2 considers underlying EBITDA to be a relevant measure to present in order to illustrate the profitability of the underlying business, and as these are used by management to assess the performance of the business.

*Underlying EBITDA:* EBITDA excluding items affecting comparability.

*Items affecting comparability:* Disposals of non-current assets and transactions from strategic decisions, such as capital gains and losses from sales of operations, acquisition costs, integration costs due to acquisition or merger, restructuring programs from reorganizations as well as other items that affect comparability.

## Underlying EBITDAaL and underlying EBITDAaL margin

Tele2 considers underlying EBITDAaL and the related margin to be relevant measures of the business performance since underlying EBITDAaL includes the cost of leased assets (depreciation and interest), which is not included in underlying EBITDA according to IFRS 16.

*Underlying EBITDAaL:* Underlying EBITDA as well as lease depreciation and lease interest costs according to IFRS 16.

*Underlying EBITDAaL margin:* Underlying EBITDAaL in relation to revenue excluding items affecting comparability.

Continuing operations SEK million	Jan-Mar 2021	Jan-Mar 2020	Full year 2020
Operating profit	1,202	1,148	7,371
Reversal:			
Result from shares in associated companies and joint ventures	-13	-0	-311
Depreciation and amortization	1,372	1,315	5,269
<b>EBITDA</b>	<b>2,561</b>	<b>2,462</b>	<b>12,329</b>
Reversal, items affecting comparability:			
Acquisition costs	6	1	6
Restructuring costs	61	38	261
Disposal of non-current assets	1	—	-2,002
Other items affecting comparability	—	—	-109
<b>Total items affecting comparability</b>	<b>69</b>	<b>39</b>	<b>-1,844</b>
<b>Underlying EBITDA</b>	<b>2,630</b>	<b>2,501</b>	<b>10,484</b>
Lease depreciation	-301	-289	-1,182
Lease interest costs	-15	-17	-63
<b>Underlying EBITDAaL</b>	<b>2,314</b>	<b>2,194</b>	<b>9,239</b>
Revenue	6,550	6,581	26,554
<b>Revenue excluding items affecting comparability</b>	<b>6,550</b>	<b>6,581</b>	<b>26,554</b>
<b>Underlying EBITDAaL margin</b>	<b>35%</b>	<b>33%</b>	<b>35%</b>

### Non-IFRS measures – Capex paid and capex

Tele2 considers capex paid relevant to present as it provides an indication of how much the company invests organically in intangible and tangible assets to maintain and expand its business. Tele2 believes that it is relevant to present capex to provide a view on how much Tele2 invests organically in intangible and tangible assets as well as in right-of-use assets (lease) to maintain and grow its business that is not dependent on the timing of cash payments.

*Capex paid:* Cash paid for the additions to intangible and tangible assets net of cash proceeds from sales of intangible and tangible assets.

*Capex:* Additions to intangible assets, tangible assets and right-of-use assets that are capitalized on the balance sheet.

SEK million	Jan-Mar 2021	Jan-Mar 2020	Full year 2020
<b>TOTAL OPERATIONS</b>			
Additions to intangible and tangible assets	-1,086	-644	-2,750
Sale of intangible and tangible assets	0	1	1
<b>Capex paid</b>	<b>-1,086</b>	<b>-644</b>	<b>-2,749</b>
This period's unpaid capex and reversal of paid capex from previous period	52	111	16
Reversal received payment of sold intangible and tangible assets	-0	-1	-1
<b>Capex intangible and tangible assets</b>	<b>-1,035</b>	<b>-534</b>	<b>-2,734</b>
Additions to right-of-use assets	-258	-348	-1,204
<b>Capex</b>	<b>-1,292</b>	<b>-882</b>	<b>-3,938</b>
<b>CONTINUING OPERATIONS</b>			
Additions to intangible and tangible assets	-1,086	-600	-2,705
Sale of intangible and tangible assets	0	1	1
<b>Capex paid</b>	<b>-1,086</b>	<b>-599</b>	<b>-2,704</b>
This period's unpaid capex and reversal of paid capex from previous period	52	83	-11
Reversal received payment of sold intangible and tangible assets	-0	-1	-1
<b>Capex intangible and tangible assets</b>	<b>-1,035</b>	<b>-517</b>	<b>-2,717</b>
Additions to right-of-use assets	-258	-326	-1,182
<b>Capex</b>	<b>-1,292</b>	<b>-843</b>	<b>-3,899</b>

### Non-IFRS measures – Operating cash flow

Tele2 considers operating cash flow a relevant measure to present as it gives an indication of the profitability of the underlying business while also taking into account the investments needed to maintain and grow the business.

*Operating cash flow:* Underlying EBITDAaL less capex excluding spectrum and leases.

Continuing operations SEK million	Jan-Mar 2021	Jan-Mar 2020	Full year 2020
Underlying EBITDAaL	2,314	2,194	9,239
Capex excluding spectrum and leases	-702	-517	-2,717
<b>Operating cash flow</b>	<b>1,613</b>	<b>1,677</b>	<b>6,523</b>

### Non-IFRS measures – Equity free cash flow

Tele2 considers equity free cash flow to be relevant to present as it provides a view of funds generated from operating activities that also includes investments in intangible and tangible assets. Management believes that equity free cash flow is meaningful to investors because it is the measure of

the Group's funds available for acquisition related payments, dividends to shareholders, share repurchases and debt repayment.

*Equity free cash flow:* Cash flow from operating activities less capex paid and amortization of lease liabilities.

SEK million	Jan-Mar 2021	Jan-Mar 2020	Full year 2020
<b>TOTAL OPERATIONS</b>			
Cash flow from operating activities	2,287	2,317	8,816
Capex paid	-1,086	-644	-2,749
Amortization of lease liabilities	-381	-391	-1,188
<b>Equity free cash flow</b>	<b>820</b>	<b>1,282</b>	<b>4,879</b>
<b>CONTINUING OPERATIONS</b>			
Cash flow from operating activities	2,287	2,257	8,672
Capex paid	-1,086	-599	-2,704
Amortization of lease liabilities	-381	-372	-1,168
<b>Equity free cash flow</b>	<b>820</b>	<b>1,285</b>	<b>4,799</b>

### Non-IFRS measures – Net debt and economic net debt

Tele2 believes that net debt is relevant to present as it is useful to illustrate the indebtedness, financial flexibility, and capital structure. Furthermore, economic net debt is considered relevant as it excludes lease liabilities, and thereby consistently can be put in relation to underlying EBITDAaL when measuring financial leverage.

*Net debt:* Interest-bearing non-current and current liabilities excluding provisions, less cash and cash equivalents, current investments, restricted cash and derivatives.

*Economic net debt:* Net debt excluding lease liabilities.

Total operations SEK million	Mar 31 2021	Dec 31 2020
Interest-bearing non-current liabilities	28,104	27,234
Interest-bearing current liabilities	6,767	4,881
Reversal provisions	-1,545	-1,660
Cash & cash equivalents, current investments and restricted funds	-4,686	-970
Derivatives	-298	-217
<b>Net debt</b>	<b>28,342</b>	<b>29,269</b>
Reversal:		
Lease liabilities	-5,184	-5,327
<b>Economic net debt</b>	<b>23,158</b>	<b>23,942</b>

### Organic

Tele2 believes that organic growth rates are relevant to present as they exclude effects from currency movements but include effects from divestments and acquisitions as if these occurred on the first day of each reporting period and are therefore providing an indication of the underlying performance.

*Organic growth rates:* Calculated at constant currency, meaning that comparative figures have been recalculated using the currency rates for the current period, but including effects from divestments and acquisitions as if these occurred on the first day of each reporting period.

Reconciliation of figures is presented in an excel document (Q1 2021-financials to the market) on Tele2's website [www.tele2.com](http://www.tele2.com).



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