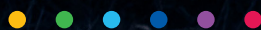


# 2022

Tele2 Interim Report  
Second Quarter



**TELE2**



UNLIMITED

# Q2 2022 HIGHLIGHTS

- End-user service revenue of SEK 5.0 billion increased by 3% compared to Q2 2021 on an organic basis due to strong performance in the Baltics, Sweden B2B and slight tailwind from roaming.
- Total revenue of SEK 6.8 billion increased by 3% compared to Q2 2021 on an organic basis.
- Underlying EBITDAaL of SEK 2.5 billion increased by 3% organically compared to Q2 2021 driven by end-user service revenue growth and cost savings related to the Business Transformation Program.
- Net profit from total operations of SEK 0.8 billion decreased by SEK 0.5 billion compared to Q2 2021, mainly related to a settled dispute from previously divested operations and the release of a provision in Q2 2021.
- Equity free cash flow from continuing operations of SEK 0.7 (1.3) billion. Over the last twelve months, SEK 5.3 billion was generated, equivalent to SEK 7.7 per share.
- First tranche of ordinary dividend and the extraordinary dividend from T-Mobile Netherlands transaction paid during the quarter.
- Successfully issued first sustainability linked bond.

## Key financial data

| SEK million                              | Apr-Jun 2022 | Apr-Jun 2021 | Organic % | Jan-Jun 2022 | Jan-Jun 2021 | Organic % |
|--|--------------|--------------|-----------|--------------|--------------|-----------|
| <b>Continuing operations</b>             |              |              |           |              |              |           |
| End-user service revenue                 | 4,969        | 4,815        | 3%        | 9,850        | 9,544        | 3%        |
| Revenue                                  | 6,820        | 6,572        | 3%        | 13,565       | 13,122       | 3%        |
| Operating profit                         | 1,140        | 1,062        |           | 4,044        | 2,264        |           |
| Profit after financial items             | 1,022        | 972          |           | 3,695        | 2,044        |           |
| Underlying EBITDAaL                      | 2,463        | 2,372        | 3%        | 4,934        | 4,686        | 5%        |
| Capex excluding spectrum and leases      | 737          | 730          |           | 1,407        | 1,432        |           |
| Operating cash flow                      | 1,726        | 1,642        |           | 3,527        | 3,255        |           |
| Operating cash flow, rolling 12 months   |              |              |           | 6,754        | 6,541        |           |
| Equity free cashflow                     | 750          | 1,269        |           | 1,660        | 2,089        |           |
| Equity free cash flow, rolling 12 months |              |              |           | 5,331        | 4,674        |           |
| <b>Total operations</b>                  |              |              |           |              |              |           |
| Net profit                               | 847          | 1,367        |           | 3,322        | 2,232        |           |
| Earnings per share (SEK)                 | 1.23         | 1.98         |           | 4.81         | 3.24         |           |
| Equity free cashflow                     | 750          | 1,267        |           | 1,660        | 2,087        |           |
| Economic net debt to underlying EBITDAaL |              |              |           | 2.5x         | 2.5x         |           |



## Continuing and discontinued operations

Figures presented in this report refer to Q2 (April-June) 2022 and continuing operations unless otherwise stated. Figures shown in parentheses refer to the comparable periods in 2021. Discontinued operations include the former operations, primarily in the Netherlands, 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*. 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) or see section *Other financial metrics*.

# CEO LETTER – Q2 2022



“

We are on a steady course to deliver on our 2022 guidance.

Having reached the half-way point of 2022, we are pleased to see our efforts paying off and that we are on a steady course to deliver on our 2022 guidance. Tele2 is at heart a growth oriented company and it means a lot to us when we see that all major business lines are getting into growth territory. Shareholders have received a total of SEK 16,40 in dividends during Q2 after the successful closing of our sale in the Netherlands and payment of the first tranche of our ordinary dividend, as declared in February, further showing Tele2's commitment to our shareholder remuneration policy.

In Sweden, we see far more activity at our offices and are pleased that people can be together to engage both professionally and socially. The importance of physical interaction, body language and casual conversations should not be underestimated when trying to foster a creative environment.

During Q2, we took a major step towards our ambition to “Lead in sustainability” through issuing our first sustainability linked bond. This follows our commitment to deliver on our science-based targets for scope 1, 2 and 3 carbon emissions and is one way of showing the value behind these commitments. We are also very pleased to have been ranked the most sustainable telecom operator in Sweden by Gokind.

Our Baltic operations continue to show market leading performance and navigate very well in an operating environment with major uncertainties. The war in Ukraine impacts life everywhere, but becomes very prominent in the Baltics due to geographical proximity and the major influence of energy prices in the economy. I am proud to see how well our colleagues are coping with the situation!

Over the last couple of months, we have continued to develop our strategic positioning within B2C Sweden. During the second half of 2022, we will start reaping the benefits of our strategic cooperation with Viaplay and as we improve our support systems, we will be able to accelerate our convergence story over the next quarters. We also see stronger trends within mobile, based on adjustments of our portfolio and slightly less aggressive commission trends in the market.

The Swedish B2B business enjoys a solid trend of good performance and delivers growth, which is a major achievement. B2B markets can be very challenging and we have previously seen those trends also in Sweden, but the foundations of the business have never been as strong as they are now and that gives realistic expectations of continued strong momentum. During the second quarter, we continued working on 5G private networks and see good momentum in this new segment.

The operating environment is challenging for many industries, with high energy prices and increasing inflationary trends in the economy. We are partly hedged against some of these threats and are benefitting from the improvements we are making to our business. Our ambition to continue delivering in accordance with our mid-term guidance is therefore fully realistic even though individual quarters will see fluctuations in the conversion of revenue growth to profitability. With the initiatives we already have set in motion, we consider ourselves well underway to realize the ambition we have set forth for this year.

During the second half of 2022, we expect to secure important radio spectrum in the Baltics and continue ramping up our 5G roll-out in all countries. Supply chain issues may have some impact on the roll-out speed, but we are progressing well towards our coverage objectives.

**Kjell Johnsen**  
President and Group CEO

# Financial overview

## Analysis of revenue

| Continuing operations<br>SEK million | Apr-Jun<br>2022 | Apr-Jun<br>2021 | Organic<br>% | Jan-Jun<br>2022 | Jan-Jun<br>2021 | Organic<br>% |
|--------------------------------------|-----------------|-----------------|--------------|-----------------|-----------------|--------------|
| Mobile                               | 1,453           | 1,428           | 2%           | 2,862           | 2,841           | 1%           |
| - Postpaid                           | 1,203           | 1,186           | 1%           | 2,382           | 2,367           | 1%           |
| - Prepaid                            | 249             | 242             | 3%           | 480             | 473             | 1%           |
| Fixed                                | 1,432           | 1,450           | -1%          | 2,859           | 2,887           | -1%          |
| - Fixed broadband                    | 708             | 692             | 2%           | 1,412           | 1,370           | 3%           |
| - Digital TV                         | 674             | 698             | -3%          | 1,344           | 1,393           | -4%          |
| - Cable & Fiber                      | 424             | 424             | 0%           | 843             | 844             | 0%           |
| - DTT                                | 250             | 274             | -9%          | 501             | 550             | -9%          |
| - Fixed telephony & DSL              | 51              | 60              | -15%         | 103             | 123             | -16%         |
| Landlord & Other                     | 165             | 168             | -1%          | 336             | 338             | -1%          |
| <b>Sweden Consumer</b>               | <b>3,050</b>    | <b>3,046</b>    | <b>0%</b>    | <b>6,056</b>    | <b>6,066</b>    | <b>0%</b>    |
| Sweden Business                      | 989             | 962             | 3%           | 1,962           | 1,909           | 3%           |
| Baltics                              | 929             | 806             | 12%          | 1,832           | 1,570           | 13%          |
| <b>End-user service revenue</b>      | <b>4,969</b>    | <b>4,815</b>    | <b>3%</b>    | <b>9,850</b>    | <b>9,544</b>    | <b>3%</b>    |
| Operator revenue                     | 608             | 590             | 2%           | 1,203           | 1,148           | 4%           |
| Equipment revenue                    | 1,243           | 1,167           | 6%           | 2,511           | 2,430           | 2%           |
| <b>Revenue</b>                       | <b>6,820</b>    | <b>6,572</b>    | <b>3%</b>    | <b>13,565</b>   | <b>13,122</b>   | <b>3%</b>    |

**End-user service revenue** increased by 3% organically driven by continued strong performance in the Baltics and Sweden B2B. International roaming revenue continues to have a positive effect of SEK 29 million compared to Q2 2021.

- **Sweden Consumer** was flat as continued growth in mobile and fixed broadband was offset by continued decline in legacy services.
- **Sweden Business** increased by 3% as growth in mobile offset decline in fixed.
- **Baltics** increased by 12% in local currency driven by both volume growth and strong ASPU (Average Spend Per User) growth from price adjustments and upselling.

**Total revenue** increased by 3% organically driven by growth in end-user service revenue, equipment revenue and operator revenue.

Refer to Note 2 and Overview by segment for a breakdown of the segments.

## Analysis of income statement

| Continuing operations<br>SEK million                          | Apr-Jun<br>2022 | Apr-Jun<br>2021 | Jan-Jun<br>2022 | Jan-Jun<br>2021 |
|---|-----------------|-----------------|-----------------|-----------------|
| Revenue   | 6,820           | 6,572           | 13,565          | 13,122          |
| <b>Underlying EBITDAaL</b>                                    | <b>2,463</b>    | <b>2,372</b>    | <b>4,934</b>    | <b>4,686</b>    |
| Reversal lease depreciation and interest                      | 326             | 314             | 653             | 630             |
| <b>Underlying EBITDA</b>                                      | <b>2,790</b>    | <b>2,686</b>    | <b>5,588</b>    | <b>5,316</b>    |
| Items affecting comparability                                 | -88             | -121            | -133            | -190            |
| <b>EBITDA</b>   | <b>2,702</b>    | <b>2,565</b>    | <b>5,454</b>    | <b>5,127</b>    |
| Depreciation/amortization                                     | -1,560          | -1,526          | -3,080          | -2,898          |
| - of which amortization of surplus from acquisitions          | -433            | -390            | -866            | -691            |
| - of which lease depreciation                                 | -301            | -299            | -607            | -600            |
| - of which other depreciation/amortization                    | -826            | -837            | -1,607          | -1,607          |
| Result from shares in associated companies and joint ventures | -1              | 22              | 1,670           | 35              |
| <b>Operating profit</b>                                       | <b>1,140</b>    | <b>1,062</b>    | <b>4,044</b>    | <b>2,264</b>    |
| Net interest and other financial items                        | -118            | -90             | -349            | -219            |
| Income tax  | -175            | 173             | -377            | -32             |
| <b>Net profit</b>   | <b>847</b>      | <b>1,146</b>    | <b>3,318</b>    | <b>2,012</b>    |

**Underlying EBITDAaL** increased by 3% organically driven by higher end-user service revenue and cost savings from the Business Transformation Program.

**Items affecting comparability** of SEK -88 (-121) million was mainly driven by restructuring costs related to the Business Transformation Program in Sweden. Refer to Note 3 for more details.

**Result from shares in associated companies and joint ventures** of SEK -1 (22) million decreased compared to Q2 2021 driven by the divestment of T-Mobile Netherlands.

**Net interest and other financial items** of SEK -118 (-90) million increased compared to Q2 2021 as last year included a positive non-cash effect of SEK 21 million due to the release of a provision in connection with a favorable ruling in a dispute with the Swedish tax authority.

**Income tax** of SEK -175 (173) million increased compared to Q2 2021 as income tax in Q2 2021 included a positive non-cash effect of SEK 350 million related to the favorable ruling mentioned above.

## Analysis of cash flow statement

| SEK million  | Apr-Jun<br>2022 | Apr-Jun<br>2021 | Jan-Jun<br>2022 | Jan-Jun<br>2021 |
|--|-----------------|-----------------|-----------------|-----------------|
| <b>Continuing operations</b>                           |                 |                 |                 |                 |
| Underlying EBITDA                                      | 2,790           | 2,686           | 5,588           | 5,316           |
| Items affecting comparability                          | -88             | -121            | -133            | -190            |
| Amortization of lease liabilities                      | -275            | -270            | -657            | -651            |
| Capex paid   | -855            | -652            | -1,609          | -1,738          |
| Changes in working capital                             | -323            | 80              | -546            | 54              |
| Net financial items paid                               | -162            | -175            | -270            | -279            |
| Taxes paid   | -379            | -304            | -768            | -465            |
| Other cash items                                       | 42              | 25              | 56              | 42              |
| <b>Equity free cash flow</b>                           | <b>750</b>      | <b>1,269</b>    | <b>1,660</b>    | <b>2,089</b>    |
| Equity free cash flow, rolling 12 months <sup>1)</sup> |                 |                 | 5,331           | 4,674           |
| <b>Total operations</b>                                |                 |                 |                 |                 |
| Equity free cash flow, continuing operations           | 750             | 1,269           | 1,660           | 2,089           |
| Equity free cash flow, discontinued operations         | —               | -3              | —               | -3              |
| <b>Equity free cash flow</b>                           | <b>750</b>      | <b>1,267</b>    | <b>1,660</b>    | <b>2,087</b>    |

<sup>1)</sup> Reconciliation of equity free cash flow rolling 12 months are presented in an excel document (Q2 2022-financials to the market) on Tele2's website [www.tele2.com](http://www.tele2.com)

**Capex paid** of SEK -855 (-652) million increased compared to Q2 2021 driven by spectrum payments and higher network capex.

**Changes in working capital** of SEK -323 (80) million was negatively impacted by higher inventory levels, from previously lower levels, primarily driven by handsets and network equipment and temporarily lower levels of external handset financing.

**Taxes paid** of SEK -379 (-304) million increased compared to Q2 2021 driven by improved operational performance.

**Equity free cash flow from continuing operations** over the last twelve months amounted to SEK 5.3 billion, equivalent to SEK 7.7 per share.

## Analysis of financial position

| Total operations<br>SEK million                            | Jun 30<br>2022 | Dec 31<br>2021 |
|--|----------------|----------------|
| Bonds  | 21,051         | 21,325         |
| Commercial papers  | 1,148          | 400            |
| Financial institutions and other liabilities               | 3,752          | 3,698          |
| Cash and cash equivalents                                  | -591           | -880           |
| Other adjustments  | -422           | -276           |
| <b>Economic net debt</b>                                   | <b>24,938</b>  | <b>24,268</b>  |
| Lease liabilities  | 5,097          | 5,414          |
| <b>Net debt</b>  | <b>30,035</b>  | <b>29,681</b>  |
| <b>Underlying EBITDAaL, rolling 12 months<sup>1)</sup></b> | <b>9,887</b>   | <b>9,639</b>   |
| <b>Economic net debt to Underlying EBITDAaL</b>            | <b>2.5x</b>    | <b>2.5x</b>    |
| Unutilized overdraft facilities and credit lines           | 8,944          | 8,590          |

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

**Economic net debt** of SEK 24.9 (24.3 at end of 2021) billion increased by SEK 0.7 billion as cash generation did not fully offset the first tranche of the ordinary dividend and the extraordinary dividend from the T-Mobile Netherlands transaction.

**Economic net debt to underlying EBITDAaL** (financial leverage) of 2.5x (2.5x end of 2021) was in the lower part of the leverage target range of 2.5-3.0x at the end of Q2 2022.

# Financial guidance

## Financial guidance

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

### Full-year 2022 (unchanged)

- Low single-digit growth of end-user service revenue.
- Mid single-digit growth of underlying EBITDAaL.
- Capex excluding spectrum and leasing assets of SEK 2.8–3.3 billion.

### Mid-term (unchanged)

- 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

The Annual General Meeting on April 28, 2022 approved that an ordinary dividend of SEK 6.75 in total be paid per ordinary A and B share in two tranches. The first tranche of SEK 3.40 was paid out on May 5, 2022 and the second tranche of SEK 3.35 will be paid out on October 14, 2022. The Annual General Meeting also approved an extraordinary dividend of SEK 13.00 per ordinary A and B share related to the completed T-Mobile Netherlands divestment which was paid in connection with the first tranche of the ordinary dividend on May 5, 2022.

## 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<br>SEK million       | Apr-Jun<br>2022 | Apr-Jun<br>2021 | Organic<br>% | Jan-Jun<br>2022 | Jan-Jun<br>2021 | Organic<br>% |
|--|-----------------|-----------------|--------------|-----------------|-----------------|--------------|
| <b>END-USER SERVICE REVENUE</b>            |                 |                 |              |                 |                 |              |
| Sweden                                     | 4,039           | 4,009           | 1%           | 8,018           | 7,975           | 1%           |
| Lithuania                                  | 511             | 435             | 15%          | 1,008           | 844             | 15%          |
| Latvia                                     | 269             | 237             | 11%          | 530             | 460             | 11%          |
| Estonia                                    | 149             | 135             | 8%           | 294             | 265             | 7%           |
| <b>Total</b>                               | <b>4,969</b>    | <b>4,815</b>    | <b>3%</b>    | <b>9,850</b>    | <b>9,544</b>    | <b>3%</b>    |
| <b>REVENUE</b>                             |                 |                 |              |                 |                 |              |
| Sweden                                     | 5,397           | 5,286           | 2%           | 10,761          | 10,621          | 1%           |
| Lithuania                                  | 835             | 747             | 9%           | 1,646           | 1,439           | 11%          |
| Latvia                                     | 398             | 363             | 7%           | 785             | 716             | 6%           |
| Estonia                                    | 222             | 203             | 6%           | 433             | 400             | 5%           |
| Internal sales, elimination                | -32             | -28             | 9%           | -60             | -55             | 7%           |
| <b>Total</b>                               | <b>6,820</b>    | <b>6,572</b>    | <b>3%</b>    | <b>13,565</b>   | <b>13,122</b>   | <b>3%</b>    |
| <b>UNDERLYING EBITDAaL</b>                 |                 |                 |              |                 |                 |              |
| Sweden                                     | 1,938           | 1,907           | 2%           | 3,903           | 3,771           | 3%           |
| Lithuania                                  | 317             | 279             | 11%          | 622             | 550             | 9%           |
| Latvia                                     | 160             | 144             | 8%           | 314             | 279             | 9%           |
| Estonia                                    | 48              | 42              | 11%          | 95              | 87              | 5%           |
| <b>Total</b>                               | <b>2,463</b>    | <b>2,372</b>    | <b>3%</b>    | <b>4,934</b>    | <b>4,686</b>    | <b>5%</b>    |
| <b>CAPEX</b>                               |                 |                 |              |                 |                 |              |
| Sweden                                     | 627             | 662             | -5%          | 1,237           | 1,308           | -5%          |
| Lithuania                                  | 50              | 35              | 36%          | 79              | 58              | 32%          |
| Latvia                                     | 26              | 16              | 52%          | 37              | 29              | 21%          |
| Estonia                                    | 35              | 16              | 111%         | 54              | 37              | 44%          |
| <b>Capex excluding spectrum and leases</b> | <b>737</b>      | <b>730</b>      | <b>1%</b>    | <b>1,407</b>    | <b>1,432</b>    | <b>-2%</b>   |
| Spectrum                                   | 64              | —               |              | 68              | 333             |              |
| Right-of-use assets (leases)               | 236             | 88              |              | 398             | 345             |              |
| <b>Total</b>                               | <b>1,037</b>    | <b>817</b>      |              | <b>1,873</b>    | <b>2,110</b>    |              |
| <i>of which:</i>                           |                 |                 |              |                 |                 |              |
| – Network                                  | 439             | 385             |              | 799             | 731             |              |
| – IT                                       | 170             | 235             |              | 350             | 464             |              |
| – Customer equipment                       | 112             | 90              |              | 216             | 192             |              |
| – Other                                    | 16              | 20              |              | 43              | 45              |              |
| <b>Capex excluding spectrum and leases</b> | <b>737</b>      | <b>730</b>      |              | <b>1,407</b>    | <b>1,432</b>    |              |

# Overview by segment

## Sweden

Tele2 Sweden end-user service revenue grew by 1% in the quarter driven by strong performance within Sweden B2B. International roaming revenue continued to recover with a positive effect of SEK 19 million compared to Q2 2021.

Optimizations in the Digital Capabilities and Technology organization were executed in the quarter as part of the Business Transformation Program. Annualized run-rate savings for the Business Transformation Program reached SEK 650 million at the end of quarter and the effect on

underlying EBITDAaL was approximately SEK 155 million with a net effect of SEK 75 million year-on-year.

Underlying EBITDAaL increased by 2% driven by end-user service revenue and continued execution of the business transformation program.

Capex excluding spectrum and leases amounted to SEK 627 million, a decrease of roughly SEK 35 million compared to Q2 2021 as higher network capex was offset by lower IT capex driven by improved efficiency.

| Financials<br>SEK million                     | Apr-Jun<br>2022 | Apr-Jun<br>2021 | Organic<br>% | Jan-Jun<br>2022 | Jan-Jun<br>2021 | Organic<br>% |
|---|-----------------|-----------------|--------------|-----------------|-----------------|--------------|
| <b>End-user service revenue</b>               | <b>4,039</b>    | <b>4,009</b>    | <b>1%</b>    | <b>8,018</b>    | <b>7,975</b>    | <b>1%</b>    |
| Revenue                                       | 5,397           | 5,286           | 2%           | 10,761          | 10,621          | 1%           |
| Underlying EBITDA                             | 2,217           | 2,176           |              | 4,459           | 4,313           |              |
| <b>Underlying EBITDAaL</b>                    | <b>1,938</b>    | <b>1,907</b>    | <b>2%</b>    | <b>3,903</b>    | <b>3,771</b>    | <b>3%</b>    |
| Underlying EBITDAaL margin                    | 36%             | 36%             |              | 36%             | 36%             |              |
| <b>Capex</b>                                  |                 |                 |              |                 |                 |              |
| Network                                       | 358             | 339             |              | 678             | 647             |              |
| IT  | 148             | 225             |              | 314             | 446             |              |
| Customer equipment                            | 108             | 88              |              | 210             | 188             |              |
| Other   | 13              | 9               |              | 36              | 27              |              |
| <b>Capex excluding spectrum and leases</b>    | <b>627</b>      | <b>662</b>      |              | <b>1,237</b>    | <b>1,308</b>    |              |
| Spectrum                                      | 40              | —               |              | 40              | 333             |              |
| Right-of-use assets (leases)                  | 213             | 66              |              | 339             | 289             |              |
| <b>Capex</b>                                  | <b>880</b>      | <b>728</b>      |              | <b>1,617</b>    | <b>1,930</b>    |              |
| Capex excluding spectrum and leases / revenue | 12%             | 13%             |              | 11%             | 12%             |              |



## Sweden Consumer

Commercial activity picked up somewhat in the quarter driven by commercial campaigns while restrictions in society driven by the pandemic were removed. Within the TV segment the main focus was on commencing the migration of customers to the new TV Hub and TV Hub mini and the new TV propositions which now includes Viaplay content to higher extent. Total end-user service revenue was flat in the quarter as growth in mobile and fixed broadband was fully offset by decline in legacy services.

Mobile postpaid net intake was strong in the quarter with 21,000 RGUs driven by FMC-bundling and Comviq. Mobile end-user service revenue increased by 2% driven by volume growth and recovering roaming revenue.

Fixed broadband end-user service revenue increased by 2% driven by both ASPU and volume growth.

Digital TV cable & fiber end-user service revenue was flat as ASPU growth fully offset the volume decline. This did not however fully offset the continued decline in the legacy DTT business resulting in Digital TV end-user service revenue declining by 3%.

|                             | Apr-Jun<br>2022   | Apr-Jun<br>2021 | Jun 30<br>2022  | Jun 30<br>2021 | Organic<br>% |
|-----------------------------|-------------------|-----------------|-----------------|----------------|--------------|
| <b>RGUs (thousands)</b>     | <b>Net intake</b> |                 | <b>RGU base</b> |                |              |
| Mobile                      | 37                | 12              | 2,970           | 2,944          | 1%           |
| – Postpaid                  | 21                | -1              | 1,966           | 1,924          | 2%           |
| – Prepaid                   | 16                | 13              | 1,004           | 1,019          | -1%          |
| Fixed                       | -13               | -24             | 2,016           | 2,075          | -3%          |
| – Fixed broadband           | 6                 | 4               | 937             | 920            | 2%           |
| – Digital TV                | -13               | -19             | 905             | 946            | -4%          |
| – Cable & Fiber             | -5                | -12             | 631             | 645            | -2%          |
| – DTT                       | -8                | -7              | 274             | 301            | -9%          |
| – Fixed telephony & DSL     | -6                | -10             | 174             | 209            | -17%         |
| <b>Total RGUs</b>           | <b>24</b>         | <b>-12</b>      | <b>4,986</b>    | <b>5,019</b>   | <b>-1%</b>   |
| Addressable fixed footprint | 32                | -5              | 3,688           | 3,511          | 5%           |

|                                 | Apr-Jun<br>2022 | Apr-Jun<br>2021 | Organic<br>% | Jan-Jun<br>2022 | Jan-Jun<br>2021 | Organic<br>% |
|---------------------------------|-----------------|-----------------|--------------|-----------------|-----------------|--------------|
| <b>ASPU (SEK)</b>               |                 |                 |              |                 |                 |              |
| Mobile                          | 164             | 162             | 1%           | 161             | 160             | 0%           |
| – Postpaid                      | 205             | 205             | 0%           | 203             | 205             | -1%          |
| – Prepaid                       | 83              | 80              | 5%           | 80              | 77              | 3%           |
| Fixed                           | 236             | 232             | 2%           | 235             | 229             | 2%           |
| – Fixed broadband               | 253             | 251             | 0%           | 252             | 249             | 1%           |
| – Digital TV                    | 246             | 244             | 1%           | 245             | 241             | 1%           |
| – Cable & Fiber                 | 223             | 217             | 3%           | 221             | 215             | 3%           |
| – DTT                           | 301             | 300             | 0%           | 297             | 296             | 0%           |
| – Fixed telephony & DSL         | 95              | 93              | 3%           | 95              | 93              | 2%           |
| <b>Revenue (SEK million)</b>    |                 |                 |              |                 |                 |              |
| Mobile                          | 1,453           | 1,428           | 2%           | 2,862           | 2,841           | 1%           |
| – Postpaid                      | 1,203           | 1,186           | 1%           | 2,382           | 2,367           | 1%           |
| – Prepaid                       | 249             | 242             | 3%           | 480             | 473             | 1%           |
| Fixed                           | 1,432           | 1,450           | -1%          | 2,859           | 2,887           | -1%          |
| – Fixed broadband               | 708             | 692             | 2%           | 1,412           | 1,370           | 3%           |
| – Digital TV                    | 674             | 698             | -3%          | 1,344           | 1,393           | -4%          |
| – Cable & Fiber                 | 424             | 424             | 0%           | 843             | 844             | 0%           |
| – DTT                           | 250             | 274             | -9%          | 501             | 550             | -9%          |
| – Fixed telephony & DSL         | 51              | 60              | -15%         | 103             | 123             | -16%         |
| Landlord & Other                | 165             | 168             | -1%          | 336             | 338             | -1%          |
| <b>End-user service revenue</b> | <b>3,050</b>    | <b>3,046</b>    | <b>0%</b>    | <b>6,056</b>    | <b>6,066</b>    | <b>0%</b>    |
| Operator revenue                | 194             | 183             |              | 382             | 357             |              |
| Equipment revenue               | 435             | 414             |              | 873             | 906             |              |
| Internal sales                  | 0               | 0               |              | 0               | 0               |              |
| <b>Revenue</b>                  | <b>3,679</b>    | <b>3,643</b>    | <b>1%</b>    | <b>7,311</b>    | <b>7,329</b>    | <b>0%</b>    |

## Sweden Business and Wholesale

In Sweden B2B the commercial momentum continued and we saw strong results in both the SME and large segments. The focus in the SME segment continued to be on improving efficiency and driving simplification through standardized commercial contracts, enhancing our FMC capabilities. In the large private segment we have continued our focus on network and security while focusing on our emerging services such as private mobile network in order to increase sales activities and order intake. In the large public segment we signed a major governmental contract, which will serve as a framework for other public tenders for both communication and infrastructure products.

Mobile net intake was positive in the quarter with 23,000 RGUs driven by improved net intake in both the SME and large segments.

End-user service revenue increased by 3% driven by mobile on the back of volume growth and stabilized ASPU and slight tailwind from roaming, offsetting the decline in legacy fixed services.

Operator revenue for Sweden Wholesale increased by 9% driven by increased sales within A2P (application to person) and visitor roaming.

### Sweden Business

|                                 | Apr-Jun 2022 | Apr-Jun 2021 |           | Jun 30 2022  | Jun 30 2021  | Organic % |
|---------------------------------|--------------|--------------|-----------|--------------|--------------|-----------|
|                                 | Net intake   |              |           | RGU base     |              |           |
| RGUs (thousands)                |              |              |           |              |              |           |
| Mobile (excluding IoT)          |              |              |           |              |              |           |
| – Postpaid                      | 23           | 10           |           | 1,060        | 974          | 9%        |
|                                 |              |              |           |              |              |           |
|                                 | Apr-Jun 2022 | Apr-Jun 2021 | Organic % | Jan-Jun 2022 | Jan-Jun 2021 | Organic % |
| ASPU (SEK)                      |              |              |           |              |              |           |
| Mobile (excluding IoT)          |              |              |           |              |              |           |
| – Postpaid                      | 134          | 133          | 1%        | 134          | 134          | 0%        |
| Revenue (SEK million)           |              |              |           |              |              |           |
| Mobile                          | 503          | 454          | 11%       | 990          | 907          | 9%        |
| Fixed                           | 207          | 231          | -10%      | 419          | 465          | -10%      |
| Solutions                       | 279          | 277          | 1%        | 553          | 536          | 3%        |
| <b>End-user service revenue</b> | <b>989</b>   | <b>962</b>   | <b>3%</b> | <b>1,962</b> | <b>1,909</b> | <b>3%</b> |
| Operator revenue                | 26           | 23           |           | 51           | 48           |           |
| Equipment revenue               | 417          | 395          |           | 874          | 840          |           |
| Internal sales                  | 1            | 1            |           | 2            | 1            |           |
| <b>Revenue</b>                  | <b>1,432</b> | <b>1,382</b> | <b>4%</b> | <b>2,889</b> | <b>2,798</b> | <b>3%</b> |

### Sweden Wholesale

| Financials<br>SEK million | Apr-Jun 2022 | Apr-Jun 2021 | Organic % | Jan-Jun 2022 | Jan-Jun 2021 | Organic %  |
|---------------------------|--------------|--------------|-----------|--------------|--------------|------------|
| Operator revenue          | 284          | 260          |           | 558          | 490          |            |
| Internal sales            | 1            | 1            |           | 2            | 3            |            |
| <b>Revenue</b>            | <b>286</b>   | <b>261</b>   | <b>9%</b> | <b>560</b>   | <b>493</b>   | <b>14%</b> |

# Baltics

## Lithuania

In Lithuania we continued to execute on our more-for-more strategy by prolonging and upselling existing customers, yielding good results. The 700 MHz and 3.5 GHz spectrum auctions are ongoing and we hope to commence the nationwide 5G roll-out as fast as possible. During the quarter, the NRA acknowledged that Tele2's 4G network has the best coverage in terms of average signal strength.

Mobile net intake was positive with 26,000 RGUs driven by both post-paid and prepaid. Mobile ASPU increased by 10% in local currency driven by price adjustments through more-for-more campaigns and slight tailwind from roaming.

End-user service revenue increased by 15% in local currency primarily driven by ASPU and volume growth in mobile postpaid.

Underlying EBITDAaL increased by 11% in local currency driven by higher end-user service revenue, offsetting pressure from higher inflation rates.

|                         | Apr-Jun<br>2022   | Apr-Jun<br>2021 |  | Jun 30<br>2022  | Jun 30<br>2021 | Organic<br>% |
|-------------------------|-------------------|-----------------|--|-----------------|----------------|--------------|
| <b>RGUs (thousands)</b> | <b>Net intake</b> |                 |  | <b>RGU base</b> |                |              |
| Mobile                  | 26                | 19              |  | 1,974           | 1,901          | 4%           |
| – Postpaid              | 14                | 14              |  | 1,291           | 1,214          | 6%           |
| – Prepaid               | 12                | 5               |  | 683             | 687            | -1%          |

|   | Apr-Jun<br>2022 | Apr-Jun<br>2021 | Organic<br>% | Jan-Jun<br>2022 | Jan-Jun<br>2021 | Organic<br>% |
|---|-----------------|-----------------|--------------|-----------------|-----------------|--------------|
| <b>ASPU (EUR)</b>                             |                 |                 |              |                 |                 |              |
| Mobile  | 8.3             | 7.5             | 10%          | 8.1             | 7.3             | 11%          |
| – Postpaid                                    | 10.2            | 9.3             | 10%          | 10.1            | 9.1             | 10%          |
| – Prepaid                                     | 4.7             | 4.5             | 4%           | 4.6             | 4.2             | 8%           |
| <b>Revenue (SEK million)</b>                  |                 |                 |              |                 |                 |              |
| Mobile  | 509             | 434             | 14%          | 1,003           | 842             | 15%          |
| – Postpaid                                    | 409             | 340             | 17%          | 808             | 664             | 18%          |
| – Prepaid                                     | 99              | 94              | 3%           | 196             | 178             | 6%           |
| Fixed   | 3               | 1               | N/A          | 5               | 2               | N/A          |
| <b>End-user service revenue</b>               | <b>511</b>      | <b>435</b>      | <b>15%</b>   | <b>1,008</b>    | <b>844</b>      | <b>15%</b>   |
| Operator revenue                              | 48              | 56              |              | 100             | 115             |              |
| Equipment revenue                             | 257             | 243             |              | 505             | 452             |              |
| Internal sales                                | 18              | 14              |              | 32              | 27              |              |
| <b>Revenue</b>                                | <b>835</b>      | <b>747</b>      | <b>9%</b>    | <b>1,646</b>    | <b>1,439</b>    | <b>11%</b>   |
| Underlying EBITDA                             | 336             | 296             |              | 662             | 584             |              |
| <b>Underlying EBITDAaL</b>                    | <b>317</b>      | <b>279</b>      | <b>11%</b>   | <b>622</b>      | <b>550</b>      | <b>9%</b>    |
| Underlying EBITDAaL margin                    | 38%             | 37%             |              | 38%             | 38%             |              |
| Capex   | 61              | 50              |              | 108             | 87              |              |
| <b>Capex excluding spectrum and leases</b>    | <b>50</b>       | <b>35</b>       |              | <b>79</b>       | <b>58</b>       |              |
| Capex excluding spectrum and leases / revenue | 6%              | 5%              |              | 5%              | 4%              |              |

## Latvia

In Latvia we continued to focus on our more-for-more strategy by monetizing increased data demand and migrating customers from prepaid to postpaid. During the quarter we launched our fixed connectivity offer through a third-party wholesale provider, enabling us with FMC capabilities in our sales channels.

Mobile net intake was positive with 10,000 RGUs in the quarter driven by strong net intake in mobile postpaid while prepaid was slightly negative.

Mobile ASPU increased by 8% in local currency driven by price adjustments, data monetization through upselling and a slight roaming recovery.

End-user service revenue increased by 11% in local currency driven by ASPU and volume growth in postpaid.

Underlying EBITDAaL increased by 8% in local currency driven by end-user service revenue growth, offsetting pressure from higher inflation rates.

|                         | Apr-Jun<br>2022   | Apr-Jun<br>2021 |  | Jun 30<br>2022  | Jun 30<br>2021 | Organic<br>% |
|-------------------------|-------------------|-----------------|--|-----------------|----------------|--------------|
| <b>RGUs (thousands)</b> | <b>Net intake</b> |                 |  | <b>RGU base</b> |                |              |
| Mobile                  | 10                | 6               |  | 1,010           | 986            | 2%           |
| – Postpaid              | 11                | 20              |  | 776             | 734            | 6%           |
| – Prepaid               | -0                | -14             |  | 234             | 253            | -7%          |

|   | Apr-Jun<br>2022 | Apr-Jun<br>2021 | Organic<br>% | Jan-Jun<br>2022 | Jan-Jun<br>2021 | Organic<br>% |
|---|-----------------|-----------------|--------------|-----------------|-----------------|--------------|
| <b>ASPU (EUR)</b>                             |                 |                 |              |                 |                 |              |
| Mobile  | 8.5             | 7.9             | 8%           | 8.4             | 7.7             | 9%           |
| – Postpaid                                    | 9.9             | 9.4             | 6%           | 9.8             | 9.2             | 6%           |
| – Prepaid                                     | 3.9             | 3.7             | 5%           | 3.7             | 3.6             | 4%           |
| <b>Revenue (SEK million)</b>                  |                 |                 |              |                 |                 |              |
| Mobile  | 268             | 236             | 11%          | 528             | 459             | 11%          |
| – Postpaid                                    | 239             | 206             | 13%          | 473             | 402             | 14%          |
| – Prepaid                                     | 29              | 29              | -5%          | 55              | 57              | -6%          |
| Fixed   | 1               | 1               | 42%          | 2               | 1               | 47%          |
| <b>End-user service revenue</b>               | <b>269</b>      | <b>237</b>      | <b>11%</b>   | <b>530</b>      | <b>460</b>      | <b>11%</b>   |
| Operator revenue                              | 35              | 43              |              | 69              | 87              |              |
| Equipment revenue                             | 85              | 74              |              | 166             | 150             |              |
| Internal sales                                | 9               | 10              |              | 19              | 19              |              |
| <b>Revenue</b>                                | <b>398</b>      | <b>363</b>      | <b>7%</b>    | <b>785</b>      | <b>716</b>      | <b>6%</b>    |
| Underlying EBITDA                             | 172             | 156             |              | 338             | 301             |              |
| <b>Underlying EBITDAaL</b>                    | <b>160</b>      | <b>144</b>      | <b>8%</b>    | <b>314</b>      | <b>279</b>      | <b>9%</b>    |
| Underlying EBITDAaL margin                    | 40%             | 40%             |              | 40%             | 39%             |              |
| Capex   | 56              | 23              |              | 81              | 46              |              |
| <b>Capex excluding spectrum and leases</b>    | <b>26</b>       | <b>16</b>       |              | <b>37</b>       | <b>29</b>       |              |
| Capex excluding spectrum and leases / revenue | 6%              | 5%              |              | 5%              | 4%              |              |

## Estonia

In Estonia we saw the commercial momentum continuing with successful customer acquisitions while focusing on operational efficiency to offset inflation pressure. The 3.5 GHz spectrum auction is ongoing and we expect the 700 MHz spectrum auction to commence later this year. Mobile net intake was positive with 10,000 RGUs in the quarter driven by both postpaid

and prepaid. Mobile ASPU increased by 3% in local currency driven by price adjustments, upselling and slight impact from roaming.

End-user service revenue increased by 8% in local currency driven by ASPU and volume growth.

Underlying EBITDAaL increased by 11% in local currency driven by end-user service revenue.

|   | Apr-Jun<br>2022   | Apr-Jun<br>2021 |              | Jun 30<br>2022  | Jun 30<br>2021  | Organic<br>% |
|---|-------------------|-----------------|--------------|-----------------|-----------------|--------------|
| <b>RGUs (thousands)</b>                       | <b>Net intake</b> |                 |              | <b>RGU base</b> |                 |              |
| Mobile  | 10                | 3               |              | 455             | 439             | 4%           |
| – Postpaid                                    | 8                 | 1               |              | 394             | 386             | 2%           |
| – Prepaid                                     | 2                 | 2               |              | 61              | 53              | 16%          |
|   | Apr-Jun<br>2022   | Apr-Jun<br>2021 | Organic<br>% | Jan-Jun<br>2022 | Jan-Jun<br>2021 | Organic<br>% |
| <b>ASPU (EUR)</b>                             |                   |                 |              |                 |                 |              |
| Mobile  | 9.6               | 9.3             | 3%           | 9.5             | 9.1             | 5%           |
| – Postpaid                                    | 10.5              | 10.0            | 5%           | 10.4            | 9.9             | 5%           |
| – Prepaid                                     | 3.5               | 3.4             | 1%           | 3.5             | 3.2             | 9%           |
| <b>Revenue (SEK million)</b>                  |                   |                 |              |                 |                 |              |
| Mobile  | 135               | 123             | 7%           | 266             | 242             | 7%           |
| – Postpaid                                    | 128               | 118             | 6%           | 254             | 231             | 6%           |
| – Prepaid                                     | 7                 | 5               | 19%          | 13              | 10              | 19%          |
| Fixed   | 14                | 12              | 20%          | 28              | 24              | 12%          |
| <b>End-user service revenue</b>               | <b>149</b>        | <b>135</b>      | <b>8%</b>    | <b>294</b>      | <b>265</b>      | <b>7%</b>    |
| Operator revenue                              | 22                | 25              | -16%         | 43              | 49              | -16%         |
| Equipment revenue                             | 49                | 41              | 17%          | 92              | 82              | 8%           |
| Internal sales                                | 2                 | 2               | 0%           | 5               | 4               | 13%          |
| <b>Revenue</b>                                | <b>222</b>        | <b>203</b>      | <b>6%</b>    | <b>433</b>      | <b>400</b>      | <b>5%</b>    |
| Underlying EBITDA                             | 65                | 58              |              | 129             | 119             |              |
| <b>Underlying EBITDAaL</b>                    | <b>48</b>         | <b>42</b>       | <b>11%</b>   | <b>95</b>       | <b>87</b>       | <b>5%</b>    |
| Underlying EBITDAaL margin                    | 22%               | 21%             |              | 22%             | 22%             |              |
| Capex   | 40                | 17              |              | 68              | 47              |              |
| <b>Capex excluding spectrum and leases</b>    | <b>35</b>         | <b>16</b>       |              | <b>54</b>       | <b>37</b>       |              |
| Capex excluding spectrum and leases / revenue | 16%               | 8%              |              | 13%             | 9%              |              |

# Other items

## Risks and uncertainty factors

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 Annual and Sustainability Report 2021 (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 September 30, 2022 on October 20, 2022 and the period ending December 31, 2022 on January 31, 2023.

## Auditors' review report

This report has been subject to a limited review by Tele2's auditors.

# Board's assurance

The Board of Directors and CEO declare that the 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, July 19, 2022  
Tele2 AB

Carla Smits-Nusteling  
*Chairman*

Andrew Barron  
*Deputy Chairman*

Eva Lindqvist

Georgi Ganev

Lars-Åke Norling

Sam Kini

Stina Bergfors

Kjell Johnsen  
*President and CEO*

# Auditors' review report

## Introduction

We have reviewed the interim report for Tele2 AB (publ) for the period January 1 - June 30, 2022. The Board of Directors and the President are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

## Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is substantially less in scope than an audit conducted in accordance with ISA and other generally accepted auditing practices. The procedures performed in a review do not enable us to obtain a level of assurance that would make us aware of all significant matters that might be identified in an audit. Therefore, the conclusion expressed based on a review does not give the same level of assurance as a conclusion expressed based on an audit.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not, in all material respects, prepared for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm, July 19, 2022

Deloitte AB

Didrik Roos  
*Authorized Public Accountant*

## Q2 2022 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 Tuesday, July 19, 2022. 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 July 19, 2022.

### 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) 8 566 426 51  
UK: +44 (0) 333 300 0804  
US: +1 631 913 1422

## Contacts

### Patrik Johannesson

Head of Investor Relations  
Telephone: +46 (0)73 966 83 84

### Tele2 AB

Company registration nr: 556410-8917  
P.O. Box 62  
SE-164 94 Kista, Stockholms län  
Sweden  
Tel + 46 (0) 8 5620 0060  
[www.tele2.com](http://www.tele2.com)

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

## Appendices

Condensed consolidated income statement  
Condensed consolidated comprehensive income  
Condensed consolidated balance sheet  
Condensed consolidated cash flow statement  
Condensed consolidated statement of changes in equity  
Parent company  
Notes  
Non-IFRS measures  
Other financial metrics



# Condensed consolidated income statement

| SEK million   | Note | Apr-Jun<br>2022 | Apr-Jun<br>2021 | Jan-Jun<br>2022 | Jan-Jun<br>2021 |
|---|------|-----------------|-----------------|-----------------|-----------------|
| Revenue   | 2    | 6,820           | 6,572           | 13,565          | 13,122          |
| Cost of services provided and equipment sold                  | 3    | -4,075          | -3,916          | -8,073          | -7,758          |
| <b>Gross profit</b>   |      | <b>2,745</b>    | <b>2,655</b>    | <b>5,492</b>    | <b>5,364</b>    |
| Selling expenses  | 3    | -1,116          | -1,097          | -2,091          | -2,149          |
| Administrative expenses                                       | 3    | -545            | -529            | -1,077          | -1,035          |
| Result from shares in associated companies and joint ventures | 4    | -1              | 22              | 1,670           | 35              |
| Other operating income  | 3    | 69              | 55              | 119             | 121             |
| Other operating expenses                                      | 3    | -11             | -44             | -69             | -72             |
| <b>Operating profit</b>                                       | 3    | <b>1,140</b>    | <b>1,062</b>    | <b>4,044</b>    | <b>2,264</b>    |
| Interest income   |      | 6               | 4               | 12              | 9               |
| Interest expenses   |      | -131            | -100            | -248            | -226            |
| Other financial items   |      | 6               | 7               | -113            | -3              |
| <b>Profit after financial items</b>                           |      | <b>1,022</b>    | <b>972</b>      | <b>3,695</b>    | <b>2,044</b>    |
| Income tax  |      | -175            | 173             | -377            | -32             |
| <b>Net profit, continuing operations</b>                      |      | <b>847</b>      | <b>1,146</b>    | <b>3,318</b>    | <b>2,012</b>    |
| Net profit/loss discontinued operations                       | 10   | 1               | 222             | 4               | 220             |
| <b>Net profit, total operations</b>                           |      | <b>847</b>      | <b>1,367</b>    | <b>3,322</b>    | <b>2,232</b>    |
| <b>Continuing operations</b>                                  |      |                 |                 |                 |                 |
| <i>Attributable to:</i>                                       |      |                 |                 |                 |                 |
| Equity holders of the parent company                          |      | 847             | 1,146           | 3,318           | 2,012           |
| <b>Net profit, continuing operations</b>                      |      | <b>847</b>      | <b>1,146</b>    | <b>3,318</b>    | <b>2,012</b>    |
| Earnings per share (SEK)                                      | 8    | 1.22            | 1.66            | 4.81            | 2.92            |
| Earnings per share, after dilution (SEK)                      | 8    | 1.22            | 1.65            | 4.78            | 2.90            |
| <b>Total operations</b>                                       |      |                 |                 |                 |                 |
| <i>Attributable to:</i>                                       |      |                 |                 |                 |                 |
| Equity holders of the parent company                          |      | 847             | 1,367           | 3,322           | 2,232           |
| <b>Net profit, total operations</b>                           |      | <b>847</b>      | <b>1,367</b>    | <b>3,322</b>    | <b>2,232</b>    |
| Earnings per share (SEK)                                      | 8    | 1.23            | 1.98            | 4.81            | 3.24            |
| Earnings per share, after dilution (SEK)                      | 8    | 1.22            | 1.97            | 4.79            | 3.22            |

# Condensed consolidated comprehensive income

| SEK million  | Note | Apr-Jun<br>2022 | Apr-Jun<br>2021 | Jan-Jun<br>2022 | Jan-Jun<br>2021 |
|--|------|-----------------|-----------------|-----------------|-----------------|
| <b>NET PROFIT</b>  |      | <b>847</b>      | <b>1,367</b>    | <b>3,322</b>    | <b>2,232</b>    |
| <b>Components not to be reclassified to net profit</b>         |      |                 |                 |                 |                 |
| Pensions, actuarial gains/losses                               |      | 99              | 31              | 95              | 59              |
| Pensions, actuarial gains/losses, tax effect                   |      | -20             | -6              | -20             | -12             |
| <b>Components not to be reclassified to net profit/loss</b>    |      | <b>79</b>       | <b>24</b>       | <b>75</b>       | <b>47</b>       |
| <b>Components that may be reclassified to net profit</b>       |      |                 |                 |                 |                 |
| Translation differences in foreign operations                  |      | 170             | -67             | 221             | 45              |
| Translation differences in associated companies                | 4    | 1               | -79             | -6              | 61              |
| Translation differences  |      | 171             | -146            | 215             | 106             |
| Hedge of net investments in foreign operations                 |      | -111            | 37              | -54             | -28             |
| Tax effect on above  |      | 23              | -8              | 11              | 6               |
| Hedge of net investments                                       |      | -88             | 29              | -43             | -23             |
| <b>Exchange rate differences</b>                               |      | <b>83</b>       | <b>-117</b>     | <b>172</b>      | <b>83</b>       |
| Profit arising on changes in fair value of hedging instruments |      | 46              | 7               | 107             | 32              |
| Reclassified cumulative profit/loss to income statement        |      | -9              | -7              | -16             | -14             |
| Tax effect on cash flow hedges                                 |      | -8              | 0               | -19             | -4              |
| <b>Cash flow hedges</b>  |      | <b>29</b>       | <b>-0</b>       | <b>72</b>       | <b>14</b>       |
| <b>Components that may be reclassified to net profit/loss</b>  |      | <b>112</b>      | <b>-117</b>     | <b>245</b>      | <b>97</b>       |
| <b>OTHER COMPREHENSIVE INCOME FOR THE PERIOD, NET OF TAX</b>   |      | <b>191</b>      | <b>-93</b>      | <b>320</b>      | <b>144</b>      |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>               |      | <b>1,038</b>    | <b>1,274</b>    | <b>3,642</b>    | <b>2,376</b>    |
| <i>Attributable to:</i>  |      |                 |                 |                 |                 |
| Equity holders of the parent company                           |      | 1,038           | 1,274           | 3,642           | 2,376           |
| <b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>               |      | <b>1,038</b>    | <b>1,274</b>    | <b>3,642</b>    | <b>2,376</b>    |

# Condensed consolidated balance sheet

| SEK million  | Note | Jun 30<br>2022 | Dec 31<br>2021 |
|--|------|----------------|----------------|
| <b>ASSETS</b>  |      |                |                |
| Goodwill   |      | 29,801         | 29,695         |
| Other intangible assets  |      | 14,792         | 15,806         |
| <b>Intangible assets</b>   |      | <b>44,593</b>  | <b>45,501</b>  |
| Tangible assets  |      | 7,898          | 7,825          |
| Right-of-use assets  |      | 5,136          | 5,408          |
| Shares in associated companies and joint ventures                              | 4    | 6              | 7              |
| Other financial assets   | 5    | 850            | 758            |
| Capitalized contract costs   |      | 545            | 505            |
| Deferred tax assets  |      | 123            | 164            |
| <b>Non-current assets</b>  |      | <b>59,150</b>  | <b>60,167</b>  |
| Inventories  |      | 1,099          | 769            |
| Current receivables  |      | 5,303          | 4,978          |
| Current investments  |      | 82             | —              |
| Cash and cash equivalents  | 6    | 591            | 880            |
| <b>Current assets</b>  |      | <b>7,075</b>   | <b>6,627</b>   |
| <b>Assets classified as held for sale</b>                                      | 10   | <b>79</b>      | <b>7,458</b>   |
| <b>TOTAL ASSETS</b>  |      | <b>66,305</b>  | <b>74,251</b>  |
| <b>EQUITY AND LIABILITIES</b>  |      |                |                |
| Attributable to equity holders of the parent company                           |      | 21,196         | 31,142         |
| <b>Equity</b>  | 8    | <b>21,196</b>  | <b>31,142</b>  |
| Interest-bearing liabilities   | 5    | 28,336         | 28,331         |
| Non-interest-bearing liabilities   |      | 3,872          | 4,120          |
| <b>Non-current liabilities</b>   |      | <b>32,208</b>  | <b>32,452</b>  |
| Interest-bearing liabilities   | 5    | 4,233          | 4,116          |
| Non-interest-bearing liabilities   |      | 8,200          | 6,080          |
| <b>Current liabilities</b>   |      | <b>12,433</b>  | <b>10,195</b>  |
| <b>Liabilities directly associated with assets classified as held for sale</b> | 10   | <b>468</b>     | <b>462</b>     |
| <b>TOTAL EQUITY AND LIABILITIES</b>  |      | <b>66,305</b>  | <b>74,251</b>  |

# Condensed consolidated cash flow statement

| Total operations<br>SEK million                        | Note | Apr-Jun<br>2022 | Apr-Jun<br>2021 | Jan-Jun<br>2022 | Jan-Jun<br>2021 |
|--|------|-----------------|-----------------|-----------------|-----------------|
| <b>Operating activities</b>                            |      |                 |                 |                 |                 |
| Net profit   |      | 847             | 1,367           | 3,322           | 2,232           |
| Adjustments for non-cash items in net profit           |      | 1,356           | 742             | 1,151           | 2,190           |
| Changes in working capital                             |      | -323            | 80              | -546            | 54              |
| <b>Cash flow from operating activities</b>             |      | <b>1,881</b>    | <b>2,189</b>    | <b>3,926</b>    | <b>4,476</b>    |
| <b>Investing activities</b>                            |      |                 |                 |                 |                 |
| Additions to intangible and tangible assets            |      | -855            | -652            | -1,609          | -1,738          |
| Acquisition and sale of shares and participations      | 9    | -15             | 32              | 8,972           | 32              |
| Other financial assets, lending                        |      | -82             | —               | -82             | —               |
| <b>Cash flow from investing activities</b>             |      | <b>-953</b>     | <b>-620</b>     | <b>7,281</b>    | <b>-1,706</b>   |
| <b>Financing activities</b>                            |      |                 |                 |                 |                 |
| Proceeds from loans                                    |      | 1,885           | 1,324           | 3,231           | 4,404           |
| Repayments of loans                                    |      | -719            | -3,348          | -3,770          | -3,934          |
| Dividends paid   | 8    | -11,315         | -2,066          | -11,315         | -2,066          |
| <b>Cash flow from financing activities</b>             |      | <b>-10,149</b>  | <b>-4,090</b>   | <b>-11,853</b>  | <b>-1,595</b>   |
| <b>Net change in cash and cash equivalents</b>         |      | <b>-9,221</b>   | <b>-2,521</b>   | <b>-646</b>     | <b>1,174</b>    |
| Cash and cash equivalents at beginning of period       |      | 9,567           | 4,686           | 880             | 970             |
| Exchange rate differences in cash and cash equivalents |      | 245             | -24             | 357             | -3              |
| <b>Cash and cash equivalents at end of the period</b>  | 6    | <b>591</b>      | <b>2,141</b>    | <b>591</b>      | <b>2,141</b>    |

# Condensed consolidated statements of changes in equity

| Total operations<br>SEK million                       | Note | Jun 30, 2022   |                       |               |                     |                   |              |
|---|------|--|-----------------------|---------------|---------------------|-------------------|--------------|
|   |      | 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>                            |      | 866  | 27,378                | -301          | 152                 | 3,047             | 31,142       |
| Net profit  |      | —  | —                     | —             | —                   | 3,322             | 3,322        |
| Other comprehensive income for the period, net of tax |      | —  | —                     | 29            | 215                 | 75                | 320          |
| <b>Total comprehensive income for the period</b>      |      | —  | —                     | 29            | 215                 | 3,397             | 3,642        |
| <b>Other changes in equity</b>                        |      |  |                       |               |                     |                   |              |
| Share-based payments                                  | 8    | —  | —                     | —             | —                   | 34                | 34           |
| Share-based payments, tax effect                      | 8    | —  | —                     | —             | —                   | 7                 | 7            |
| New shares issues                                     | 8    | 3  | —                     | —             | —                   | —                 | 3            |
| Repurchase of own shares                              | 8    | —  | —                     | —             | —                   | -3                | -3           |
| Dividends   | 8    | —  | —                     | —             | —                   | -13,629           | -13,629      |
| <b>Equity at end of the period</b>                    |      | 869  | 27,378                | -272          | 367                 | -7,147            | 21,196       |

| Total operations<br>SEK million                       | Note | Jun 30, 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  |      | —  | —                     | —             | —                   | 2,232             | 2,232        |
| Other comprehensive income for the period, net of tax |      | —  | —                     | -9            | 106                 | 47                | 144          |
| <b>Total comprehensive income for the period</b>      |      | —  | —                     | -9            | 106                 | 2,279             | 2,376        |
| <b>Other changes in equity</b>                        |      |  |                       |               |                     |                   |              |
| Share-based payments                                  | 8    | —  | —                     | —             | —                   | 27                | 27           |
| Share-based payments, tax effect                      | 8    | —  | —                     | —             | —                   | 3                 | 3            |
| New share issues                                      | 8    | 3  | —                     | —             | —                   | —                 | 3            |
| Repurchase of own shares                              | 8    | —  | —                     | —             | —                   | -3                | -3           |
| Dividends   | 8    | —  | —                     | —             | —                   | -6,205            | -6,205       |
| <b>Equity at end of the period</b>                    |      | 866  | 27,378                | -211          | 27                  | 893               | 28,953       |

# Parent company

## Condensed income statement

| SEK million                              | Apr-Jun<br>2022 | Apr-Jun<br>2021 | Jan-Jun<br>2022 | Jan-Jun<br>2021 |
|--|-----------------|-----------------|-----------------|-----------------|
| Revenue                                  | 12              | 9               | 24              | 22              |
| Administrative expenses                  | -20             | -32             | -46             | -73             |
| Other operating expenses                 | 0               | -1              | 0               | -2              |
| <b>Operating loss</b>                    | <b>-8</b>       | <b>-25</b>      | <b>-22</b>      | <b>-53</b>      |
| Dividend from group company              | 6,300           | —               | 6,300           | —               |
| Interest revenue and similar income      | 45              | 40              | 95              | 78              |
| Interest expense and similar costs       | -213            | -54             | -426            | -217            |
| <b>Profit/loss after financial items</b> | <b>6,123</b>    | <b>-40</b>      | <b>5,948</b>    | <b>-192</b>     |
| Appropriations, group contribution       |                 |                 |                 |                 |
| Tax on profit/loss                       | 36              | 8               | 64              | 39              |
| <b>Net profit/loss</b>                   | <b>6,159</b>    | <b>-32</b>      | <b>6,012</b>    | <b>-153</b>     |

## Condensed balance sheet

| SEK million                         | Note | Jun 30<br>2022 | Dec 31<br>2021 |
|-------------------------------------|------|----------------|----------------|
| <b>ASSETS</b>                       |      |                |                |
| Financial assets                    |      | 72,747         | 72,347         |
| <b>Non-current assets</b>           |      | <b>72,747</b>  | <b>72,347</b>  |
| Current receivables                 |      | 392            | 3,536          |
| Current investments                 |      | 82             | —              |
| <b>Current assets</b>               |      | <b>475</b>     | <b>3,536</b>   |
| <b>TOTAL ASSETS</b>                 |      | <b>73,221</b>  | <b>75,884</b>  |
| <b>EQUITY AND LIABILITIES</b>       |      |                |                |
| Restricted equity                   | 8    | 5,854          | 5,851          |
| Unrestricted equity                 | 8    | 31,664         | 39,177         |
| <b>Equity</b>                       |      | <b>37,519</b>  | <b>45,028</b>  |
| <b>Untaxed reserves</b>             |      | <b>230</b>     | <b>230</b>     |
| Interest-bearing liabilities        | 5    | 27,894         | 27,502         |
| <b>Non-current liabilities</b>      |      | <b>27,895</b>  | <b>27,502</b>  |
| Interest-bearing liabilities        | 5    | 5,170          | 2,793          |
| Non-interest-bearing liabilities    |      | 2,407          | 330            |
| <b>Current liabilities</b>          |      | <b>7,578</b>   | <b>3,123</b>   |
| <b>TOTAL EQUITY AND LIABILITIES</b> |      | <b>73,221</b>  | <b>75,884</b>  |

# Notes

## NOTE 1 ACCOUNTING PRINCIPLES AND DEFINITIONS

The interim financial information for the Group for the six month period ended June 30, 2022 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 June 30, 2022 in accordance with the accounting policies and principles applied in the Annual and Sustainability Report 2021. The description of these principles and definitions are found in Note 1 in the Annual and Sustainability Report 2021. 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, 2022 have no effects to Tele2's financial reports for the six month period ended June 30, 2022.

Figures presented in this report refer to April 1 – June 30 (Q2), 2022 and continuing operations unless otherwise stated. Figures shown in parentheses refer to the comparable periods in 2021.

## NOTE 2 REVENUE AND SEGMENTS

### Revenue per segment

| Continuing operations<br>SEK million  | Apr-Jun<br>2022 | Apr-Jun<br>2021 | Jan-Jun<br>2022 | Jan-Jun<br>2021 |
|---------------------------------------|-----------------|-----------------|-----------------|-----------------|
| Sweden                                | 5,397           | 5,286           | 10,761          | 10,621          |
| Lithuania                             | 835             | 747             | 1,646           | 1,439           |
| Latvia                                | 398             | 363             | 785             | 716             |
| Estonia                               | 222             | 203             | 433             | 400             |
| <b>Total including internal sales</b> | <b>6,852</b>    | <b>6,600</b>    | <b>13,625</b>   | <b>13,177</b>   |
| Internal sales, elimination           | -32             | -28             | -60             | -55             |
| <b>TOTAL</b>                          | <b>6,820</b>    | <b>6,572</b>    | <b>13,565</b>   | <b>13,122</b>   |

### Internal sales

| Continuing operations<br>SEK million | Apr-Jun<br>2022 | Apr-Jun<br>2021 | Jan-Jun<br>2022 | Jan-Jun<br>2021 |
|--------------------------------------|-----------------|-----------------|-----------------|-----------------|
| Sweden                               | 2               | 2               | 4               | 5               |
| Lithuania                            | 18              | 14              | 32              | 27              |
| Latvia                               | 9               | 10              | 19              | 19              |
| Estonia                              | 2               | 2               | 5               | 4               |
| <b>TOTAL</b>                         | <b>32</b>       | <b>28</b>       | <b>60</b>       | <b>55</b>       |

### Revenue split per category

| Continuing operations<br>SEK million | Apr-Jun<br>2022 | Apr-Jun<br>2021 | Jan-Jun<br>2022 | Jan-Jun<br>2021 |
|--------------------------------------|-----------------|-----------------|-----------------|-----------------|
| <b>Sweden Consumer</b>               |                 |                 |                 |                 |
| End-user service revenue             | 3,050           | 3,046           | 6,056           | 6,066           |
| Operator revenue                     | 194             | 183             | 382             | 357             |
| Equipment revenue                    | 435             | 414             | 873             | 906             |
| Internal sales                       | 0               | 0               | 0               | 0               |
| <b>Total</b>                         | <b>3,679</b>    | <b>3,643</b>    | <b>7,311</b>    | <b>7,329</b>    |
| <b>Sweden Business</b>               |                 |                 |                 |                 |
| End-user service revenue             | 989             | 962             | 1,962           | 1,909           |
| Operator revenue                     | 26              | 23              | 51              | 48              |
| Equipment revenue                    | 417             | 395             | 874             | 840             |
| Internal sales                       | 1               | 1               | 2               | 1               |
| <b>Total</b>                         | <b>1,432</b>    | <b>1,382</b>    | <b>2,889</b>    | <b>2,798</b>    |
| <b>Sweden Wholesale</b>              |                 |                 |                 |                 |
| Operator revenue                     | 284             | 260             | 558             | 490             |
| Internal sales                       | 1               | 1               | 2               | 3               |
| <b>Total</b>                         | <b>286</b>      | <b>261</b>      | <b>560</b>      | <b>493</b>      |
| <b>Lithuania</b>                     |                 |                 |                 |                 |
| End-user service revenue             | 511             | 435             | 1,008           | 844             |
| Operator revenue                     | 48              | 56              | 100             | 115             |
| Equipment revenue                    | 257             | 243             | 505             | 452             |
| Internal sales                       | 18              | 14              | 32              | 27              |
| <b>Total</b>                         | <b>835</b>      | <b>747</b>      | <b>1,646</b>    | <b>1,439</b>    |
| <b>Latvia</b>                        |                 |                 |                 |                 |
| End-user service revenue             | 269             | 237             | 530             | 460             |
| Operator revenue                     | 35              | 43              | 69              | 87              |
| Equipment revenue                    | 85              | 74              | 166             | 150             |
| Internal sales                       | 9               | 10              | 19              | 19              |
| <b>Total</b>                         | <b>398</b>      | <b>363</b>      | <b>785</b>      | <b>716</b>      |
| <b>Estonia</b>                       |                 |                 |                 |                 |
| End-user service revenue             | 149             | 135             | 294             | 265             |
| Operator revenue                     | 22              | 25              | 43              | 49              |
| Equipment revenue                    | 49              | 41              | 92              | 82              |
| Internal sales                       | 2               | 2               | 5               | 4               |
| <b>Total</b>                         | <b>222</b>      | <b>203</b>      | <b>433</b>      | <b>400</b>      |
| Internal sales, elimination          | -32             | -28             | -60             | -55             |
| <b>CONTINUING OPERATIONS</b>         |                 |                 |                 |                 |
| <b>End-user service revenue</b>      | <b>4,969</b>    | <b>4,815</b>    | <b>9,850</b>    | <b>9,544</b>    |
| <b>Operator revenue</b>              | <b>608</b>      | <b>590</b>      | <b>1,203</b>    | <b>1,148</b>    |
| <b>Equipment revenue</b>             | <b>1,243</b>    | <b>1,167</b>    | <b>2,511</b>    | <b>2,430</b>    |
| <b>TOTAL</b>                         | <b>6,820</b>    | <b>6,572</b>    | <b>13,565</b>   | <b>13,122</b>   |

### Underlying EBITDAaL

| Continuing operations<br>SEK million | Apr-Jun<br>2022 | Apr-Jun<br>2021 | Jan-Jun<br>2022 | Jan-Jun<br>2021 |
|--------------------------------------|-----------------|-----------------|-----------------|-----------------|
| Sweden                               | 1,938           | 1,907           | 3,903           | 3,771           |
| Lithuania                            | 317             | 279             | 622             | 550             |
| Latvia                               | 160             | 144             | 314             | 279             |
| Estonia                              | 48              | 42              | 95              | 87              |
| <b>TOTAL</b>                         | <b>2,463</b>    | <b>2,372</b>    | <b>4,934</b>    | <b>4,686</b>    |

### NOTE 3 PROFIT AFTER FINANCIAL ITEMS

#### Reconciling items to reported profit after financial items

| Continuing operations<br>SEK million                          | Apr-Jun<br>2022 | Apr-Jun<br>2021 | Jan-Jun<br>2022 | Jan-Jun<br>2021 |
|---|-----------------|-----------------|-----------------|-----------------|
| <b>Underlying EBITDAaL</b>                                    | <b>2,463</b>    | <b>2,372</b>    | <b>4,934</b>    | <b>4,686</b>    |
| Reversal lease depreciation and interest                      | 326             | 314             | 653             | 630             |
| <b>Underlying EBITDA</b>                                      | <b>2,790</b>    | <b>2,686</b>    | <b>5,588</b>    | <b>5,316</b>    |
| Acquisition costs   | -0              | -3              | 0               | -10             |
| Restructuring costs   | -66             | -73             | -114            | -134            |
| Disposal of non-current assets                                | -24             | -23             | -22             | -25             |
| Other items affecting comparability                           | 2               | -21             | 2               | -21             |
| <b>Items affecting comparability</b>                          | <b>-88</b>      | <b>-121</b>     | <b>-133</b>     | <b>-190</b>     |
| <b>EBITDA</b>   | <b>2,702</b>    | <b>2,565</b>    | <b>5,454</b>    | <b>5,127</b>    |
| Depreciation/amortization                                     | -1,560          | -1,526          | -3,080          | -2,898          |
| Result from shares in associated companies and joint ventures | -1              | 22              | 1,670           | 35              |
| <b>Operating profit</b>                                       | <b>1,140</b>    | <b>1,062</b>    | <b>4,044</b>    | <b>2,264</b>    |
| Net interest and other financial items                        | -118            | -90             | -349            | -219            |
| <b>Profit after financial items</b>                           | <b>1,022</b>    | <b>972</b>      | <b>3,695</b>    | <b>2,044</b>    |

In Q2 2021 our consumer premium brands Com Hem and Tele2 were merged. The brand positioning led to a reassessment of the useful life of the Com Hem brand, from previous indefinite to a definite useful life of 10 years. Accordingly, amortization of the Com Hem brand book value was initiated in Q2 2021. In Q2 2022 the impact was SEK -135 (-90) million on operating profit and SEK -107 (-71) million on net result. For further information, see Note 11 in the Annual and Sustainability Report 2021.

In Q1 2022 Tele2 AB and Deutsche Telekom completed the divestment of T-Mobile Netherlands to funds advised by Apax Partners LLP and Warburg Pincus LLC, for an enterprise value of EUR 5.1 billion. Tele2 received SEK 9.0 billion for its 25% share in T-Mobile Netherlands. The capital gain amounted to SEK 1.6 billion, reported under Result from shares in associated companies and joint ventures.

#### Acquisition costs

| Continuing operations<br>SEK million  | Apr-Jun<br>2022 | Apr-Jun<br>2021 | Jan-Jun<br>2022 | Jan-Jun<br>2021 |
|---------------------------------------|-----------------|-----------------|-----------------|-----------------|
| Network JO's, Baltics                 | —               | -3              | —               | -10             |
| <b>Acquisition costs<sup>1)</sup></b> | <b>—</b>        | <b>-3</b>       | <b>—</b>        | <b>-10</b>      |

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

#### Restructuring costs

| Continuing operations<br>SEK million | Apr-Jun<br>2022 | Apr-Jun<br>2021 | Jan-Jun<br>2022 | Jan-Jun<br>2021 |
|--------------------------------------|-----------------|-----------------|-----------------|-----------------|
| Redundancy costs                     | -27             | -36             | -33             | -66             |
| Other employee and consultancy costs | -8              | -21             | -22             | -43             |
| Exit of contracts and other costs    | -31             | -16             | -58             | -26             |
| <b>Restructuring costs</b>           | <b>-66</b>      | <b>-73</b>      | <b>-114</b>     | <b>-134</b>     |
| Reported as:                         |                 |                 |                 |                 |
| – Cost of services provided          | -7              | -10             | -15             | -40             |
| – Selling expenses                   | -26             | -26             | -41             | -47             |
| – Administrative expenses            | -32             | -38             | -57             | -48             |

The restructuring costs are solely related to the ongoing business transformation program in Sweden.

#### Disposal of non-current assets

| Continuing operations<br>SEK million               | Apr-Jun<br>2022 | Apr-Jun<br>2021 | Jan-Jun<br>2022 | Jan-Jun<br>2021 |
|--|-----------------|-----------------|-----------------|-----------------|
| Closure of projects and systems                    | -12             | -23             | -12             | -23             |
| Other  | -12             | —               | -10             | -1              |
| <b>Disposal of non-current assets<sup>2)</sup></b> | <b>-24</b>      | <b>-23</b>      | <b>-22</b>      | <b>-25</b>      |

<sup>2)</sup> Reported as other operating income and other operating expenses.

#### Other items affecting comparability

| Continuing operations<br>SEK million | Apr-Jun<br>2022 | Apr-Jun<br>2021 | Jan-Jun<br>2022 | Jan-Jun<br>2021 |
|--------------------------------------|-----------------|-----------------|-----------------|-----------------|
| Contract termination fees, Sweden    | —               | -20             | —               | -20             |
| Other                                | 2               | -1              | 2               | -1              |
| <b>Total</b>                         | <b>2</b>        | <b>-21</b>      | <b>2</b>        | <b>-21</b>      |
| Reported as:                         |                 |                 |                 |                 |
| – Cost of services provided          | —               | -20             | —               | -20             |
| – Selling expenses                   | 2               | -1              | 2               | -1              |

### NOTE 4 SHARES IN ASSOCIATED COMPANIES AND JOINT VENTURES

| SEK million   | Jun 30<br>2022 | Jun 30<br>2021 | Dec 31<br>2021 |
|---|----------------|----------------|----------------|
| <b>T-Mobile Netherlands</b>   |                |                |                |
| Cost at January 1   | —              | 7,011          | 7,011          |
| Share of profit for the year  | —              | 34             | 221            |
| Exchange rate differences   | —              | 61             | 134            |
| <b>Total T-Mobile Netherlands</b>   | <b>—</b>       | <b>7,106</b>   | <b>7,366</b>   |
| Other associated companies and joint ventures                                       | 6              | 8              | 7              |
| <b>Total shares in associated companies and joint ventures pre reclassification</b> | <b>6</b>       | <b>7,113</b>   | <b>7,373</b>   |
| Reclassified to asset held for sale   | —              | —              | -7,366         |
| <b>Total shares in associated companies and joint ventures</b>                      | <b>6</b>       | <b>7,113</b>   | <b>7</b>       |

In Q3 2021, Tele2's 25% share in T-Mobile Netherlands was reclassified to Asset held for sale, following the announced divestment. The transaction was completed in Q1 2022, with a capital gain of SEK 1.6 billion. See also Note 3 and 9.

### NOTE 5 FINANCIAL ASSETS AND LIABILITIES

#### Financing

| SEK million  | Jun 30<br>2022 | Dec 31<br>2021 |
|--|----------------|----------------|
| Bonds  | 21,051         | 21,326         |
| Commercial papers                                  | 1,148          | 400            |
| European Investment Bank (EIB)                     | 1,334          | 1,278          |
| Nordic Investment Bank (NIB)                       | 1,990          | 1,990          |
| Other  | —              | 178            |
| <b>Total liabilities to financial institutions</b> | <b>25,523</b>  | <b>25,173</b>  |
| Provisions   | 1,522          | 1,610          |
| Lease liabilities                                  | 5,097          | 5,414          |
| Other interest-bearing liabilities                 | 428            | 250            |
| <b>Total interest-bearing liabilities</b>          | <b>32,569</b>  | <b>32,447</b>  |

Average maturity and average interest rate (including derivatives) for outstanding debt to financial institutions at June 30, 2022 amounted to 4.0 years and 1.35 percent, respectively.

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

#### 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 June 30, 2022 to SEK 25,523 (December 31, 2021: 25,173) million and the fair value to SEK 24,718 (December 31, 2021: 25,752) million.

During 2022, 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, Celestine Hill and Net4Mobility HB, Sweden), for which Tele2 has limited disposal rights was included in the Group's cash and cash equivalents and amounted at June 30, 2022 to SEK 43 (December 31, 2021: 43) million. Other transactions with joint operations and other related parties are presented in Note 34 of the Annual and Sustainability Report 2021.

## NOTE 7 CONTINGENT LIABILITIES

As of June 30, 2022, Tele2 had no material contingent liabilities.

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

### Number of shares

|   | Jun 30<br>2022     | Dec 31<br>2021     |
|---|--------------------|--------------------|
| Total number of shares                            | 695,021,597        | 692,821,597        |
| Number of treasury shares                         | -4,010,230         | -2,912,106         |
| <b>Number of outstanding shares</b>               | <b>691,011,367</b> | <b>689,909,491</b> |
| Number of outstanding shares, weighted average    | 690,282,905        | 689,463,621        |
| Number of shares after dilution                   | 695,169,775        | 693,458,249        |
| Number of shares after dilution, weighted average | 694,008,103        | 693,182,102        |

As a result of share rights in the LTI 2019 being exercised during Q2 2022, Tele2 delivered 1,101,876 B-shares in treasury shares to the participants in the program. In Q1 2022, Tele2 issued, and immediately repurchased, 2,200,000 new C shares to be used for future exercises of LTIs, resulting in an increase in share capital of SEK 3 million.

In addition, 281 class A shares were reclassified into class B shares and 2,480,000 class C shares were reclassified into class B shares. Changes in shares during previous year are stated in Note 23 in the Annual and Sustainability Report 2021.

### Outstanding share right programs

|                                       | Jun 30<br>2022   | Dec 31<br>2021   |
|---------------------------------------|------------------|------------------|
| LTI 2022                              | 1,489,456        | —                |
| LTI 2021                              | 1,485,673        | 1,414,817        |
| LTI 2020                              | 1,183,279        | 1,142,715        |
| LTI 2019                              | —                | 991,226          |
| <b>Total outstanding share rights</b> | <b>4,158,408</b> | <b>3,548,758</b> |

All outstanding long-term incentive programs (LTI 2020, LTI 2021 and LTI 2022) are based on the same structure. Additional information regarding the objective, conditions and requirements related to the LTI programs is stated in Note 31 of the 2021 Annual and Sustainability Report. During the six months in 2022, the total cost including social security costs for the long-term incentive programs (LTI) amounted to SEK 54 (44) million before tax.

### LTI 2022

At the Annual General Meeting held on April 28, 2022, the shareholders approved a retention and performance based incentive program (LTI 2022) for senior executives and other key employees in the Tele2 Group. Subject to fulfilment of certain retention and performance based conditions during the periods January 1, 2022 – December 31, 2024 (the "Cash flow Measurement Period") and April 1, 2022 – March 31, 2025 (the "TSR Measurement Period") and the participant maintaining the invested shares at the release of the interim report for January – March 2025 and, with certain exceptions, maintaining the employment within the Tele2 Group, each right entitles the participant to receive one Tele2 share free of charge. Total costs before tax for outstanding rights in the incentive program are expensed over the three

year vesting period. These costs are expected to amount to SEK 130 million, of which social security costs amount to SEK 46 million. To ensure the delivery of Class B shares under the program, the Annual General Meeting decided to authorize the Board of Directors to resolve on a directed share issue of a maximum of 1,200,000 Class C shares and subsequently to repurchase the Class C shares. The Board of Directors has not yet used its mandate.

### LTI 2019

The exercise of the share rights in LTI 2019 was conditional upon the fulfilment of certain retention and performance based conditions, measured from April 1, 2019 until March 31, 2022. The outcome of these performance conditions was in accordance with below and the outstanding 1,101,876 share rights have been exchanged for shares in Tele2 during Q2 2022.

| Series   | Retention and performance based conditions                    | Minimum hurdle (50%) | Stretch targets (100%) | Performance | Allotment |
|----------|---|----------------------|------------------------|-------------|-----------|
| Series A | Total Shareholder Return Tele2 (TSR)                          |                      | >=0%                   | 41.2%       | 100%      |
| Series B | Total Shareholder Return Tele2 (TSR) compared to a peer group | >0%                  | >=20%                  | 34.5%       | 100%      |

### Dividend

The Annual General Meeting (AGM), held on April 28, 2022, resolved on an ordinary dividend of SEK 6.75 per share in respect of the financial year 2021, to be paid in two tranches of SEK 3.40 and SEK 3.35 during 2022. In addition, the AGM resolved on an extraordinary dividend of SEK 13.00 per share, related to the completed T-Mobile Netherlands divestment. The first tranche of the ordinary dividend, amounting to SEK 2,346 million and the entire extraordinary dividend of SEK 8,969 million were distributed to the shareholders on May 5, 2022. The second tranche of the ordinary dividend is estimated to be distributed to the shareholders on October 14, 2022.

## NOTE 9 BUSINESS ACQUISITIONS AND DIVESTMENTS

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

| SEK million   | Apr-Jun<br>2022 | Apr-Jun<br>2021 | Jan-Jun<br>2022 | Jan-Jun<br>2021 |
|---|-----------------|-----------------|-----------------|-----------------|
| <b>Acquisitions</b>                                   |                 |                 |                 |                 |
| Other minor acquisitions                              | —               | —               | -6              | —               |
| <b>Total acquisition of shares and participations</b> | <b>—</b>        | <b>—</b>        | <b>-6</b>       | <b>—</b>        |
| <b>Divestments</b>                                    |                 |                 |                 |                 |
| Tele2 Germany   | 22              | 32              | 22              | 32              |
| T-Mobile Netherlands                                  | -37             | —               | 8,956           | —               |
| <b>Total sale of shares and participations</b>        | <b>-15</b>      | <b>32</b>       | <b>8,978</b>    | <b>32</b>       |
| <b>TOTAL CASH FLOW EFFECT</b>                         | <b>-15</b>      | <b>32</b>       | <b>8,972</b>    | <b>32</b>       |

In Q1 2022, the divestment of T-Mobile Netherlands was completed. The cash proceeds for Tele2's 25% share of the company amounted to SEK 9.0 billion. In addition, FX hedges attached to the transaction have affected exchange rate differences in the cash flow statement with SEK -153 million in Q4 2021 and SEK 125 million in the first half of 2022. For further information related to the divestment, see Note 3.

Information on acquisitions and divestments made in 2021 is provided in the Annual and Sustainability Report 2021, Note 14 and Note 33.

## NOTE 10 DISCONTINUED OPERATIONS

### Tele2 Germany

In December 2020 Tele2 completed the divestment of its German business to the Tele2 Germany management. The purchase price included an earn-out component, dependent upon the financial performance of the business until the end of 2024.

So far Tele2 has received accumulated earnout payments of SEK 118 million. During Q2 2022, Tele2 has received earnout payments of SEK 22 million. On June 30, 2022 the estimated fair value of the future cash flows amounted to SEK 79 million (December 31, 2021; SEK 92 million).

### 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 June 30, 2022 to SEK 241 million and a tax surcharge and interest of SEK 120 million. 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 was recognized in Q4 2020 under discontinued operations. At June 30, 2022 the provision amounted to SEK 361 million (December 31, 2021; SEK 359 million).

### Income statement

All discontinued operations are included below. Tele2 Germany and Tele2 Croatia were divested in 2020, while Tele2 Netherlands and Tele2 Kazakhstan were divested in 2019. Tele2 Switzerland was divested in 2008, but a legal settlement attached to this Swiss operation was reached in 2021.

Further information about effects in the income statement under discontinued operations in 2021 is provided in Note 33 of the Annual and Sustainability Report 2021.

| Discontinued operations<br>SEK million  | Apr-Jun<br>2022 | Apr-Jun<br>2021 | Jan-Jun<br>2022 | Jan-Jun<br>2021 |
|---|-----------------|-----------------|-----------------|-----------------|
| Administrative expenses   | —               | -2              | —               | -2              |
| <b>Operating profit</b>   | <b>—</b>        | <b>-2</b>       | <b>—</b>        | <b>-2</b>       |
| Interest expenses   | -1              | -1              | -2              | -2              |
| <b>Profit/loss after financial items</b>  | <b>-1</b>       | <b>-4</b>       | <b>-2</b>       | <b>-5</b>       |
| Income tax from the operation   | —               | —               | —               | —               |
| <b>Net profit/loss from the operation</b>   | <b>-1</b>       | <b>-4</b>       | <b>-2</b>       | <b>-5</b>       |
| <b>Profit/loss on disposal of operation<br/>including sales costs and cumulative<br/>exchange rate gain</b> | <b>2</b>        | <b>225</b>      | <b>6</b>        | <b>225</b>      |
| – of which Germany  | 5               | -1              | 9               | 1               |
| – of which Croatia  | -2              | 0               | -2              | -1              |
| – of which Netherlands  | -1              | 1               | -1              | -2              |
| – of which Switzerland  | —               | 226             | —               | 226             |
| <b>NET PROFIT/LOSS</b>  | <b>1</b>        | <b>222</b>      | <b>4</b>        | <b>220</b>      |
| <i>Attributable to:</i>   |                 |                 |                 |                 |
| Equity holders of the parent company  | 1               | 222             | 4               | 220             |
| <b>NET PROFIT/LOSS</b>  | <b>1</b>        | <b>222</b>      | <b>4</b>        | <b>220</b>      |
| Earnings per share (SEK)  | 0.01            | 0.32            | 0.00            | 0.32            |
| Earnings per share, after dilution (SEK)  | 0.00            | 0.32            | 0.01            | 0.32            |

### Balance sheet

Assets and liabilities associated with assets held for sale as of June 30, 2022 refer to earnouts, provisions and other liabilities related to divested operations. In addition, in Q3 2021 the shares in T-Mobile Netherlands were reclassified to assets held for sale, following the announced divestment. The divestment was completed in Q1 2022.

| Discontinued operations<br>SEK million   | Jun 30<br>2022 | Dec 31<br>2021 |
|--|----------------|----------------|
| <b>ASSETS</b>  |                |                |
| Shares in associated companies and joint ventures                                  | —              | 7,366          |
| Financial assets   | 51             | 78             |
| <b>Non-current assets</b>  | <b>51</b>      | <b>7,444</b>   |
| Current receivables  | 28             | 14             |
| <b>Current assets</b>  | <b>28</b>      | <b>14</b>      |
| <b>Assets classified as held for sale</b>  | <b>79</b>      | <b>7,458</b>   |
| <b>LIABILITIES</b>   |                |                |
| Interest-bearing liabilities   | 53             | 49             |
| <b>Non-current liabilities</b>   | <b>53</b>      | <b>49</b>      |
| Interest-bearing liabilities   | 57             | 55             |
| Non-interest-bearing liabilities   | 359            | 358            |
| <b>Current liabilities</b>   | <b>415</b>     | <b>413</b>     |
| <b>Liabilities directly associated with assets<br/>classified as held for sale</b> | <b>468</b>     | <b>462</b>     |

### Cash flow statement

| Discontinued operations<br>SEK million         | Apr-Jun<br>2022 | Apr-Jun<br>2021 | Jan-Jun<br>2022 | Jan-Jun<br>2021 |
|--|-----------------|-----------------|-----------------|-----------------|
| Cash flow from operating activities            | —               | -3              | —               | -3              |
| Cash flow from investing activities            | 22              | 32              | 22              | 32              |
| Cash flow from financing activities            | —               | —               | —               | —               |
| <b>Net change in cash and cash equivalents</b> | <b>22</b>       | <b>29</b>       | <b>22</b>       | <b>29</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<br>SEK million                          | Apr-Jun<br>2022 | Apr-Jun<br>2021 | Jan-Jun<br>2022 | Jan-Jun<br>2021 |
|---|-----------------|-----------------|-----------------|-----------------|
| Operating profit  | 1,140           | 1,062           | 4,044           | 2,264           |
| Reversal:   |                 |                 |                 |                 |
| Result from shares in associated companies and joint ventures | 1               | -22             | -1,670          | -35             |
| Depreciation and amortization                                 | 1,560           | 1,526           | 3,080           | 2,898           |
| <b>EBITDA</b>   | <b>2,702</b>    | <b>2,565</b>    | <b>5,454</b>    | <b>5,127</b>    |
| Reversal, items affecting comparability:                      |                 |                 |                 |                 |
| Acquisition costs   | 0               | 3               | -0              | 10              |
| Restructuring costs   | 66              | 73              | 114             | 134             |
| Disposal of non-current assets                                | 24              | 23              | 22              | 25              |
| Other items affecting comparability                           | -2              | 21              | -2              | 21              |
| <b>Total items affecting comparability</b>                    | <b>88</b>       | <b>121</b>      | <b>133</b>      | <b>190</b>      |
| <b>Underlying EBITDA</b>                                      | <b>2,790</b>    | <b>2,686</b>    | <b>5,588</b>    | <b>5,316</b>    |
| Lease depreciation  | -307            | -299            | -615            | -600            |
| Lease interest costs  | -19             | -15             | -38             | -30             |
| <b>Underlying EBITDAaL</b>                                    | <b>2,463</b>    | <b>2,372</b>    | <b>4,934</b>    | <b>4,686</b>    |
| Revenue   | 6,820           | 6,572           | 13,565          | 13,122          |
| <b>Revenue excluding items affecting comparability</b>        | <b>6,820</b>    | <b>6,572</b>    | <b>13,565</b>   | <b>13,122</b>   |
| <b>Underlying EBITDAaL margin</b>                             | <b>36%</b>      | <b>36%</b>      | <b>36%</b>      | <b>36%</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  | Apr-Jun<br>2022 | Apr-Jun<br>2021 | Jan-Jun<br>2022 | Jan-Jun<br>2021 |
|--|-----------------|-----------------|-----------------|-----------------|
| <b>TOTAL OPERATIONS</b>  |                 |                 |                 |                 |
| Additions to intangible and tangible assets                                | -863            | -653            | -1,619          | -1,739          |
| Sale of intangible and tangible assets                                     | 8               | 1               | 10              | 1               |
| <b>Capex paid</b>  | <b>-855</b>     | <b>-652</b>     | <b>-1,609</b>   | <b>-1,738</b>   |
| This period's unpaid capex and reversal of paid capex from previous period | 62              | -77             | 143             | -25             |
| Reversal received payment of sold intangible and tangible assets           | -8              | -1              | -10             | -1              |
| <b>Capex intangible and tangible assets</b>                                | <b>-801</b>     | <b>-730</b>     | <b>-1,476</b>   | <b>-1,764</b>   |
| Additions to right-of-use assets   | -236            | -88             | -398            | -345            |
| <b>Capex</b>   | <b>-1,037</b>   | <b>-817</b>     | <b>-1,873</b>   | <b>-2,110</b>   |
| <b>CONTINUING OPERATIONS</b>   |                 |                 |                 |                 |
| Additions to intangible and tangible assets                                | -863            | -653            | -1,619          | -1,739          |
| Sale of intangible and tangible assets                                     | 8               | 1               | 10              | 1               |
| <b>Capex paid</b>  | <b>-855</b>     | <b>-652</b>     | <b>-1,609</b>   | <b>-1,738</b>   |
| This period's unpaid capex and reversal of paid capex from previous period | 62              | -77             | 143             | -25             |
| Reversal received payment of sold intangible and tangible assets           | -8              | -1              | -10             | -1              |
| <b>Capex intangible and tangible assets</b>                                | <b>-801</b>     | <b>-730</b>     | <b>-1,476</b>   | <b>-1,764</b>   |
| Additions to right-of-use assets   | -236            | -88             | -398            | -345            |
| <b>Capex</b>   | <b>-1,037</b>   | <b>-817</b>     | <b>-1,873</b>   | <b>-2,110</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<br>SEK million | Apr-Jun<br>2022 | Apr-Jun<br>2021 | Jan-Jun<br>2022 | Jan-Jun<br>2021 |
|--------------------------------------|-----------------|-----------------|-----------------|-----------------|
| Underlying EBITDAaL                  | 2,463           | 2,372           | 4,934           | 4,686           |
| Capex excluding spectrum and leases  | -737            | -730            | -1,407          | -1,432          |
| <b>Operating cash flow</b>           | <b>1,726</b>    | <b>1,642</b>    | <b>3,527</b>    | <b>3,255</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                         | Apr-Jun<br>2022 | Apr-Jun<br>2021 | Jan-Jun<br>2022 | Jan-Jun<br>2021 |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------|
| <b>TOTAL OPERATIONS</b>             |                 |                 |                 |                 |
| Cash flow from operating activities | 1,881           | 2,189           | 3,926           | 4,476           |
| Capex paid                          | -855            | -652            | -1,609          | -1,738          |
| Amortization of lease liabilities   | -275            | -270            | -657            | -651            |
| <b>Equity free cash flow (eFCF)</b> | <b>750</b>      | <b>1,267</b>    | <b>1,660</b>    | <b>2,087</b>    |
| eFCF per share (SEK)                | 1.09            | 1.84            | 2.40            | 3.03            |
| eFCF per share after dilution (SEK) | 1.08            | 1.83            | 2.39            | 3.01            |
| <b>CONTINUING OPERATIONS</b>        |                 |                 |                 |                 |
| Cash flow from operating activities | 1,881           | 2,191           | 3,926           | 4,478           |
| Capex paid                          | -855            | -652            | -1,609          | -1,738          |
| Amortization of lease liabilities   | -275            | -270            | -657            | -651            |
| <b>Equity free cash flow (eFCF)</b> | <b>750</b>      | <b>1,269</b>    | <b>1,660</b>    | <b>2,089</b>    |
| eFCF per share (SEK)                | 1.09            | 1.84            | 2.40            | 3.03            |
| eFCF per share after dilution (SEK) | 1.08            | 1.83            | 2.39            | 3.02            |
| <b>OUTSTANDING SHARES</b>           |                 |                 |                 |                 |
| Number of shares                    | 690,282,905     | 689,046,743     | 690,282,905     | 689,046,743     |
| Number of shares after dilution     | 695,169,775     | 692,806,063     | 695,169,775     | 692,806,063     |

### 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<br>SEK million                                   | Jun 30<br>2022 | Dec 31<br>2021 |
|---|----------------|----------------|
| Interest-bearing non-current liabilities                          | 28,336         | 28,332         |
| Interest-bearing current liabilities                              | 4,233          | 4,116          |
| Reversal provisions   | -1,522         | -1,610         |
| Cash & cash equivalents, current investments and restricted funds | -674           | -881           |
| Derivatives   | -338           | -275           |
| <b>Net debt</b>   | <b>30,035</b>  | <b>29,681</b>  |
| Reversal:   |                |                |
| Lease liabilities   | -5,097         | -5,414         |
| <b>Economic net debt</b>  | <b>24,938</b>  | <b>24,268</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 (Q2 2022-financials to the market) on Tele2's website [www.tele2.com](http://www.tele2.com).

# Other financial metrics

Certain other financial metrics that are presented in this report are defined below. It is the view of Tele2 that these metrics provide valuable additional information to investors and other readers of this report.

## Average interest rate

Annualized interest expense on loans (excluding penalty interest etc.) in relation to average interest-bearing liabilities excluding provisions, lease liabilities, debt related to equipment financing, balanced bank fees as well as adjusted for borrowings and amortizations during the period.

## Average number of employees (FTE)

The average number of employees during the year, calculated on the basis of full time equivalents. Acquired/sold companies are reported in relation to the length of time the companies have been a part of the Tele2 Group.

## Earnings per share

Profit/loss for the period attributable to the parent company shareholders in relation to the weighted average number of shares outstanding during the fiscal year.

## Economic net debt / Underlying EBITDAaL (leverage)

Economic net debt divided by underlying EBITDAaL (rolling twelve months) for all operations owned and controlled by Tele2 at the end of each reporting period.

## End-user service revenue

Revenue from end-users excluding equipment revenue. End-user service revenue is presented to provide a view of revenue attached to the customers usage of services provided by the company.

## Equity per share

Equity attributable to parent company's shareholders in relation to the total number of outstanding shares.

## Number of employees

Number of employees at the end of the period.

## Operating profit/loss (EBIT)

Revenue less operating expenses.

## TSR

Total shareholder return including change in the share price and reinvested dividends.



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