Tele2 Q2 Interim Report 2026

Thursday, 16th July 2026

Introduction

Nicholas Högberg

President & Group CEO, Tele2

Welcome

Good morning, and welcome to Tele2's call for the second quarter of 2026. With me, I have Peter Landgren, our Group CFO, and Stefan Trampus, our Chief B2B.

Please turn to slide two for some highlights from the second quarter.

Highlights

In Q2, group end-user service revenue grew by 2%, whereas underlying EBITAaL grew by 4%, despite tougher comps than in Q1. In Q2, we also continued to generate healthy equity-free cash flow of SEK1.5 billion.

We also announced a partnership with Scaleway, Europe's leading public cloud provider, to launch a sovereign and scalable cloud and AI offering in Sweden. The offering combines Scaleway's public cloud capabilities with Tele2's private cloud services, providing organisations with a powerful hybrid solution.

We continue to expand our store network in Sweden, adding three new stores during the quarter.

Finally, we are proud to have been recognised by Time Magazine as one of the World's Most Sustainable Companies, including being the most sustainable telco in the Nordics.

Please move to page three for more details on our results.

A solid quarter

Our 2% growth in end-user service revenue was driven by all our operations, and our 4% growth in underlying EBITAaL was driven by both revenue growth and continued sharp cost control.

Our solid equity-free cash flow, which reduced by 9% year-on-year, was negatively impacted by timing of tax payments, whereas operating cash flow grew somewhat. Peter will go through the details later.

CAPEX to sales, which increased seasonally versus Q1, remained well below last year's level, mainly due to lower 5G rollout pace. Our leverage ended at 1.7 times following the first dividend tranche, which was paid in May.

In Sweden, consumer end-user service revenue remains stable, with growth in mobile postpaid and DTV. In Sweden business, end-user service revenue grew by 4%, driven by mobile due to strong IoT growth.

Our Baltic operations grew end-user service revenue by 6% and underlying EBITAaL by a strong 10%.

Let's move to slide five for more details on Swedish consumer.

Sweden

Sweden Consumer: Growth in mobile and TV

As discussed in the CEO Letter, this quarter, we continue to enhance the customer experience through investment in our brands, expanding store footprint, and increased use of AI and automation. Also according to Ookla's test, Tele2 has Sweden's best 5G network, demonstrating the quality and reliability we deliver to our customers.

Mobile postpaid end-user service revenue grew by 2%. Total mobile revenue grew by 1%, partly offset by continued decline in prepaid. In fixed broadband, end-user service revenue declined by 2%, impacted by increasingly competitive pricing dynamics.

In digital TV, end-user service revenue continued to grow by 4% and once again driven by healthy high-single-digit growth in Tele2 TV, more than offsetting the impact of Boxer TV switch off.

Sweden Consumer: Overall RGU growth

Let us look at the consumer KPIs on slide six. Mobile postpaid added a solid 13,000 RGUs during Q2, whereas mobile ASPU remained unchanged year-on-year. Fixed broadband RGUs declined by 8,000 in Q2, reflecting our deliberate caution in open networks, where price competitions remains unhealthy.

Meanwhile, we grew RGUs in our own network where profitability is high. TV RGUs increased by 5,000 in Q2 with continued good momentum in Tele2 TV. ASPU grew by 3% year-on-year, driven by pricing and cross-selling of sports content.

To sum up, we delivered a solid quarter overall in terms of customer intake, despite continued competitive intensity in the market.

Please move to slide seven for Sweden Business.

Sweden Business: Continued growth

Sweden Business continued to deliver a solid end-user service revenue growth, reaching 4% in Q2. Mobile grew by 7%, driven by our fast-growing IoT business. Mobile RGUs increased by 15,000 in Q2, supported by steady growth across several segments. ASPU continued to be impacted by changing customer mix.

Solutions grew by 2% in Q2, primarily due to strong network solutions performance. Fixed declined by 2% due to lower IP VPN revenues as a result of migration to new solutions, partly offset by continued solid growth in fixed broadband.

Please move to slide eight for Sweden financials.

Sweden financials: EBITDAaL growth despite tough comps

In total, Sweden end-user service revenue grew by 1% in Q2, mainly driven by business. Underlying EBITAaL grew by 2%, driven by the end-user service revenue and continued sharp cost control. Cash conversion improved to 76% over the last 12 months.

Let's move to Baltic financials on slide 10.

Baltics

Baltic financials: 10% EBITDAaL growth proforma

Baltics maintained strong top and bottom line growth in Q2. Total end-user service revenue grew by 6%, partly supported by price adjustments. Underlying EBITAaL grew by 10%, mainly driven by end-user service revenue growth and cost optimisations.

Cash conversion, based on the last 12 months, was 80%, slightly negatively impacted by the tower transaction in Q1.

Let us move to slide 11 for Baltic operating KPIs.

Baltics KPIs: Strong ASPU growth

The total postpaid base increased by 11,000 RGUs in Q2, driven by all markets, whereas prepaid declined by 9,000 RGUs. Blended organic ASPU grew by a solid 7%, driven by price adjustments and continued prepaid to postpaid migration.

With that, I hand over to Peter, who will go through the financial overview.

Financial Overview

Peter Landgren

Group CFO, Tele2

Group results

Thank you, Nicholas, and good morning, everyone. Please turn to page 13 for the Group income statement.

Total revenue grew by 2%, driven by the service revenue growth of 2%. On reported underlying EBITDAaL after lease, I would like to remind you about the Baltic tower transaction. As previously stated, the transaction is expected to have a negative impact of around €35 million on a 12-month basis starting from March. This translates to around SEK95 million in the quarter.

The organic growth in underlying EBITDAaL, which reflects the pro forma development, was plus 4% compared to Q2 last year, thanks to the service revenue contribution and sharp cost control across the Group.

Items affecting comparability were mainly impacted by workforce-related costs. Net financial items decreased year-on-year, mainly thanks to higher interest income. In Q2, our average interest rate was 2.7%, with a debt mix of 74% fixed rates and 26% floating rates. Income tax increased year-on-year due to higher taxable profits.

Let us move to the cash flow on slide 14.

Group cash flow

CAPEX paid, excluding spectrum, decreased primarily due to lower 5G rollout speed and delayed hardware supply, partly offset by payment timing. Spectrum CAPEX refers to the Lithuanian spectrum acquired in Q2.

Net financial items paid, excluding leasing, decreased due to both lower financing cost for outstanding debt and higher interest income. Taxes paid included around SEK135 million of withholding tax payment in Latvia in Q2, while the corresponding payment last year occurred in Q3. In addition, this year included a supplementary tax payment of around SEK60 million in Lithuania related to 2025.

Altogether, equity-free cash flow reached SEK1.5 billion in Q2, and over the last 12 months, SEK6.2 billion has been generated, equivalent to almost SEK9 per share.

Please turn to slide 15 for our capital structure.

Leverage at 1.7x

End of Q2, economic net debt was SEK19.7 billion, a reduction of SEK4.6 billion compared to end of 2025. This was driven by cash proceeds from the closing of the Baltic tower transaction and the cash generated in the business exceeding the payout of the first dividend tranche in May.

Our leverage of 1.7 times underlying EBITDAaL is comfortably within an investment-grade range.

With that, I hand over to Nicholas for some comments on our 2026 guidance.

Conclusion

Nicholas Högberg

President & Group CEO, Tele2

2026 guidance unchanged

Thank you, Peter. Please turn to slide 16 for our 2026 guidance.

Following our solid Q2 numbers, we are well on track to reach our full-year guidance for 2026, comprising low-single-digit organic growth of end-user service revenue, low- to mid-single-digit organic growth for underlying EBITDAaL, and CAPEX to sales in the range of 10% to 11%.

As for underlying EBITDAaL, we are optimistic about avoiding the low part of the range, and regarding CAPEX to sales, we believe we will land in the lower part of the range.

With that, I hand back to Peter for some additional comments regarding 2026 before we open up for Q&A.

Peter Landgren: Thanks, Nicholas. Yes. As always, a few additional remarks on the cash flow for the full year 2026. On spectrum, we estimate full-year payments of around SEK180 million related to auctions concluded in Sweden and Lithuania. On working capital, keep in mind that H1 was seasonally strong and H2 is hence expected to be seasonally weak.

On financial items, excluding leasing, we now estimate full-year net payments of around SEK600 million, with a similar quarterly phasing to last year. Finally, on taxes, we now estimate full year payments of around SEK1.45 billion.

With that, I hand over to the operator for Q&A.

Q&A

Andrew Lee (Goldman Sachs): Welcome, Nicholas. We have met in the past when you were at Three Sweden. I just wanted to ask one question, which is the key question investors are asking, given that the management change we have seen at Tele2, and you joining. The concern that investors have is did Jean-Marc leave because there was not much more to be done in terms of cost efficiencies? It would be great if you could talk to what you see is the opportunity in terms of cost efficiencies from here and ability to deliver mid percent or mid-single-digit EBITDAaL growth from here in the context of you guys not raising your guidance of low single digits or mid-single digit EBITDAaL growth this year, despite having delivered 7.5% already year to-date. Investors are just questioning what the cost efficiency opportunity and outlook is from here, and it would be great to get your take on that. Thank you.

Nicholas Högberg: Thank you, Andrew. It is important to begin with stating that the next phase now is not about the new direction. The focus continues to further improve customer loyalty and drive sustainable and profitable growth. It is also important that we call ourselves a challenger, that is not a slogan for us. For Tele2, it means that we should act simpler, and we should act faster, and we should be more flexible.

Being in and out in the telecom industry for almost 30 years, the beauty of the industry is that there is almost always more to do. It is in the details where cost efficiency happens, and we will have a very strict cost control going forward. We see several areas, and also we are working heavily with AI and automation, where we see opportunities when it comes to creating even more operational efficiency in the company.

The strategy is there. Of course, we are very proud of this quarter delivering on our expectations. We will continue to have a very strict cost control going forward.

Erik Lindholm-Röjestål (SEB): Just wanted to ask about pricing in Sweden to start with. Sweden postpaid ASPU was flat year-over-year. How should we think about pricing into the second half? Would you say that promotional activity, general competition has increased in the B2C mobile market?

Then just a second question on fixed broadband. Service revenues down 2% year-over-year here. How do you think about volume loss versus price decline? Do you think the current pressure that you are seeing is structural, or is it mostly campaign driven? Thank you.

Nicholas Högberg: Thank you, Erik. When it comes to the market and the competition, it is clearly a very competitive market. It has also, within the no-frills segment, increased since Telia shut down the Halebop brand. We can see increased competition in the no-frills market. We have chosen not to be part of that. We strongly believe that we can continue to build our challenger position and value for money.

We are doing that by strengthening our brand assets with the Comviq launching Jättebra, the very good campaign, and it actually performs very good. We are happy about that, but we can see that it is a fierce market.

From our perspective, we have created the flexibility in the company, thanks to our strong financial situation, to choose whether we would like to take part of that competition or not. Right now and at this moment, we are not doing that. We are focusing internally on becoming even more efficient and strengthening our customer loyalty and our brands.

When it comes to fixed broadband, that is a complex situation because we have players in the market, in the FU OLAN[?] market that is actually selling services below their cost price. We are not participating in that, and that is reflected in the numbers. What I can say is that we are growing at the same time in our own network, which is positive.

We are also looking forward to the legislation from EU, which will create a more healthier situation in the market. I hope that perhaps your two questions.

Andreas Joelsson (DNB Carnegie): Welcome, Nicholas, from my side. Follow up to Erik's question, but maybe more in general. I read your focus areas in the CEO Letter, and you highlight accelerating growth and profitable and sustainable growth. It is a sector, as you know, having been in the sector for many years, that it is a challenge to grow the service revenue. Just would like to hear your more broad thoughts on that long term, how you see Tele2 being able to sustainably grow. We have seen that Three has managed it over many years recently, but how do you see Tele2 being able to grow, and do you see in terms of both market share and pricing?

Nicholas Högberg: Thank you, Andreas. This could be a very long answer, as you said, being in the industry for a while, but I will try to keep it short.

There is a couple of components in this. Of course, to start with, the strict cost control gives us flexibility on how to act as a company, so that is very important going forward. Our 5G network being now promoted as the best 5G network in Sweden by Ookla helps us because then we have the very best product in the market, which is super important.

Of course, it is important to highlight that we want to have the most loyal customers in the industry. That comes down to offering very strong service in whatever channel is relevant for the customer. It is very much about distribution and make sure that we can offer a good distribution from the customer's wish. Also, it is very much about the brands and the brand assets that we have.

Of course, I am talking out of Tele2's position, but being in the market for a long time, that Tele2 has the two strongest brands in the market, both with Tele2 and Frank, and also with Comviq and Karim, where we now have revamped the positioning of both brands, and we can see some results.

Going back to the growth, it is very much about operational efficiency and details and giving the customers what they really want and create a loyal customer base that feels that they get value for money. For me, being a challenger is not lowest price. It is most value for money. It is hard work, and we will make sure to do that work.

Viktor Högberg (Danske Bank): On the fixed broadband in Sweden, you see increased price competition with the upcoming regulation, which you have been updated on previously. The aim from the regulator, of course, is the lower consumer prices. What is your strategy, and how will you capitalise on the new market regime, given what we are seeing on the pricing side already? That is the first potentially only question we will see.

Nicholas Högberg: Thank you, Viktor. It is fair to say that we will wait for the regulators to come with the new legislation. After that, we are more prepared to discuss how and what we will do going forward. It would be a bit premature for me to go into details regarding that.

With that said, we see opportunities, and it is necessary to make sure that the new regulations come in place, which we think will happen in 2027.

Viktor Högberg: Okay. Thank you. Also a follow-up, not on this one, on component prices and general inflation. You talked about this in the Q1 report as well, but how will you mitigate this? Ties into previous questions. Are you willing to do anything on pricing already before the annual January hike to mitigate this, or is it something that would affect the profit margins? Just thinking about inflation theme, which you clearly highlighted as well in the CEO Letter.

Nicholas Högberg: Just a general comment and then I will leave it to Peter to answer a bit more. We have, as you can see in the numbers, created a strong balance sheet and good operation. We are prepared, and we can mitigate, and we stand by our guidance for this year. Then, of course, everyone knows the geopolitical situation, and going forward, we will see how that develops. We think that we stand strong in this situation right now.

With that said, I can leave over to Peter to give maybe a bit more flavour.

Peter Landgren: Yes, absolutely. Maybe first on how to deal with this inflation. There is indeed inflation in certain pockets here. The work is, of course, to work specifically on those matters and see how we can act differently, challenge the suppliers, and see if we can find other solutions. In the end, sometimes we face inflation.

Specific work towards those counterparties is, of course, key, but also the general work that we have talked about also last year about our procurement activities and review our contracts, which we keep doing. Last year we saw a lot of it filtering through to better profitability. This year we see that as well, but part of it is also to mitigate this inflationary pressure that we see in some places.

Maybe that is also worth reflecting on our CAPEX so far this year. It is quite low, partly as expected, but partly also because of the delays in deliveries due to this complex situation. That is something that we are coping in different ways. In one, we try to plan differently and refurbish things where possible, but in some cases, we need to buy. So far it has impacted our CAPEX to sales in a way that it is so far quite low, as you can see.

Viktor Högberg: Sorry. Just to follow up on that. Of course, you have not guided for 2027 yet, but do you see a catch-up on these investments next year in a material way, or is it a manageable quantity of CAPEX that is delayed, if you can say anything.

Peter Landgren: Yes. To quantify it a bit, even though it is a matter of definition, but we think that what has been in a way pushed forward is about SEK100 million in the first half of the year. That is something that might come back to some extent in the second half of the year, or we try to mitigate it in other ways, or it spills over to be invested going forward.

In the scheme of things, it is not a massive amount, and we feel confident that we can continue to run a business with low CAPEX intensity.

Nicholas Högberg: Also, it is fair to say that it is very difficult to speculate on component prices, memory prices, etc., for 2027. Things are moving fast, and we do not know actually what will happen during next year. That is also an uncertainty in the situation.

Felix Henriksson (Nordea): You announced a strategic partnership with Scaleway recently on sovereign cloud and AI offering in Sweden. Can you elaborate a bit more on this? How should we think about the financial impact of the partnership in terms of revenue margin potential as well as investment needs? If you could also touch on the competitive landscape in that area in Sweden, that would be great. Thank you.

Nicholas Högberg: Thank you for your question, Felix. I will hand over to Stefan Trampus, who is heading the B2B division.

Stefan Trampus: Hello, Felix. Thanks for your question. Before I come into financial impacts, it is worth describing why we are in this area. First of all, cloud and data centre services, it is a natural extension of telco's core business and already invested assets that we have. Also, as a provider, we are good at critical societal infrastructure, security, operational stability, and also resilience. Our resilience are reflected in everything that we do and deliver.

What we see is that customers are looking for end-to-end, not all, but there are segments that are looking for not fragmented infrastructure. They want to buy both cloud network security services, so more of a cohesive solution. We deliver that, and I would say there is few players in Sweden that can do that, the whole end-to-end that I was talking about.

The strategy and the position we want to take is to be a leading telco in cloud and AI infrastructure, and offering both private, public and hybrid cloud solutions, the mix of it. What is interesting to see, and we have touched about it a little on previous calls, is that we see an increase in demand for European sovereign cloud and AI solutions. In our dialogues, we see that Swedish organisations want alternatives to global giants, and it is more than just a physical location for data storage. They also want clarity regarding ownership, regulatory compliance, long-term control over their infrastructure.

The customers we are meeting, and the need that we see is really matching with our own private cloud which we deliver to our own data centres. We saw it as a need also to complement with something else from a hyperscaler place perspective. Therefore, it was easy. Scaleway, being close part of the Iliad Group, have these capabilities. We are combining their public cloud with our private cloud into a powerful hybrid solutions.

As many or maybe have seen some of you that we have already secured our first customer, a major player in the energy segment. That shows that we have the right offerings and skills in place to serve the future already today, not in the future.

From a financial perspective, how this will affect our revenues. We do not report on the business lines specifically. We see good growth potential going forward, both from the customer needs, but also from legislation, policies that we see both from Swedish authorities, but also from EU perspective. This is something that we see as a good growth.

It is attractive for selected segments, but you should not see this as something that will replace our core revenue streams. We see this as an addition to the portfolio. That is a little bit about the partnership and why we are doing it. I hope that answers your question, Felix.

Fredrik Lithell (Handelsbanken): Nicholas, welcome to the team. Nice to see you here. If I could take your view now when you have stepped in as a CEO, and I know you have been on the board before that, but on the cost level, we know all about the actions you have taken the last few years. When you are sitting where you are now, do you feel there is more to do on the cost side? If so, where do you find that, and how would you proceed in order to move into an even more efficient cost profile going forward? Would be interesting to hear your thoughts on it. Thank you.

Nicholas Högberg: Thank you, Fredrik. There is always more to do, and that is my experience in this industry. Also, it is important that it is a part of our DNA to be very cost disciplined. Also, we see a technology shift right now with AI and automation that will help us drive those cost reductions over time. We are looking into all areas, and not a specific area, to become even more efficient and have a high operational leverage in what we are doing. I hope that answers your question. For us it is a never-ending story to optimise costs.

Fredrik Lithell: That is interesting. Could I have a follow-up on the Sweden and the mobile? We see some net adds, but we also see that ASPU in Sweden is a little bit under pressure. What is the tactics here to go coming 12 months? Is it the tactics to have a net adds that is on the positive side and at the little bit expense of ASPU? Is that a driver for you or how do you play, that would be interesting. Thanks.

Nicholas Högberg: Okay. Thank you. We are focusing now on driving sustainable and profitable growth. That will come from our extension of distribution, our own channels where we are becoming more and more efficient, but also by making our brands even more attractive to the customers. We will have a healthy growth, but at the same time, we will work hard on keeping the ASPU on good levels and not, as for now at least, participate in the price war that is going on within the no-frills segment, because that is over time, not a healthy situation.

As I pointed out, it has intensified quite a lot since Telia took away the Halebop brand from the market. We are observing what is happening right now, but over time for us, the most important part is to create the most loyal customers and continue to build on our brands and our distribution and our service.

Ulrich Rathe (Bernstein): I wanted to ask this cost question or efficiency question maybe another way. It is a change of leadership now, and the prior leadership came in, and the signature move was to cut very radically the headcount in particular. Do you see any areas where that has done damage that needs to be fixed, where things have overshot?

Nicholas Högberg: Thank you, Ulrich. No, I cannot see that actually. Overall, as a company, we have become simpler and much faster and much more flexible in how we operate. Overall it has been, even though it was a tough situation for everyone involved, we have become a much leaner and better company going forward, and we are definitely in a much better position.

Ulrich Rathe: Great. Can I ask a follow-up, please? In the CEO Letter, you talk about specifically unpredictable consumer sentiment. Could you explain whether that is the more general point with the geopolitical uncertainties and inflation uncertainties, or do you have anything more specific in mind that caused you to insert that sentence into the CEO Letter? Thank you.

Nicholas Högberg: Thank you. It is not a specific happening or anything. It is more the geopolitical situation, which we all can relate to, even more the latest week, and the headlines we are waking up to every day and how that will affect the consumer going forward. It is an uncertainty, and it is hard for us to see where this is going. But we are well prepared to tackle such a situation if it would become a negative consumer sentiment.

Abhilash Mohapatra (Exane BNP Paribas): I just wanted to come back to the Swedish top line performance this quarter, please. As you mentioned, we saw fixed B2C service revenue slow down quite materially versus Q1. We also saw a slowdown in the mobile end-user service revenues. I was wondering if you could just comment a bit more on that, please. You talked about competition in the open networks, and then low end of mobile market, which is if you could help bring that back into your revenue performance. How much of that was the competition? How much impact it had on your ASPs? Or is there some phasing around back book price increases that we should be aware of? Just some more colour on what looks like a slowdown in your top line, please. Thank you.

Peter Landgren: Yes. I will answer that. Thanks for your question, Abhilash, on this one. When it comes to starting mechanically with phasing, just a reminder around that, we did the annual pricing in Q1, as you probably recall in Sweden consumer. That is of course helping, but then as we have pointed out in different ways here, it is a busy market and competitive market, especially in fixed broadband and in the no-frills area.

We face that, and our focus is on keeping our customers, making them more loyal, of course, but keeping our customers, and which also is illustrated a bit by our positive net adds in Q2 in mobile. When doing this, we needed to make sure to keep them by, in some cases, offer somewhat better pricing. That is something that is offsetting the price increases that was implemented earlier in this year. That is a constant balance and a constant fine-tuning to find the right way to approach our customers and provide the right price at the right time. That is the work that we will continue to do with the development of our own stores and our AI capabilities to approach the customers in the right way. That is what we see.

Abhilash Mohapatra: That is very helpful. Just a very quick follow-up, please. I mean, just taking a step back, I guess the Swedish market, at least until this quarter, has generally been seen as relatively rational. I know there is the competition in the open networks that you have referred to in the past as well. Just taking a step back, do you see fundamentally has the market become more competitive than where we were previously, or is this more of the usual competitive trends that we see? Thank you.

Nicholas Högberg: No. Thank you. It is fair to say that we definitely see a more competitive situation in the no-frills market. That is where it is most obvious. A reflection is that it is almost, it feels like it is Black Week, Black Day every day right now. Different brands are pushing really hard. That is what we see where we think it is a bit of a, as you stated it, irrational in one sense.

Ondrej Cabejsek (UBS): I have got a couple of questions, maybe starting with a follow-up on the theme that was already developed several times, the increased competition following the shutdown in Halebop as a brand. Can you elaborate on why exactly this is? I presume that is because, I guess, other companies or maybe even yourself, through Comviq, are trying to take advantage of that and somehow use that as a way to increase market share at the expense of the shutdown brands. Any colour on that would be very helpful, and then I will follow up with other questions, please.

Nicholas Högberg: It is a bit hard to understand why, but we do see increased competition, and I assume that that is a consequence of trying to make sure that the Halebop customer base stays where it should be, or where some actors think it should be. Maybe that is driving the increased competition.

From our perspective, we are always making sure that we come out as attractive brand and that we have great offers and make sure that we can take as much as possible from the market, but with that said, in a healthy and sustainable way.

Ondrej Cabejsek: I had two questions related to Three, Nicholas. I guess Three had a much thinner organisation as far as I know, at least in terms of internal sales channels. I am curious how you view the strategy of Tele2 currently of exiting third-party distribution, which I believe for Three were, or was much more of a prominent part of the sales mix. I guess my question is, do you subscribe to the Tele2 strategy fully, and if not, how do you plan on developing the sales channel mix going forward?

Nicholas Högberg: No, thank you. First, just a reminder, it was more than 10 years ago, or it was 10 years ago since I left Three, so I have no clue or insight into what they are doing today. Now I am fully committed to Tele2. I have been watching for almost 30 years as a fantastic competitor, then from the Board and now operationally, and I am very impressed of how we are running Tele2 from a sales and distribution perspective.

It is fair to say that we have been vocal on that we are investing in our own distribution channels. I fully agree on that strategy and have been working with that strategy both from operational and strategic board perspective. We are very aligned on what we are doing and where we are going when it comes to the distribution strategy.

Ajay Soni (JP Morgan): I know Q2 last year you had lower marketing spend, so comps were slightly harder for this year. If these are excluded, where would your Group organic growth been from the 4% reported today?

Then if we look at Q1 EBITDA growth, it was double-digit Q2, let us say, mid-single-digit, and your guidance remains at low to mid-single-digit. At the low-single-digit level, it feels like things have to get materially worse in H2. What headwinds do you see in H2 where potentially full year EBITDAaL growth ends up towards that low single-digit number? Thank you.

Peter Landgren: Thanks for your question. I will cover those two. We are not calling out exactly what it would mean in terms of growth with and without the marketing moves. What we notice, of course, is that we had a very strong growth in Q2 last year, and of course that impacts the growth this year, that we had tough comps. On that note, that is why we find the 4% growth that we see now as a solid performance, which we are pleased with and in line with our expectations.

Going forward and on the guidance for the full year, it is a couple of things to call out. First, we should keep in mind, we keep saying that we raised the bar last year and we are hence starting from higher levels. Also, as Nicholas pointed out earlier today, is that we are optimistic to avoid the lower end of the range on EBITDAaL.

As you know, then we keep the guidance untouched. It is a couple of reasons. One thing is then, as we have said, the geopolitical and macroeconomic environment that it brings uncertainty. We have talked about it here, but it is about consumer sentiment and where that goes, and also the inflationary pressure that we have, especially in certain pockets of our cost base.

Secondly, as we have talked about, it is the Swedish market that is competitive, especially no-frills and now fixed broadband. We do not know how that will evolve in the second half of the year. So far we have stayed out deliberately from the most intense competition, but we of course want to retain our ability and optionality to act as we find best for Tele2. That is how I look at our guidance for the remainder of the year.

Viktor Högberg: Hi again. Just on a recent topic, will be interesting to pick your brain, satellites. The large vendor having recently IPO-ed. Just your thoughts on satellite providers within the context of the competitive landscape in the future, both for your sakes but also for the industry, will be interesting to just hear your thoughts on it. Thank you.

Nicholas Högberg: Thank you, Viktor. It is always thrilling when new technologies come out. Satellite is not new, but it is a different way of using it. It is a bit of a different scenarios here. If we are talking about broadband, then it is more rural areas and a complement. We do not see a big threat right now from satellite. We think it will be a complement to us. If we talk about D2D, device-to-device, there are a couple of things to look into when it comes to satellite.

We have the regulations looking at EU, and the Nordics specifically. We have regulations that makes it a bit complicated. We also have frequencies and capacity that you have to understand and how that will affect a satellite operator. Then, of course, we have the more operational part where we have very good networks in the Nordics, in Europe. We have a dense population. The price levels are quite low. Maybe also that will affect the opportunity and possibility for a satellite operator to enter the market.

As a complement, we are very positive, and we think there is an opportunity there. I hope that answers your question. Of course, we are following it closely and, as I said, it is always exciting with new technologies and technology shifts. I would rather see AI and automation as a bigger opportunity and technology shift, which also is very exciting to talk about, of course.

Thank you very much, and thank you all for listening in and the great questions. As said before, we are proud to deliver a solid and strong quarter, according to our expectations. I want to wish everyone thank you so much and wish everyone a great summer and hopefully a good and deserved vacation for some of you. Thank you very much.

[END OF TRANSCRIPT]