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2021-02-02

PRESS RELEASE

Full year and fourth quarter 2020 report

Stockholm – Tele2 AB (“Tele2”) (Nasdaq Stockholm: TEL2 A and TEL2 B) today announces its consolidated results for the full year and fourth quarter 2020.

CEO Comment

– I feel inspired by the resilience and flexibility of Tele2. At the onset of the pandemic, the company quickly shifted focus and managed to grow underlying EBITDAaL for the full year despite the pandemic. While successfully mitigating near term headwinds, we also executed on initiatives that will bring long term benefits such as the launch of 5G, the business transformation program, annual price adjustments in Sweden consumer and consolidation of the Swedish B2B unit. We now have good clarity on external and internal factors going forward and can fully focus on execution, says Kjell Johnsen, President and CEO of Tele2.

Highlights

- End-user service revenue of SEK 4.8 billion declined by 2% compared to Q4 2019 on an organic basis due to negative impact from the pandemic.
- Revenue of SEK 6.9 billion, a decline by 3% compared to Q4 2019 on an organic basis.
- Underlying EBITDAaL of SEK 2.3 billion increased by 3% organically compared to Q4 2019 despite the pandemic impact, driven by strong performance in the Baltics and cost savings.
- Profit after financial items (EBT) of SEK 3.4 billion increased by SEK 2.4 billion compared to Q4 2019. Net profit from total operations of SEK 4.1 billion (SEK 5.95 per share after dilution) increased by SEK 3.2 billion compared to Q4 2019. The increases were mainly due to translation differences in Luxembourg, with no impact on equity.
- Equity free cash flow from continuing operations of SEK 0.9 billion. Equity free cash flow from continuing operations for the last twelve months of SEK 4.8 billion, or roughly SEK 7 per share.
- Full year 2020 results delivered on guidance with underlying EBITDAaL growth of 2% (guidance of roughly flat) and capex excluding spectrum and leases of SEK 2.7 billion (guidance of SEK 2.5-3.0 billion).
- The Board of Directors proposes an ordinary dividend of SEK 6.00 per share, a 9% increase from last year.
- Financial guidance for the mid-term reiterated. Issuing 2021 guidance of roughly flat end-user service revenue and 2-4% growth in underlying EBITDAaL compared to 2020, assuming international roaming at a similar level to 2020. Capex excluding spectrum and leasing assets expected to be SEK 2.8–3.3 billion in 2021.

Teleconference and webcast

Tele2 will host a teleconference and webcast with presentation at 10:00 CET (09:00 GMT, 04:00 EST) on Tuesday, 2 February 2021. The presentation will be held in English and will be available as a webcast at www.tele2.com.

The logo for Tele2, featuring the word "TELE2" in a bold, black, sans-serif font. The "2" is significantly larger and more stylized than the other characters.

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Dial-in information

To make sure you are connected in time for the teleconference, please dial in a few minutes in advance and register your attendance. Use Confirmation Code **4193555**.

Dial-in numbers:

SWE: +46 (0) 8 50 69 21 80

UK: +44 (0) 20 71 92 80 00

US: +1 63 15 10 74 95

For more information, please contact:

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This information is information that Tele2 AB 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 above, at 07:00 CET on 2 February 2021.

Tele2's vision is to be *the smartest telco in the world, creating a society of unlimited possibilities*. Ever since Tele2 was founded in 1993, we have continued to challenge prevailing norms and dusty monopolies. Today, our award winning networks enable mobile and fixed connectivity, telephony, data network services, TV, streaming and global IoT solutions for millions of customers. We drive growth through customer satisfaction and smart combined offerings. Tele2 has been listed on Nasdaq Stockholm since 1996. In 2019, Tele2 generated revenue of SEK 28 billion and reported an underlying EBITDAaL of SEK 9 billion. For latest news and definitions of measures, please see our homepage www.tele2.com.

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