

Viasat Consumer and Canal Digital joint venture approved

- European Commission approves combination of NENT Group's satellite pay-TV and broadband-TV business with Telenor Group's satellite pay-TV business
- Leadership team of new joint venture announced
- Transaction expected to close on 5 May

The European Commission has today approved the [previously announced](#) combination of Viasat Consumer, Nordic Entertainment Group (NENT Group)'s satellite pay-TV and broadband-TV business, with Canal Digital, Telenor Group's satellite pay-TV business, into a new joint venture company. NENT Group and Telenor Group will each hold 50% of the shares of the new company, which is expected to create substantial synergies and shareholder value while providing an enhanced proposition for customers. The transaction is expected to close on 5 May.

The new company, which will launch its name and corporate brand following closing and will be headquartered in Stockholm and Oslo, will operate on an arm's length basis from NENT Group and Telenor Group. It will be an open platform providing content from multiple providers and will serve as an important distribution partner for NENT Group's Viasat pay-TV channels (to be rebranded as V from June), free-TV channels and Viaplay streaming service, all of which will continue to be owned by NENT Group and be widely available on third-party platforms.

The leadership team of the new company will be:

- **Bjørn Ivar Moen**, Chief Executive Officer (currently Chief Executive Officer of Canal Digital and Telenor Broadcast)
- **Jonas Gustafsson**, Chief Financial Officer and Head of Operations (currently Chief Executive Officer of Viasat Consumer)
- **Mahmoud Mustapha**, Chief Commercial Officer
- **Anna Pradzynska**, Chief Marketing Officer
- **Jon Espen Nergård**, Chief Technology Officer
- **Michael Bärnin**, Chief Content Acquisition Officer
- **Elisabeth Monrad-Hansen**, Chief People Officer
- **Helge Olav Bergan**, Chief Legal Officer

The Board of Directors will have equal representation from NENT Group and Telenor, with a rotating chairmanship.

Anders Jensen, NENT Group President and CEO: "We are delighted to receive the European Commission's approval for this game-changing joint venture. The business and customer

rationales are compelling. We are creating a large-scale player that can compete on a Nordic level, make sustained investments in content and technology, deliver even better combined customer offerings, and generate substantial revenue and cost synergies. Our talented Viasat Consumer employees can now look forward to joining forces with the Canal Digital team at the new company, while NENT Group will be able to focus even more on the expansion of our fast-growing Viaplay streaming service. Such innovative partnerships are the way forward for the more traditional parts of our industry, especially at times of acute change such as today.”

Gabriel Catrina, NENT Group Chief Financial Officer: “The need for consolidation in the Nordic satellite pay-TV market has been clear for some time. This joint venture will create significant value both for customers and owners, while changing NENT Group’s financial profile and further accelerating the growth of Viaplay. It has the potential to become a model for similar partnerships in other parts of the industry.”

Financial profile of the joint venture

The combination is expected to yield annual cost synergies of approximately SEK 650 million, with full effect from 2022. Furthermore, there are expected to be substantial sales synergies, for example Viaplay upselling opportunities. Integration and other related costs are expected to total approximately SEK 900 million and arise primarily from the migration of Viasat Consumer’s subscriber base to the Telenor Satellite platform. These costs are expected to be incurred during 2020 and 2021 and will be reported in the new joint venture.

The joint venture is expected to distribute available cash to its shareholders by means of regular dividends.

NENT Group and Telenor will provide a suite of services to the joint venture, including transponder capacity and technology, content and streaming services.

Impact on NENT Group

After closing of the transaction, Viasat Consumer AB will be deconsolidated from NENT Group and will be reported as an associated company. NENT Group will thereafter report its share of the net income of the joint venture as income from associated companies within its operating income. The transaction will give rise to a capital gain for NENT Group, which will be reported within Items Affecting Comparability. Upon closing, a purchase price allocation will be performed that will likely result in the identification of amortisable assets that will impact the income from the associated companies. The amounts are not known at the date of release but will have no cash flow impact.

NOTES TO EDITORS

Nordic Entertainment Group AB (publ) (NENT Group) is the Nordic region's leading entertainment provider. We entertain millions of people every day with our streaming services, TV channels and radio stations, and our production companies create content that is experienced around the world. We make life more entertaining by telling stories, touching lives and expanding worlds – from live sports, movies and series to music and original shows. Headquartered in Stockholm, NENT Group is listed on Nasdaq Stockholm ('NENT A' and 'NENT B').

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