

NENT Group to make annual savings and write down assets

- Organisation optimised to deliver on strategic priority to be the leading Nordic streaming company
- NENT Group to save approximately SEK 250 million annually from lower personnel costs to offset currency headwinds and enable continued investment in Viaplay expansion
- NENT Group to report one-off charge of approximately SEK 700 million in Q4, comprising redundancy costs and writing down of free-TV content and other assets

Nordic Entertainment Group (NENT Group), the Nordic region's leading streaming company, has announced that its shift to a [new operating model](#) has led to a reduction in its overall workforce. The personnel savings are expected to be approximately SEK 250 million, with the majority impacting in 2020. This will enable NENT Group to offset USD currency headwinds and continue to invest in the expansion of its Viaplay streaming service. There is no change in the Group's profitable growth commitment for 2020.

NENT Group has simultaneously undertaken a review of its content-related agreements and investments, which has resulted in the decision to write down the value of certain free-TV content and other assets. This primarily reflects the ongoing change in the type of content that NENT Group shows, and the fact that historic free-TV output deals with long term series commitments have limited remaining value.

NENT Group will report a one-off charge, comprising redundancy costs and impairment charges, of approximately SEK 700 million as an Item Affecting Comparability in its Q4 2019 financial results. The cashflow impact of the charge is expected to be approximately SEK 250 million.

NENT Group's Q4 2019 results will also include approximately SEK 15 million of advisory costs, which will be reported within Central Operations and relate to the proposed combination of the [Viasat Consumer business and Telenor's Canal Digital](#).

Anders Jensen, NENT Group President and CEO: "Our new function-based organisation enables us to even better capture the significant growth opportunities that we see in the Nordic streaming market, while also preparing us for further expansion. It is always very hard when colleagues have to leave, but this is a necessary step for us to be able to work and invest even smarter. The savings achieved will offset currency headwinds and enable us to continue to invest in the expansion of Viaplay. The success of Viaplay is also fundamental in our decision to write off certain content elements that we consider to be of low or no value in our journey as a leading streaming company. There is no change to our outlook for profitable growth in 2020. We are building something quite unique in our industry, and these changes will keep us constantly ahead of the curve."

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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