

# Viasat Consumer and Canal Digital merger completed

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 has today been completed. The combination was approved by the European Commission [on 30 April](#).

The closing of the transaction creates 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.

The combined company and its consumer offering will be called 'Allente', and will offer TV distribution via satellite, streaming and other services including IPTV solutions and fibre broadband via open networks to a total of 1.2 million customers in Norway, Sweden, Denmark and Finland. Allente has 400 employees across Sweden, Norway, Denmark and Finland, and will be co-headquartered in Stockholm and Oslo.

NENT Group and Telenor Group each own 50% of the shares in Allente, which operates on an arm's length basis from NENT Group and Telenor Group as an open platform providing content from multiple providers. Allente is an important distribution partner for NENT Group's Viaplay streaming service, Viasat pay-TV channels (to be rebranded as 'V' from June) and its free-TV channels, all of which continue to be owned by NENT Group and to be widely available on third-party platforms.

The table below sets out key information for the Viasat Consumer and Canal Digital businesses for 2018 and 2019. Allente will be financed by external debt and will pay out its distributable earnings to its owners in the form of regular dividends.

(SEKm)	Viasat Consumer 2019	Canal Digital 2019	Viasat Consumer 2018	Canal Digital 2018
<b>Net sales</b>	2,920	4,545	2,846	4,786
<b>EBITDA</b>	485	746	508	854
<b>Operating profit</b>	469	631	490	760
<b>Subscribers ('000)</b>	489	737	493	793

*Note: Canal Digital's figures are converted to SEK using a NOK/SEK exchange rate of 1.069 for 2018 and 1.075 for 2019.*

Further information on the joint venture's financial profile, leadership team and impact on NENT Group is available [here](#).

NENT Group and Allente have also entered into a long-term agreement to make Viaplay available to the vast majority of Allente's subscribers over time. 476k Viasat direct-to-consumer subscribers were already paying for Viaplay subscriptions at the end of March, and will be added to Viaplay's subscriber base moving forward. Canal Digital only made Viaplay available to its customers in Q1 so there is a tremendous growth opportunity for Viaplay in the Canal Digital base. Separately, a further 364k third party network subscribers had Viaplay as part of their pay-TV packages at the end of March, and will also be added to Viaplay's subscriber base moving forward. On this basis, NENT Group would have had a total of 2,510k paying Viaplay subscribers at the end of March. Prior to its Q2 results in July, NENT Group will announce a new disclosure structure to reflect the shape of the Group after the closing of this transaction.

Anders Jensen, NENT Group President and CEO: "We are delighted to have closed this game-changing transaction, which will create an even more attractive customer proposition and generate substantial revenue and cost synergies. We are a streaming company and our new long-term distribution deal with Allente means that our Viaplay subscriber base will grow even more this year. A total of more than 2.5 million Nordic subscribers were paying for Viaplay at the end of Q1 and, with the stated ambition of 400k net new subscribers in 2020, we will come close to 3 million paying subscribers across the Nordics by the end of the year. With this transaction completed and the successful launch in Iceland, we look forward to further expanding Viaplay moving forward."

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## 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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