2020

Q3

nordic entertainment group

Viaplay: 97k new subscribers & sales up 18% YoY to represent 34% of total Group sales

Q3 highlights

- Viaplay paying subscribers up 97k in Q3 and up 31% (662k) YoY to 2,813k following high intake, low churn, and contribution from partnerships. FY20 subscriber target recently raised to 3 million. Viaplay sales up 18% to represent 34% of total Group sales
- 9% organic sales growth. Sales of SEK 2,828m (3,383) with last year including SEK 736m of Viasat Consumer sales
- 19% increase in operating income before associated company and IAC when excluding last year's SEK 117m contribution from Viasat Consumer. Reported operating income before associated company income and IAC of SEK 176m (265)
- Associated company income of SEK 80m (0) included NENT Group's 50% share in Allente's net income. Allente PPA not finalised in quarter so no amortisation charges made
- Operating income before IAC of SEK 256m (265)
- Net income from total operations of SEK 188m (233) and EPS of SEK 2.79 (3.46)
- Adjusted net income from continuing operations of SEK 219m (206) and adjusted EPS of SEK 3.25 (3.06)

Financial overview

(SEKm)	Q3 2020	Q3 2019	Nine months 2020	Nine months 2019	Full year 2019
Continuing operations					
Net sales	2,828	3,383	8,822	10,378	14,204
Organic growth	9.1%	9.8%	-2.5%	7.2%	6.4%
Operating income before associated companies and IAC	**176**	**265**	**551**	**981**	**1,441**
Associated companies income	80	-	134	2	5
Operating income before IAC	**256**	**265**	**686**	**983**	**1,445**
Items affecting comparability (IAC)[1]	-	-	2,383	-56	-755
Operating income	**256**	**265**	**3,069**	**927**	**690**
Net income, continuing operations	199	204	2,873	707	538
Net income, discontinued operations[2]	-12	30	-14	41	52
Net income, total operations	188	233	2,859	748	590
Basic earnings per share (SEK)	2.79	3.46	42.45	11.13	8.77
Adjusted net income from continuing operations[3]	219	206	525	757	1145
Adjusted earnings per share from continuing operations (SEK) [3]	3.25	3.06	7.79	11.25	17.02

1) The combination of Viasat Consumer and Canal Digital resulted in a capital gain of SEK 2,383m, which was reported within items affecting comparability in Q2 2020 (see Note 4). Viasat Consumer was consolidated until the beginning of May 2020 and contributed sales of SEK 736m and operating income of SEK 117m in Q3 2019. NENT Group's 50% share in Allente's net income from May is reported as income from associated companies (see pages 6 for further information).
2) Discontinued operations comprise NENT Group's non-scripted, branded entertainment and events businesses (see Note 3). This report refers to NENT Group's continuing operations unless otherwise indicated.
3) Adjusted net income and earnings per share from continuing operations exclude items affecting comparability and amortisations of acquisition-related intangibles, within NENT Group and Allente (see page 22 for definition).

Alternative performance measures used in this report are explained and reconciled on pages 18-22.

President & CEO's comments

"With the global pandemic continuing to have a massive impact on our daily lives, we are very proud to have played a part in providing a much needed break from the many challenges that we all face. Our content has found its way to more Nordic households than ever before, and this is evident in our very strong results. We have turned a double digit organic sales decline in Q2 into 9% growth in Q3, and our healthy underlying profitability is being driven by the growth in our subscription business, and supported by the savings that we have made. We raised our Viaplay subscriber target again during the quarter, and continue to see significant increases in viewing."

Viaplay revenues were up 18% and reflected 31% YoY subscriber growth, as we ended the quarter with over 2.8m paying Viaplay subscribers. Our originals have continued to drive subscriber intake and usage levels, with Partisan and season 2 of Love Me setting new and impressive viewing records. Streamed minutes on Viaplay were up 33% YoY, with sports up 47%.

Due to this positive momentum, we have once again raised our FY20 Viaplay subscriber target, and expect to end the year with approximately 3 million paying Viaplay subscribers, up over 30% YoY with the addition of more than 700k new subscribers.

The underlying performance in Other subscription revenues continued to be healthy and prices are back to normal following the return of live sports. Reported sales were down 35% and reflected the deconsolidation of the Viasat Consumer business.

Advertising sales were down 9%, significantly less than in Q2 as predicted, with demand levels gradually returning.

Revenues for the continuing studios businesses were down 47% and reflected lower demand levels due to the pandemic. Our studios will now be focused primarily on producing originals for Viaplay. The process of selling the discontinued businesses is proceeding according to plan.

Our EBIT before associates and IAC was up 19% when excluding the contribution from the now deconsolidated Viasat Consumer business. The savings that we have made combined with the strong growth in Viaplay and Other subscriptions to more than offset the cost impact of key sports events moving from Q2 to Q3 this year due to COVID-19.

Allente, our joint venture with Telenor, contributed SEK 86m of profits. The focus is now on delivering at least SEK 650m of cost synergies, as well as the continued selling of Viaplay to its subscriber base.

Viaplay Iceland has also continued to perform well and we now preparing to launch Viaplay in the Baltics in Q1 next year. We will provide more information about our planned international expansion of Viaplay at our upcoming Capital Markets Day, which will be held virtually on 10 November.

With the Brexit transitional period expiring at the end of this year, we have decided to move our streaming registrations and TV broadcast licenses to Sweden. We do not expect any significant financial impact from this historic change, but we are of course very happy with this move as it ensures the continued availability of our content across the Nordic region and beyond. We have now established a stable, long term regulatory foundation from which we will embark on our ambitious and exciting international expansion.

COVID-19 is affecting us all in many ways, both personally and professionally. The performance of our people, platforms and products are immensely impressive. We will undoubtably come out of this crisis stronger than ever, ready to capture the full potential of our existing and future streaming operations.

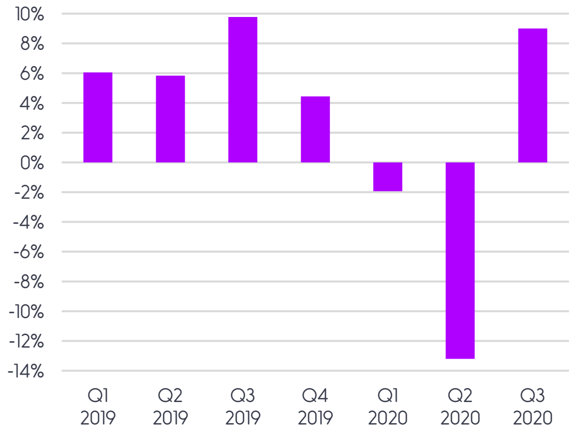
Anders Jensen
President & CEO

Sales

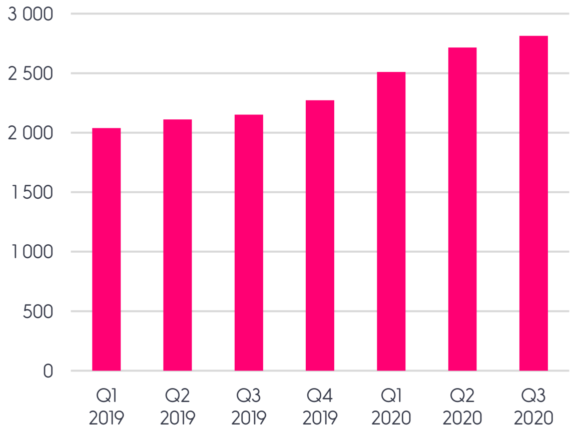
Group

Organic net sales were up 9% when excluding the impact of the deconsolidation of the Viasat Consumer business, and changes in FX rates reflecting the depreciation of the Norwegian and Danish krona. Reported sales amounted to SEK 2,828m (3,383). Please see page 18 of this report for the reconciliation of sales growth.

Organic sales growth
(%)



Viaplay subscribers
(thousands)



By sales category

(SEKm)	Q3 2020	Q3 2019	Change %	Nine months 2020	Nine months 2019	Change %	Full year 2019
Viaplay	957	814	17.5%	2,643	2,439	8.4%	3,323
Other subscription	1,030	1,586	-35.0%	3,658	4,725	-22.6%	6,367
Advertising	762	836	-8.8%	2,335	2,846	-18.0%	4,006
Studios & other	78	147	-46.9%	186	368	-49.5%	507
Total	**2,828**	**3,383**	**-16.4%**	**8,822**	**10,378**	**-15.0%**	**14,204**

Viaplay sales accounted for 34% of Group sales and were up 18%. Viaplay's paying subscriber base grew by 97k QoQ to end the period at 2,813k. The growth was driven by the combination of Viaplay's 'Films & Series' package with Elisa Viihde Aitio's service in Finland as well as healthy intake and low churn. Viaplay Iceland has continued to perform above expectations, and preparations are underway for the launch in the Baltics in Q1 2021.

Other subscription sales accounted for 36% of Group sales and delivered a very healthy underlying performance in the quarter. Reported sales were down 35% due to the deconsolidation of Viasat Consumer from the beginning of May 2020, following the completion of the merger with Canal Digital.

Advertising sales accounted for 27% of Group sales and were down 9%, which represents a significant improvement from the 30% decline seen in Q2. NENT Group's TV audience share was up in Denmark but down in Sweden and Norway. The TV advertising markets are estimated to have declined substantially in all three markets following lower demand levels due to COVID-19. The Swedish and Norwegian radio audience share was down, and both advertising markets are estimated to have declined substantially.

Studios and other sales, which primarily comprise the sales for the scripted content production and distribution companies that are not being divested, accounted for 3% of Group sales and were down 47% following lower demand levels and postponements of productions as a result of the pandemic.

Operating income

Operating expenditure before IAC was down 14% to SEK 2,684m (3,121). Q3 included additional sports costs related to Champions League and Formula 1 which were moved from Q2 to Q3. However this was more than offset by the deconsolidation of Viasat Consumer, lower scripted content production volumes, and the positive effects of the transformation and cost reduction programmes. The combined savings were approximately SEK 300m in the quarter and SEK 685m for the year to date and the Group still expects full year savings from these programmes of approximately SEK 900m.

Operating income before associated company income and IAC amounted to SEK 176m (265). Last year included a SEK 117m contribution from Viasat Consumer. Allente contributed SEK 86m (0) of associated company income. No amortisation related to intangible assets was made by Allente in the quarter as the Purchase Price Allocation was not finalised. Allente is now focused on delivering the SEK 650m of cost synergies, as well as upselling Viaplay to the Canal Digital subscriber base. Please see page 6 of this report for further details about Allente's financial performance and position, including selected KPIs.

Items affecting comparability amounted to SEK 0m (0). Please see page 19 for a comprehensive list of items affecting comparability. Total operating income including associated company income and IAC amounted to SEK 256m (265).

Net financials and net income

Net financials

Net interest and other financial items totaled SEK -25m (-7). Net interest amounted to SEK -23m (-12), of which SEK -3m (-4) related to interest on net lease liabilities. Other financial items amounted to SEK -2m (5) and mainly comprised funding fees and the impact of exchange rate differences on financial items.

Net income

Tax amounted to SEK -32m (-55) and net income from continuing operations totaled SEK 199m (204). Net income from discontinued operations amounted to SEK -12m (30) in the quarter and comprised the income from the Studios businesses that are being divested (see Note 3 for further details). Total net income for the Group therefore amounted to SEK 188m (233), with total basic earnings per share of SEK 2.96 (3.02). Adjusted net income and earnings per share from continuing operations amounted to SEK 219m (206) and SEK 3.25 (3.06), respectively (see page 22 for further details).

Cash flow and financial position

Cash flow from operations

Cash flow from operating activities, including discontinued operations, amounted to SEK 175m (316). Changes in working capital amounted to SEK 167m (-879) and reflected delayed sports rights payments that will be made in Q4 and deferral of tax payments as part of Government support measures due to COVID-19. The operating cash flow for the quarter amounted to SEK 343m (-562).

Cash flow from investing activities

Capital expenditure on tangible and intangible assets totalled SEK -30m (-47). Other investing activities totalled SEK -4m (0). Total cash flow related to investing activities amounted to SEK -35m (-47).

Cash flow from financing activities

Cash flow from financing activities amounted to SEK 101m (-73) due to the net change in Group borrowings. The net change in cash and cash equivalents amounted to SEK 410m (-682) and included discontinued operations.

Financial position

The Group's total net debt position, including discontinued operations, amounted to SEK 3,865m (4,756) at the end of the period and comprised financial net debt of SEK 3,344m (3,921), including cash and cash equivalents of SEK 1,936m (889) and net of lease liabilities and sublease receivables of SEK 521m (617). The net debt to trailing twelve month adjusted EBITDA ratio was 2.5x.

Parent company

Nordic Entertainment Group AB is the Group's parent company and is responsible for Group-wide management, administration and financing.

Net sales for the Parent Company amounted to SEK 14m (8). Income before tax and appropriations was SEK -21m (-20). Net income for the period amounted to SEK -17m (-16). The income statement and balance sheet for the Parent Company are presented on page 13.

The total number of shares outstanding at the end of the period was 67,347,526 (67,342,244) when excluding the 494,718 Class C shares held as treasury shares. 5,282 Class C shares were converted into Class B shares during Q2 and are no longer held as treasury shares.

Other information

Significant events during and after the quarter

- 3 Aug - NENT Group appoints Peter Nørrelund as EVP and Head of Expansion & Sport
- 28 Aug - NENT Group expands UFC coverage to Iceland
- 4 Sep - NENT Group secures long-term Swedish men's national football team rights
- 16 Sep - NENT Group raises Viaplay subscriber target to 3 million by end of 2020
- 18 Sep - Nomination Committee convened
- 19 Oct – NENT Group issues invitations to virtual Capital Markets Day on 10 November

A full list of announcements and reports can be found at www.nentgroup.com

Allente

The combination of Viasat Consumer, 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 called Allente was completed on 5 May. NENT Group and Telenor Group each own 50% of the shares in the company.

The combination is expected to yield annual cost synergies of approximately SEK 650m, with full effect from 2022. Furthermore, there are expected to be substantial sales synergies from the upselling of Viaplay to the Canal Digital subscriber base. Integration and other related costs are expected to total approximately SEK 900m 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 by Allente as items affecting comparability. The transaction resulted in a surplus value, which will be allocated to assets and liabilities in a Purchase Price Allocation (PPA). The PPA work is being finalised and no amortisation was made in Q3. The amortisation of identified intangible assets is preliminarily expected to impact Allente's operating income in Q4 with approximately SEK 300m, and as from 2021 with approximately SEK 340m per year.

Allente's revenues for Q3 amounted to SEK 1,748m. The subscriber base declined by 26k QoQ and ended the period at 1,153k. EBITDA before IAC amounted to SEK 294m and the operating income to SEK 221m when including the SEK 45m of integration costs that were reported as items affecting comparability.

NENT Group's 50% share of Allente's net income of SEK 172m amounted to SEK 86m for the quarter. Allente's net cash position amounted to SEK 996m at the end of the quarter. Allente secured loans of SEK 2.5 bn during the quarter, which will be drawn down in Q4 2020 in order to pay out an extraordinary dividend to shareholders. Allente then plans to pay out quarterly dividends moving forward.

(SEKm)	Q3 2020	May-Sep 2020
Net sales	1,748	2,875
EBITDA before IAC	294	461
Depreciation	-28	-43
Amortisation of intangible assets (PPA related)	-	-
Operating income before IAC	**266**	**418**
Items affecting comparability (IAC)	-45	-76
Operating income	**221**	**342**
Financial items	-1	7
Tax	-48	-74
Net income	**172**	**274**
NENT Group 50% share of net income	*86*	*137*
Net cash position	996	996
Total subscribers (thousand)	1,153	1,153

Risks & uncertainties

Significant risks and uncertainties exist for the Group and the parent company. These factors include the prevailing economic and business environments in each of the Group's markets; commercial risks related to expansion into new territories; political and legislative risks related to changes in rules and regulations in the various territories in which the Group operates; exposure to foreign exchange rate movements and the US dollar and Euro-linked currencies in particular; and the emergence of new technologies and competitors. The increasing shift towards online viewing also makes the Group a potential target for cyber-attacks, intrusions, disruptions or denials of service.

Risks also exist in relation to the move of the Group's TV broadcasting licences and video streaming service registrations from the UK to Sweden as a result of the expiry of the Brexit transitional period on 31 December 2020. While the licenses and registrations will remain subject to EU rules and regulations, the move from OFCOM (UK) to MPRT (Sweden) regulation will lead to some changes in the types and amount of advertising that the group can show, as well as changes to the provision of access and other services. There is also the risk that new licenses and registrations may not be issued on the same terms as existing licenses and registrations. The Group does not believe that the move will, in aggregate, create any substantial positive or negative effects for the Group's operations or finances.

COVID-19

COVID-19 continues to constitute a substantial risk for NENT Group's people, operations, financial performance and position. While the situation has eased to some extent in the countries in which NENT Group operates, the vast majority of staff continue to work remotely and the risk of further surges in infection rates and renewed lock-downs remains. The primary impacts to date have been to the health and wellbeing of the workforce, reduced demand for advertising, lower sports subscription pricing due to postponed or cancelled sports events, higher overall streaming subscriber intake and viewing due to people staying at home, the inability to produce programming, and the significant volatility in the Group's share price.

The Group's first priority has been the safety and wellbeing of its people, which is why NENT Group took the early decision to ban all non-essential business travel and to ask almost all employees to stay at home. The Group has also restricted access to its office locations, continued to follow the guidance of governments and international health organisations, and used it's platforms to promote public health information and provide support to those directly affected by the disease. The Group's remote access, cloud computing and video conferencing facilities have worked well and enabled productivity and motivation to remain at high levels.

Secondly, NENT Group has taken proactive and decisive actions to take care of its customers. Temporary price reductions were implemented early for sports subscribers, and prices are now back to normal as live sports have resumed. The Group has not expensed any rights for postponed sports unless they have resumed, and did receive cash compensation for this year's cancelled ice hockey world championship.

Thirdly, NENT Group has implemented the range of previously announced measures, in order to reduce its ongoing costs by approximately SEK 700m during 2020 without reducing permanent staffing levels. Cash flow and liquidity have also been preserved by not proposing the payment of a dividend for 2019, or any share based incentive plans for 2020. All of these measures have ensured that more than SEK 1 bn of cash will be retained within the business. The Group has received governmental support in areas such as the furloughing of staff and lower social expenses, which amounted to approximately SEK 26m in Q3 and of which SEK 16m is related to discontinued operations. In addition, Government initiatives have enabled NENT Group to defer approximately SEK 520m of tax payments into 2021, of which SEK 120m related to Q3 2020.

Finally, management constantly reviews different scenarios for the ongoing development of the COVID-19 pandemic, so as to mitigate the potential impacts on future revenue, profit and cash flow, and to value assets and liabilities at the appropriate level. The continuing and discontinued studios business have faced a significant decline in demand levels and productions have been postponed to a larger extent than expected during Q3. At the time of this report, there are no adjustments or impairments made; however, the developments will be monitored during Q4.

Financial targets

NENT Group does not provide formal financial performance targets or guidance. NENT Group's objective is to deliver sustainable profitable growth in the form of organic sales growth and growth in operating income before items affecting comparability. The Group has previously announced that it will not be able to deliver on this objective in 2020 due to COVID-19.

NENT Group intends to maintain a balance sheet leverage ratio of no more than 2.5x net debt to trailing twelve month adjusted EBITDA. NENT Group's leverage may exceed these levels temporarily from time to time.

NENT Group's dividend policy is to distribute an annual cash dividend of between 30% and 50% of adjusted net income. The Group did not propose the payment of a dividend in 2020 for 2019 due to COVID-19.

Financial calendar

Capital Markets Day	10 November 2020
Q4 and full year report	9 February 2021

Stockholm, 22 October 2020

Anders Jensen
President & CEO

Auditors' Review Report

Introduction

We have reviewed the summary interim financial information (interim report) of Nordic Entertainment Group AB (publ.) as of 30 September 2020 and the nine month period then ended. The Board of Directors and the President & CEO are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements ISRE 2410 Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing practices and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes to believe that the interim report is not prepared, in all material respects, for the Group in accordance with IAS 34 and the Annual Accounts Act, and for the Parent Company in accordance with the Annual Accounts Act.

Stockholm, 22 October 2020

KPMG AB

Joakim Thilstedt
Authorised Public Accountant
Auditor in Charge

Hök Olov Forsberg
Authorised Public Accountant

Consolidated income statement

(SEKm)	Q3 2020	Q3 2019	Nine months 2020	Nine months 2019	Full year 2019
Continuing operations					
Net sales	2,828	3,383	8,822	10,378	14,204
Cost of goods and services	-2,123	-2,369	-6,401	-7,049	-9,539
Gross income	**705**	**1,014**	**2,421**	**3,329**	**4,664**
Selling expenses	-170	-243	-608	-762	-1,041
Administrative expenses	-391	-509	-1,338	-1,638	-2,304
Other operating income	38	12	94	65	153
Other operating expenses	-6	-9	-17	-14	-32
Share of earnings in associated companies and joint ventures	80	-	134	2	5
Items affecting comparability	-	-	2,383	-56	-755
Operating income	**256**	**265**	**3,069**	**927**	**690**
Interest income	-	2	3	8	11
Interest expenses	-21	-10	-46	-20	-30
Leasing net interest	-3	-4	-10	-11	-15
Other financial items	-2	5	-16	6	4
Income before tax	**231**	**258**	**3,000**	**911**	**660**
Tax	-32	-55	-128	-203	-122
Net income for the period, continuing operations	**199**	**204**	**2,873**	**707**	**538**
Net income for the period, discontinued operations	-12	30	-14	41	52
Net income for the period	**188**	**233**	**2,859**	**748**	**590**
ITEMS THAT ARE OR MAY BE RECLASSIFIED TO PROFIT OR LOSS NET OF TAX					
Currency translation differences	2	18	-95	98	52
Cash flow hedge	-63	62	-138	99	13
Other comprehensive income for the period	**-61**	**81**	**-233**	**196**	**65**
Total comprehensive income for the period	**127**	**314**	**2,626**	**945**	**655**
NET INCOME FOR THE PERIOD ATTRIBUTABLE TO					
Equity holders of the parent company	190	234	2,867	748	589
Non-controlling interest	-3	-1	-9	1	1
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO					
Equity holders of the parent company	129	315	2,634	944	654
Non-controlling interest	-3	-1	-8	1	1
EARNINGS PER SHARE					
Basic earnings per share (SEK), continuing operations	2.96	3.02	42.66	10.52	7.99
Diluted earnings per share (SEK), continuing operations	2.95	3.01	42.45	10.49	7.97
Basic earnings per share (SEK)	2.79	3.46	42.45	11.13	8.77
Diluted earnings per share (SEK)	2.77	3.45	42.25	11.09	8.74
NUMBER OF SHARES[1]					
Shares outstanding at the end of the period	67,347,526	67,342,244	67,347,526	67,342,244	67,342,244
Basic average number of shares outstanding	67,347,526	67,342,244	67,344,461	67,258,857	67,279,875
Diluted average number of shares outstanding	67,655,970	67,573,698	67,668,793	67,454,156	67,484,565

1) When calculating the average number of shares for 2019, former parent company Modern Times Group MTG AB's number of shares are included for the period when NENT Group was part of MTG.

Consolidated balance sheet

(SEKm)	30 Sep 2020	30 Sep 2019	31 Dec 2019
NON-CURRENT ASSETS			
Intangible assets	2,257	3,424	3,384
Machinery, equipment and installations	90	163	165
Right-of-use assets	375	588	566
Shares and participations	2,948	147	142
Sublease receivables	163	195	192
Other long-term receivables	162	178	171
Total non-current assets	**5,994**	**4,695**	**4,621**
CURRENT ASSETS			
Inventories	2,708	2,877	2,551
Accounts receivables	970	1,243	1,112
Sublease receivables	32	33	34
Prepaid expense and accrued income	4,053	4,477	4,609
Other current receivables	462	909	532
Cash, cash equivalents and short-term investments	1,912	889	1,238
Assets held for sale[1]	1,615	-	-
Total current assets	**11,751**	**10,429**	**10,077**
Total assets	**17,745**	**15,124**	**14,697**
EQUITY			
Equity	4,083	1,719	1,434
Non-controlling interest	-1	16	7
Total equity	**4,082**	**1,735**	**1,442**
NON-CURRENT LIABILITIES			
Long-term borrowings	3,300	2,300	1,800
Long-term lease liabilities	490	713	691
Long-term provisions	166	141	275
Other non-current liabilities	306	357	316
Total non-current liabilities	**4,262**	**3,512**	**3,082**
CURRENT LIABILITIES			
Short-term borrowings	1,980	2,510	2,980
Short-term lease liabilities	107	132	132
Dividend payable	-	219	-
Short-term provisions	183	142	139
Other current liabilities	6,575	6,874	6,923
Liabilities related to assets held for sale[1]	555	-	-
Total current liabilities	**9,400**	**9,877**	**10,174**
Total liabilities	**13,662**	**13,389**	**13,256**
Total shareholders' equity and liabilities	**17,745**	**15,124**	**14,697**

1) Refers to non-scripted prodction, branded entertainment and events businesses which are reported as discontinued operations from Q2 2020.

Consolidated statement of cash flow

(SEKm)	Q3 2020	Q3 2019	Nine months 2020	Nine months 2019	Full year 2019
Net income, continuing operations	199	204	2,873	707	538
Net income, discontinued operations	-12	30	-14	41	52
Depreciations, amortisations and write-downs	77	84	236	246	875
Other adjustments for non-cash items	-89	-	-2,525	-43	-72
Cash flow from operations	175	316	569	950	1,393
Changes in working capital	167	-879	46	-1,044	-791
Net cash flow from/to operations	343	-562	616	-93	602
Acquisitions of operations	-	-	-	-15	-15
Divestments of operations	-	-	-218	-	-
Capital expenditures in tangible and intangible assets	-30	-47	-101	-124	-176
Other investing activities	-4	-	-10	-105	-99
Cash flow from/used in investing activities	-35	-47	-330	-244	-290
New long-term borrowings	700	300	1,500	2,300	2,300
Change in short term borrowings	-600	-355	-1,000	2,510	2,480
Amortisation of lease receivables	7	8	24	24	33
Amortisation of lease liabilities	-30	-29	-100	-89	-121
Change in financing to/from MTG	-	-	-	-4,474	-4,474
Shareholders' contribution	-	-	-	620	620
Dividends to shareholders	-	-	-	-219	-438
Other cash flow from/to financing activities	24	3	34	93	75
Cash flow from/used in financing activities	101	-73	458	765	475
Total net change in cash and cash equivalents for the period	410	-682	745	428	787
Cash and cash equivalents at the beginning of the period	1,525	1,572	1,238	428	428
Translation differences in cash and cash equivalents	-	-2	-49	32	23
Total cash and cash equivalents at end of the period	1,936	889	1,936	889	1,238
Cash and cash equivalents included in assets held for sale	-24	-	-24	-	-
Cash and cash equivalents at end of the period	1,912	889	1,912	889	1,238

Consolidated statement of changes in equity

(SEKm)	Q3 2020	Q3 2019	Nine months 2020	Nine months 2019	Full year 2019
Opening balance	3,951	1,416	1,442	597	597
Net income for the period	188	233	2,859	748	590
Other comprehensive income for the period	-61	81	-233	196	65
Total comprehensive income for the period	127	314	2,626	945	655
Effect of share based programmes	5	5	15	11	15
Change in non-controlling interests	-	-	-	-	-7
Shareholders' contribution	-	-	-	620	620
Dividends to shareholders	-	-	-	-438	-438
Closing balance	4,082	1,735	4,082	1,735	1,442

Parent company income statement

(SEKm)	Q3 2020	Q3 2019	Nine months 2020	Nine months 2019	Full year 2019
Net sales	14	8	41	22	43
Gross income	**14**	**8**	**41**	**22**	**43**
Administrative expenses	-44	-40	-150	-221	-252
Other operating income	1	-	3	-	-
Other operating expenses	-	-1	-	-1	-
Items affecting comparability	-	-	-	-	-48
Operating income	**-28**	**-33**	**-106**	**-200**	**-258**
Net interest and other financial items	7	13	53	27	48
Income before tax and appropriations	**-21**	**-20**	**-53**	**-173**	**-210**
Group contribution	-	-	-	-	597
Income before tax	**-21**	**-20**	**-53**	**-173**	**387**
Tax	4	4	11	-37	-75
Net income for the period	**-17**	**-16**	**-42**	**-136**	**312**

Parent company balance sheet

(SEKm)	30 Sep 2020	30 Sep 2019	31 Dec 2019
NON-CURRENT ASSETS			
Intangible assets	-	1	-
Financial assets	120	102	113
Total non-current assets	**120**	**103**	**113**
CURRENT ASSETS			
Receivables from group companies	9,351	9,331	10,831
Other current receivables	180	353	88
Cash, cash equivalents and short-term investments	1,791	700	974
Total current assets	**11,322**	**10,384**	**11,893**
Total assets	**11,442**	**10,486**	**12,006**
SHAREHOLDERS' EQUITY			
Restricted equity	135	135	135
Non-restricted equity	1,696	1,300	1,759
Total equity	**1,831**	**1,435**	**1,894**
NON-CURRENT LIABILITIES			
Long-term borrowings	3,300	2,300	1,800
Other non-current liabilities	5	-	-
Total non-current liabilities	**3,305**	**2,300**	**1,800**
CURRENT LIABILITIES			
Short-term borrowings	1,980	2,510	2,980
Liabilities to group companies	4,037	3,687	5,083
Dividens payable	-	219	-
Other current liabilities	289	334	249
Total current liabilities	**6,306**	**6,750**	**8,312**
Total shareholders' equity and liabilities	**11,442**	**10,486**	**12,006**

Group performance data

(SEKm)	Q1 2019	Q2 2019	Q3 2019	Q4 2019	FY 2019	Q1 2020	Q2 2020	Q3 2020
Net sales	3,430	3,566	3,383	3,825	14,204	3,370	2,624	2,828
- of which Viaplay	*792*	*833*	*814*	*885*	*3,323*	*887*	*798*	*957*
- of which Other subscription	*1,582*	*1,558*	*1,586*	*1,642*	*6,367*	*1,595*	*1,033*	*1,030*
- of which Advertising	*964*	*1,047*	*836*	*1,160*	*4,006*	*835*	*738*	*762*
- of which Studios & other	*93*	*128*	*147*	*139*	*507*	*53*	*55*	*78*
Operating income - before associated companies and IAC	284	432	265	460	1,441	219	156	176
Associated companies income	-	2	-	2	5	-	54	80
Operating income before IAC	284	434	265	462	1,445	219	210	256
Items affecting comparability	-56	-	-	-699	-755	-	2,383	-
Operating income	228	434	265	-237	690	219	2,594	256
Net income, total operations	167	348	233	-159	590	157	2,515	188
Basic earnings per share (SEK)	2.48	5.17	3.46	-2.36	8.77	2.33	37.34	2.79
Adjusted net income from continuing operations	218	333	206	389	1,145	158	148	219
Adjusted earnings per share from continuing operations (SEK)	3.25	4.94	3.06	5.78	17.02	2.35	2.20	3.25
Sales growth	8.0%	6.9%	10.5%	5.3%	7.6%	-1.7%	-26.4%	-16.4%
Organic growth	5.9%	5.8%	9.8%	4.4%	6.4%	-1.9%	-13.2%	9.1%
Operating margin - before associated income and IAC	8.3%	12.1%	7.8%	12.0%	10.1%	6.5%	6.0%	6.2%
Operating margin	6.7%	12.2%	7.8%	-6.2%	4.9%	6.5%	98.9%	9.1%
Net debt	4,189	4,148	4,756	4,139	4,139	4,754	4,189	3,865
Net debt/EBITDA 12 months trailing	2.2	2.2	2.5	2.2	2.2	2.6	2.6	2.5
ROCE	29.9%	29.1%	27.3%	27.1%	27.1%	25.1%	19.4%	17.2%
CSOV Sweden (25-59) %	23.1	22.4	23.3	23.0	23.0	23.2	22.4	22.6
CSOV Norway (25-59) %	16.2	14.8	15.6	16.1	15.7	17.3	15.3	12.9
CSOV Denmark (25-59) %	20.0	21.8	20.9	22.7	21.3	19.0	19.9	21.7
CSOL Sweden (12-79) %	45.6	44.8	47.6	42.3	45.1	39.4	39.3	44.6
CSOL Norway (12+) %	65.2	66.4	69.1	64.7	66.0	66.1	66.7	66.4
Viaplay subscriber base ('000s)	2,039	2,111	2,151	2,272	-	2,510	2,716	2,813

Notes

Note 1 - Accounting policies

This Interim report has been prepared according to 'IAS 34 Interim Financial Reporting' and 'The Annual Accounts Act'. The interim report for the parent company has been prepared according to the Annual Accounts Act - Chapter 9 'Interim Report'.

The Group's financial accounts and the parent company accounts have been prepared according to the same accounting policies and calculation methods as were applied in the preparation of the Annual Report 2019, with the exception of the below adjustments to the reporting.

At the beginning of May, NENT Group's Viasat Consumer business was merged with Telenor Group's Canal Digital business to form a joint venture called Allente. As an effect of the merger, NENT Group lost control of the business and deconsolidated Viasat Consumer and its subsidiaries. NENT Group owns 50% of Allente and this interest is recorded at fair value as at the transaction date. This resulted in a capital gain, which is the difference between the fair value of the consideration received (50% of Allente) and the carrying value of the former subsidiaries' net assets. The gain is recorded in the income statement within items affecting comparability. NENT Group's 50% share of Allente's net income is reported as income from associated companies within NENT Group's operating income. Please see note 4 for more information.

During the first half of 2020, NENT Group announced the initiation of a process to divest its non-scripted production, branded entertainment and events companies. With effect from Q2 2020, these businesses have been reported as assets held for sale and discontinued operations, with historical periods restated accordingly. The remaining NENT Studios operations are focused on scripted content production and distribution, and have been integrated with the previous Broadcasting and Streaming segment. As a consequence and with effect from Q2 2020, NENT Group reports one segment, which is in line with how performance is monitored internally.

With effect from Q2 2020, NENT Group has started to disclose revenues for Viaplay separately. Viaplay revenues are generated as subscription or transaction fees, either directly from end-customers or indirectly from partner organisations. Viaplay may be purchased as a standalone product or as part of bundled offers by partner organisations. When Viaplay is sold as a part of a bundled offer, and no standalone selling price is explicitly referenced in the partner contract, NENT Group allocates a part of the total revenue to Viaplay based on Viaplay's relative standalone selling price in relation to the bundle offering. NENT Group uses the recommended retail price as the reference point for the standalone selling price.

During 2020, the Group has applied for and received government support in certain countries due to COVID-19. Grants and support from Governments and public authorities are recognised when there is reasonable assurance that the company will comply with the conditions attached to the grant and that the grant will be received. Income from grants is recognised in the same way and over the same period as the related costs for which it is intended to compensate.

Note 2 – Disaggregation of revenues

(SEKm)	Q3 2020	Q3 2019	Nine months 2020	Nine months 2019	Full year 2019
REVENUE STREAMS					
Advertising	762	836	2,335	2,846	4,006
Subscription	1,811	2,200	5,753	6,482	8,771
Production	40	101	83	230	328
Licenses, royalities and other	215	246	651	819	1,099
Total	2,828	3,383	8,822	10,378	14,204
REVENUE RECOGNITION					
at a point in time	102	123	373	392	516
over time	2,726	3,260	8,449	9,987	13,688
Total	2,828	3,383	8,822	10,378	14,204

Note 3 - Discontinued operations

On April 20 2020, NENT Group announced that the process to sell the non-scripted production, branded entertainment and events business had recommenced. The businesses have been part of the Studios segment and, as of Q2 2020, reported as assets held for sale and discontinued operations. The net income from the operations is reported in a separate line in the income statement, and historical figures have been restated accordingly. The assets and liabilities related to the operations are reported on separate lines in the consolidated balance sheet.

(SEKm)	Q3 2020	Q3 2019	Nine months 2020	Nine months 2019	Full year 2019
External sales	279	417	770	1,123	1,467
Internal sales	27	34	79	131	184
Cost of goods sold	-259	-346	-673	-957	-1,244
Selling and administration expenses	-62	-66	-190	-249	-317
Other income and expenses	5	-2	8	-	-22
Operating income	-10	37	-7	48	68
Financial net & Tax	-2	-8	-7	-8	-16
Net income, discontinued operations	-12	30	-14	41	52

Note 4 – Impact of the merger of Viasat Consumer and Canal Digital

Viasat Consumer and its subsidiaries were deconsolidated from NENT Group after the closing of the merger transaction with Canal Digital. NENT Group reports its 50% share of Allente's net income as income from associated companies within its operating income. The transaction gave rise to a non-cash capital gain for NENT Group, which has been reported within items affecting comparability.

(SEKm)	May 2020
Deconsolidated net assets	
Non-current assets	20
Current assets	731
Cash and cash equivalent	218
Financial debt	-
Other current and non-current liabilities	-712
Carrying amount deconsolidated net assets	257

(SEKm)	May 2020
Allente fair value, 50%	2,640
Carrying amount deconsolidated net assets	-257
Capital gain	2,383

Note 5 – Related party transactions

The Group has related party relationships with its subsidiaries, associated companies and joint ventures. All related party transactions are based on market terms and negotiated on an arm's length basis.

Alternative Performance Measures

The purpose of Alternative Performance Measures (APMs) is to facilitate the analysis of business performance and industry trends that cannot be directly derived from financial statements. NENT Group is using the following Alternative Performance Measures:

- Change in net sales from Organic growth, Acquisitions/divestments and Changes in FX rates
- Operating income before associated companies and IAC
- Operating income before IAC
- Net debt and Net debt/EBITDA
- Capital Employed and Return on Capital Employed (ROCE)
- Adjusted net income and earnings per share

Reconciliation of sales growth

Since the Group generates the majority of its sales in currencies other than in the reporting currency (i.e. SEK, Swedish Krona) and currency rates have proven to be rather volatile, and due to the fact that the Group has historically made several acquisitions and divestments, the Company's sales trends and performance are analysed as changes in organic sales growth. This presents the increase or decrease in the overall SEK net sales on a comparable basis, allowing separate discussion of the impact of acquisitions/divestments and exchange rates.

Q3 (SEKm)	Reported Net sales	Acquisitions / divestments	Net sales adjusted for acquisitions / divestments	Changes in FX rates	Net Sales adjusted for acquisitions/ divestments and changes in FX rates
2020	2,828	-	2,828	59	2,887
2019	3,383	-736	2,647	-	2,647
Growth	**-555**	**-**	**181**	**-**	**240**
Growth %	*-16.4%*	*-*	*6.8%*	*-*	*9.1%*

Nine months (SEKm)	Reported Net sales	Acquisitions / divestments	Net sales adjusted for acquisitions / divestments	Changes in FX rates	Net Sales adjusted for acquisitions/ divestments and changes in FX rates
2020	8,822		8,822	91	8,913
2019	10,378	-1,234	9,144	-	9,144
Growth	**-1,556**	**-**	**-322**	**-**	**-231**
Growth %	*-15.0%*	*-*	*-3.5%*	*-*	*-2.5%*

Organic growth, i.e. sales growth adjusted for acquisitions/divestments and changes in FX rates, amounted to 9.1% for Q3 2020 and -2.5% for the year to date period.

Reconciliation of operating income before associated companies and IAC

Operating income before associated companies and items affecting comparability (IAC) refers to operating income after the reversal of material items and events related to changes in the Group's structure or lines of business, which are relevant for understanding the Group's development on a like-for-like basis. This measure is used by management to follow and analyse the underlying profits and to offer more comparable figures between periods.

Operating income before IAC and associated companies income

(SEKm)	Q3 2020	Q3 2019	Nine months 2020	Nine months 2019	Full year 2019
Operating income	256	265	3,069	927	690
Items affecting comparability	-	-	2,383	-56	-755
Operating income before items affecting comparability	**256**	**265**	**686**	**983**	**1,445**
Associated companies income	80	-	134	2	5
Operating income before associated companies and IAC	**176**	**265**	**551**	**981**	**1,441**

Items affecting comparability

(SEKm)	Q3 2020	Q3 2019	Nine months 2020	Nine months 2019	Full year 2019
Costs related to the separation and listing of NENT Group	-	-	-	-56	-56
Write down of free-TV content and other assets	-	-	-	-	-540
Restructuring NENT Group	-	-	-	-	-159
Capital gain	-	-	2,383	-	-
Total	**-**	**-**	**2,383**	**-56**	**-755**

Items affecting comparability classified by function

(SEKm)	Q3 2020	Q3 2019	Nine months 2020	Nine months 2019	Full year 2019
Cost of goods sold	-	-	-	-	-416
Administrative expenses	-	-	-	-56	-336
Other operating income	-	-	2,383	-	-
Other operating expenses	-	-	-	-	-3
Total	**-**	**-**	**2,383**	**-56**	**-755**

Reconciliation of net debt/EBITDA ratio

Net debt refers to the sum of interest-bearing liabilities less total cash and interest-bearing assets. As of 1 January 2019, net debt also includes lease liabilities net of sublease receivables and dividends payable. Net debt is used by Group management to track the indebtedness of the Group and to analyse the leverage and refinancing needs of the Group. The net debt to EBITDA ratio provides a KPI for net debt in relation to cash profits generated by the business, i.e. an indication of a business' ability to pay its debts. This measure is commonly used by financial institutions to rate creditworthiness.

Net debt

(SEKm)	31 Mar 2019	30 Jun 2019	30 Sep 2019	31 Dec 2019	31 Mar 2020	30 Jun 2020	30 Sep 2020
Short-term borrowings	3,762	2,865	2,510	2,980	3,660	2,580	1,980
Long-term borrowings	501	2,000	2,300	1,800	1,800	2,600	3,300
Total financial borrowings	**4,263**	**4,865**	**4,810**	**4,780**	**5,460**	**5,180**	**5,280**
Cash and cash equivalents	731	1,572	889	1,238	1,267	1,493	1,912
Cash and cash equivalents included in assets held for sale	-	-	-	-	-	31	24
Financial net debt	**3,532**	**3,293**	**3,921**	**3,542**	**4,193**	**3,656**	**3,344**
Lease liabilities	897	865	845	823	783	608	597
Lease liabilities included in liabilities related to assets held for sale	-	-	-	-	-	124	118
Sublease receivables	240	229	228	225	223	199	194
Total lease liabilities net	**657**	**636**	**617**	**598**	**560**	**533**	**521**
Dividend payable	-	219	219	-	-	-	-
Net debt	**4,189**	**4,148**	**4,756**	**4,139**	**4,754**	**4,189**	**3,865**

Net debt/EBITDA before IAC

(SEKm)	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020
Operating income before IAC, continuing operations	1,572	1,537	1,498	1,445	1,380	1,157	1,148
Operating income before IAC, discontinued operations	-10	11	48	100	109	91	44
Depreciation, amortisation and write-downs, continuing operations[1]	302	298	293	286	287	284	277
Depreciation, amortisation and write-downs, discontinued operations[1]	12	25	37	50	49	49	49
EBITDA 12 months trailing	**1,877**	**1,871**	**1,875**	**1,881**	**1,826**	**1,581**	**1,518**
Net debt	4,189	4,148	4,756	4,139	4,753	4,189	3,865
Total net debt / EBITDA 12 months trailing	**2.2**	**2.2**	**2.5**	**2.2**	**2.6**	**2.6**	**2.5**

1) Refers to non-current assets only

Reconciliation of Return on Capital Employed (ROCE)

Return on capital employed is a performance measure for operating income before items affecting comparability in relation to the capital employed within the operations. Operating income before items affecting comparability is the main profit metric that operations are responsible for, and is measured before interest and taxes. Capital employed is the sum of current and non-current assets less current and non-current liabilities, provisions and liabilities at fair value. All items are non-interest-bearing. Capital employed equals the sum of equity and net debt.

Return on Capital Employed (ROCE)

(SEKm)	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020
Inventory	2,916	2,852	2,877	2,551	2,857	2,853	2,708
Accounts receivables	1,111	1,209	1,243	1,112	981	897	970
Prepaid expense and accrued income	3,797	4,295	4,477	4,609	3,918	3,910	4,053
Other current assets	732	865	909	532	920	517	462
Other current liabilities	-6,616	-7,521	-6,874	-6,923	-5,885	-6,326	-6,575
Total working capital	**1,940**	**1,700**	**2,633**	**1,882**	**2,791**	**1,853**	**1,617**
Intangibles assets	3,434	3,431	3,424	3,384	3,304	2,238	2,257
Machinery, equipment and installations	158	163	163	165	155	132	90
Right-of-use assets	631	611	588	566	527	383	375
Shares and participations	22	140	147	142	163	2,868	2,948
Other long-term receivables	153	143	178	171	191	133	162
Capital employed held for sale	-	-	-	-	-46	1,172	1,154
Provisions	-305	-289	-284	-414	-358	-348	-349
Other non-current liabilities	-340	-334	-357	-316	-336	-291	-306
Other items included in the capital employed	**3,753**	**3,865**	**3,859**	**3,699**	**3,600**	**6,288**	**6,330**
Capital employed	**5,693**	**5,564**	**6,492**	**5,581**	**6,391**	**8,140**	**7,947**
Operating income before IAC 12 months trailing, continuing operations	1,572	1,537	1,498	1,445	1,380	1,157	1,148
Operating income before IAC 12 months trailing, discontinued operations	-10	11	48	100	109	91	44
Operating income before IAC 12 months trailing, total	**1,562**	**1,549**	**1,547**	**1,545**	**1,490**	**1,248**	**1,192**
Average Capital Employed (5 quarters)	5,177	5,297	5,638	5,700	5,944	6,434	6,910
ROCE %	**29.9%**	**29.1%**	**27.3%**	**27.1%**	**25.1%**	**19.4%**	**17.2%**
Assets held for sale	-	-	-	-	855	1,564	1,615
Cash and cash equivalents included in assets held for sale	-	-	-	-	-	-31	-24
Liabilities related to assets held for sale	-	-	-	-	-901	-485	-555
Lease liability, included in liabilities related to assets held for sale	-	-	-	-	-	124	118
Capital employed held for sale	**-**	**-**	**-**	**-**	**-46**	**1,172**	**1,154**

Adjusted net income from continuing operations

Adjusted net income and earnings per share are the Group's net income and EPS from continuing operations when excluding items affecting comparability and the amortisation of acquisition-related intangible assets, net of tax, for both NENT Group and its 50% share in the earnings of Allente. These performance measures provide a relevant metric to better understand the Group's underlying results and development. Please see page 6 for more information on Allente's performance and page 19 regarding NENT Group's items affecting comparability.

Adjusted net income

(SEKm)	Q3 2020	Q3 2019	Nine months 2020	Nine months 2019	Full year 2019
Net income, continuing operations	199	204	2,873	707	538
Adjustment items	20	2	-2,348	49	607
Adjusted net income from continuing operations	219	206	525	757	1,145
Basic average number of shares outstanding	67,347,526	67,342,244	67,344,461	67,258,857	67,279,875
Adjusted earnings per share from continuing operations (SEK)	3.25	3.06	7.79	11.25	17.02
Adjustment items					
NENT Group					
IAC	-	-	2,383	-56	-755
Tax effect on IAC	-	-	-	12	154
Amortisations of surplus value (PPA)	-2	-2	-6	-6	-8
Tax effect on amortisations of surplus value (PPA)	0	0	1	1	2
Allente					
IAC	-23	-	-38	-	-
Tax effect on IAC	5	-	8	-	-
Amortisations of surplus value (PPA)	-	-	-	-	-
Tax effect on amortisations of surplus value (PPA)	-	-	-	-	-
Adjustment items	-20	-2	2,348	-49	-607

(SEKm)	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020
Net income, continuing operations	172	331	204	-170	156	2517	199
Adjustment items	46	2	2	559	2	-2,369	20
Adjusted net income from continuing operations	218	333	206	389	158	148	219
Basic average number of shares outstanding	67,089,305	67,342,244	67,342,244	67,342,244	67,342,244	67,343,579	67,347,526
Adjusted earnings per share from continuing operations (SEK)	3.25	4.94	3.06	5.78	2.35	2.20	3.25
Adjustment items							
NENT Group							
IAC	-56	-	-	-699	-	2,383	-
Tax effect on IAC	12	-	-	142	-	-	-
Amortisations of surplus value (PPA)	-2	-2	-2	-2	-2	-2	-2
Tax effect on amortisations of surplus value (PPA)	0	0	0	0	0	0	0
Allente							
IAC	-	-	-	-	-	-16	-23
Tax effect on IAC	-	-	-	-	-	3	5
Amortisations of surplus value (PPA)	-	-	-	-	-	-	-
Tax effect on amortisations of surplus value (PPA)	-	-	-	-	-	-	-
Adjustment items	-46	-2	-2	-559	-2	2,369	-20

Definitions

Capital employed
Capital employed is the sum of current and non-current assets less current and non-current liabilities, provisions and liabilities at fair value. All items are non-interest-bearing.

Commercial Share of Listening (CSOL)
CSOL comprises NENT Group's estimated share of commercial radio listening amongst 12+ year olds in Norway and 12-79 year olds in Sweden.

Commercial Share of Viewing (CSOV)
CSOV comprises NENT Group's estimated share of commercial TV viewing amongst 25-59 year olds.

Earnings per share
Earnings per share is expressed as net income attributable to equity holders of the parent divided by the average number of shares outstanding.

EBITDA
EBITDA is Earnings Before Interest, Taxes, Depreciation and Amortisation.

Items Affecting Comparability
Items Affecting Comparability refers to material items and events related to changes in the Group's structure or lines of business, which are relevant for understanding the Group's development on a like-for-like basis.

Net debt
Net debt is the sum of short and long-term interest-bearing liabilities less total cash and interest-bearing assets. As of 1 January 2019, net debt also includes lease liabilities net of sublease receivables and dividends payable.

Operating expenditures
Operating expenditure comprises of Cost of goods and services, Selling expenses and Administrative expenses.

Operating income
Operating income comprises results before interest and taxes, otherwise known as EBIT (Earnings Before Interest and Taxes).

Organic growth
Organic growth is the change in net sales compared to the same period of the previous year excluding acquisitions and divestments and adjusted for currency effects.

Return On Capital Employed (ROCE) %
Return on capital employed is calculated as operating income as a percentage of average capital employed.

Viaplay subscriber
A Viaplay subscriber is defined as a customer who has access to Viaplay and for whom a method of payment has been provided. NENT Group only reports paid-for subscriptions where a payment has been received directly from the end-customer or from a partner organisation.

Shareholder information

Questions?

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Conference call

NENT Group will host a conference call today at 09.00 Stockholm local time, 08.00 London local time and 03.00 New York local time. To participate in the conference call, please dial:

Sweden:	+46 (0) 8 566 184 67
UK:	+44 (0) 8 444 819 752
US:	+1 6 467 413 167

The access pin code for the call is 4394725.

To listen to the conference call online and for further information, please visit www.nentgroup.com

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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'). This information is information that Nordic Entertainment Group AB (publ) (NENT Group) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 07:30 CET on 22 October 2020.