



NHST

MEDIA GROUP

QUARTERLY REPORT FOR

FIRST QUARTER 2021

NHST GROUP'S DEVELOPMENT IN THE FIRST QUARTER OF 2021

NHST Media Group continued its efforts to strengthen the group's market positions in the first quarter of 2021, through a continued digitalisation of the revenues, supported by product improvements and new digital services.

The group's operating revenues amounted to NOK 256.0 million for the first quarter, corresponding to a 9.0 per cent decrease from the first quarter of 2020. Adjusted for the sale of Morgenbladet in 2020, the decrease was 2.7 per cent. The reduction is mainly related to lower user revenues in the Software-as-a-Service (SaaS) segment, caused by strong competition and reduced demand following the Covid-19 pandemic.

User revenues from the group's publications were on a par with the corresponding period of 2020, adjusted for the sale of Morgenbladet. Total advertising revenues from the group's publications were also on a par with the first quarter 2020. The share of fully digital revenues was 52.9 per cent (45.8 per cent).

- *"I am pleased that we experience strong growth in our fully digital editorial subscription-based products. We are also succeeding with both our advertising products and digital events", says CEO Trond Sundnes.*

Total profit from the media divisions showed progress compared with 2020.

User revenues from the SaaS businesses fell compared with the first quarter 2020. This decrease was caused by lower sales of new subscriptions during the second half of 2020 and into 2021 because of strong competition in combination with reduced demand following the pandemic. New sales did however develop positively during the first quarter.

- *"Covid-19 has affected both our employees and the markets in which we operate. I am proud of how we have handled this crisis together, in a way that has strengthened us as a company and our relations to thousands of digital users in Norway and globally", says Trond Sundnes.*

Total operating expenses for the group exclusive of depreciation and amortisation came in 1.4 per cent lower than for the same period one year earlier, adjusted for the sale of Morgenbladet.

The group posted operating profit before depreciation and amortisation (EBITDA) of negative NOK 2.0 million, a reduction from NOK 3.6 million for the corresponding period of 2020. Profit before tax for the group was negative NOK 19.2 million, compared with a negative of NOK 83.5 million for the first quarter 2020.

The group has a satisfactory financial position with a cash balance of NOK 244.1 million at the end of the quarter, an increase of NOK 26.5 million from year-end.

The board of NHST Media Group has appointed Trond Sundnes (46) as new CEO. His main responsibility areas will be the Norwegian and global publications as well as group functions. Sundnes has held several positions in the group since he joined the company in 2007, and most recently he served as Executive Vice President for NHST Global publications. Sundnes took up the position as CEO on the 12th of April 2021.

Sundnes will also become chair of the board of Dagens Næringsliv. In his new role, he will focus on developing cooperation and synergies in NHST Media Group's Norwegian and global publications.

Operationally, the SaaS companies Mynewsdesk and Mention Solutions will continue to report to the group CFO who in this role will report directly to the board of NHST Media Group.

FIRST QUARTER 2021

(The figures in brackets are for the corresponding period of the previous year)

- The NHST Media Group's operating revenues were NOK 256.0 million for the first quarter (NOK 281.2 million), a decline of 9.0 per cent
- User revenues accounted for 78.2 per cent of the total revenues for the quarter. On an aggregate level, user revenues declined by 9.8 per cent from the corresponding quarter of the year before
- Adjusted for the sale of Morgenbladet, the reduction in user revenues was 3.5 per cent in the first quarter
- Advertising revenues were NOK 47.1 million, down by 5.1 per cent from the same period in 2020
- The share of revenues generated from fully digital products and services is growing, and reached 52.9 per cent of total revenues (45.8 per cent) in the first quarter of 2021
- The group's operating expenses amounted to NOK 258.0 million in the quarter, a reduction of 7.1 per cent from NOK 277.7 million in the first quarter of 2020
- Adjusted for the sale of Morgenbladet, operating expenses declined by 1.4 per cent
- There were no material non-recurring items in the quarter
- EBITDA for the group came in at a negative of NOK 2.0 million in the first quarter (NOK 3.6 million)
- Operating result was negative by NOK 17.7 million for the quarter (negative NOK 94.1 million including write-down of goodwill)
- The group continues to invest in product development and technological solutions. Capex in the quarter was NOK 10.8 million
- The group's liquidity position at the end of the quarter was good, with a cash balance of NOK 244.1 million

KEY FIGURES

Numbers in NOK million	Q1 2021	Q1 2020	YTD 2021	YTD 2020
User revenues	200.2	222.0	200.2	222.0
Advertising revenues	47.1	49.6	47.1	49.6
Other revenues	8.7	9.6	8.7	9.6
Total revenues	256.0	281.2	256.0	281.2
Operating expenses	258.0	277.7	258.0	277.7
EBITDA before non-recurring items	-2.0	3.6	-2.0	3.6
EBITDA	-2.0	3.6	-2.0	3.6
Depreciation	15.7	17.1	15.7	17.1
Amortisation	0	80.6	0	80.6
Operating result	-17.7	-94.1	-17.7	-94.1
CAPEX	10.8	11.8	10.8	11.8
EBITDA less CAPEX	-12.8	-8.3	-12.8	-8.3

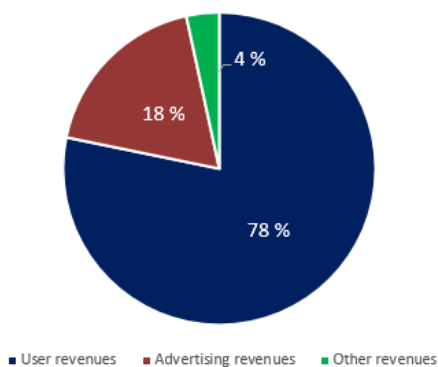


Figure 1: Percentage of total revenues accumulated for Q1 2021

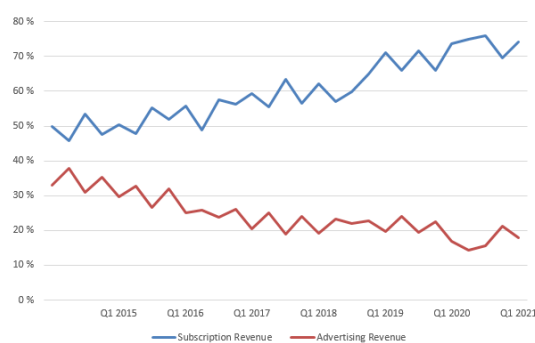


Figure 2: Percentage of total revenues by quarter

NORWEGIAN PUBLICATIONS

As of the third quarter of 2020, the business area Norwegian publications includes only Dagens Næringsliv. Morgenbladet was divested with effect from 30 June 2020.

The business area Norwegian publications achieved revenues of NOK 132.5 million for the first quarter of 2021, compared with NOK 146.9 million for the corresponding period of the year before, of which revenues from Morgenbladet accounted for NOK 18.1 million. Adjusted for the sale of Morgenbladet, revenues increased by NOK 3.7 million from the first quarter 2020.

User revenues came in at NOK 98.2 million in the quarter. Adjusted for the sale of Morgenbladet, this corresponds to an increase of 1.7 per cent from the same period of the year before. Dagens Næringsliv is experiencing a significant growth in its digital subscription base and number of users logged in to its digital solutions. This is expected to form a foundation for continued growth in digital user revenues. On the same basis, advertising revenues showed an increase of 4.6 per cent, which should be seen in relation to the negative effects from the Covid-19 pandemic in the first quarter 2020.

Operating expenses in the first quarter were 2.5 per cent higher than in the corresponding period of 2020, adjusted for the sale of Morgenbladet.

This business area achieved an EBITDA for the quarter of NOK 3.3 million, compared with NOK 4.8 million for the first quarter of 2020.

<i>NOK million</i>	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	YTD 2020	YTD 2021
User revenues	111.1	104.6	98.5	96.0	98.2	111.1	98.2
Advertising revenues	31.6	22.6	25.6	41.8	31.8	31.6	31.8
Other revenues	4.2	4.3	2.8	4.3	2.5	4.2	2.5
Total revenues	146.9	131.6	127.0	142.0	132.5	146.9	132.5
Operating expenses	142.1	118.5	117.4	127.0	129.2	142.1	129.2
EBITDA	4.8	13.1	9.6	15.0	3.3	4.8	3.3
CAPEX	0.1	0.0	0.0	1.4	0.5	0.1	0.5
EBITDA less CAPEX	4.7	13.0	9.6	13.6	2.8	4.7	2.8

GLOBAL PUBLICATIONS

The business area Global publications includes the international trade publications Tradewinds, Upstream, Intrafish and Recharge, as well as the Norwegian publications Fiskeribladet and Europower.

Global publications continued to concentrate its efforts around the industries shipping, energy and seafood, and most of its publications reported good progress in terms of results from the corresponding period of 2020.

The shipping publication Tradewinds continued to demonstrate good results. In the energy business, work is ongoing to develop the editorial collaboration between the publications Upstream and Recharge. Moreover, Europower, which covers the Norwegian hydropower market, has merged with the Norwegian energy market publication EnerWE. This merger will strengthen Europower's position in the advertising and event market in the energy sector. NHST Media Group owns two thirds of the combined company.

Total revenues for the business area Global publications were NOK 66.1 million for the first quarter, compared with NOK 69.7 million in the same period one year earlier.

User revenues from this business area were 3.5 per cent lower than for the first quarter of 2020, while advertising revenues fell by 15.0 per cent. On the other hand, revenues from webinars and digital conferences continued to grow for several of the business area's publications.

Operating expenses before depreciation and amortisation came in at NOK 59.4 million, a decline of 15.6 per cent from the first quarter 2020. The reduction is a result of cost programmes completed in 2020.

EBITDA for the business area Global publications ended at NOK 6.7 million for the quarter, which represents an improvement of NOK 7.3 million from a negative of NOK 0.6 million for the first quarter of the previous year.

<i>NOK million</i>	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	YTD 2020	YTD 2021
User revenues	49.1	48.6	47.9	49.1	47.4	49.1	47.4
Advertising revenues	18.0	17.6	15.1	21.2	15.3	18.0	15.3
Other revenues	2.6	3.1	4.0	4.2	3.4	2.6	3.4
Total revenues	69.7	69.3	67.0	74.5	66.1	69.7	66.1
Operating expenses	70.4	58.8	58.7	65.8	59.4	70.4	59.4
EBITDA	-0.6	10.5	8.3	8.6	6.7	-0.6	6.7
CAPEX	0.2	0.3	0.1	2.9	0.0	0.2	0.0
EBITDA less CAPEX	-0.8	10.2	8.1	5.8	6.7	-0.8	6.7

SOFTWARE-AS-A-SERVICE

The business area Software-as-a-Service (SaaS) includes the companies Mynewsdesk and Mention Solutions ("Mention"). Mynewsdesk, headquartered in Stockholm, Sweden, is offering its customers a PR and communication platform with associated services. The company's main markets are the Nordic area and the DACH area (Germany Austria, Switzerland). Mention is offering services within media surveillance, mainly focusing on social media. Mention has its head office in Paris, France, and has a global market focus.

Operating revenues for the SaaS business area were NOK 57.2 million for the first quarter compared with NOK 64.4 million for the same period one year earlier. Revenues in the quarter were negatively impacted by low sales of new subscriptions in the second half of 2020, partly as a consequence of the Covid-19 pandemic.

Both companies in this business area continued to expand its product offering and succeeded in obtaining an improvement in sales of new subscriptions during the course of the first quarter.

Operating expenses were NOK 59.6 million in the first quarter, compared with NOK 59.2 million in the first quarter 2020.

EBITDA for the business area came in at a negative of NOK 2.3 million, down from NOK 5.2 million in the same period of 2020.

NOK million	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	YTD 2020	YTD 2021
User revenues	61.8	62.1	58.5	61.3	54.6	61.8	54.6
Sale of services	2.6	2.4	2.4	3.3	2.7	2.6	2.7
Total revenues	64.4	64.6	60.9	64.6	57.2	64.4	57.2
Operating expenses	59.2	65.4	48.6	60.1	59.6	59.2	59.6
EBITDA	5.2	-0.9	12.3	4.5	-2.3	5.2	-2.3
CAPEX	10.2	7.3	5.7	6.7	6.7	10.2	6.7
EBITDA less CAPEX	-5.0	-8.1	6.6	-2.2	-9.0	-5.0	-9.0

Oslo, 20 April 2021

The Board of Directors and CEO of NHST Media Group AS

KEY FIGURES NHST MEDIA GROUP

INCOME STATEMENT

(MNOK)	Q1 2021	Q1 2020	YTD 2021	YTD 2020
Revenues	256.0	281.2	256.0	281.2
Operating expenses	258.0	277.6	258.0	277.6
EBITDA	-2.0	3.6	-2.0	3.6
Ordinary depreciation	15.7	17.1	15.7	17.1
Extraordinary write-down	-	80.6	-	80.6
Operating profit / loss	-17.7	-94.1	-17.7	-94.1
Net financial items	-1.5	10.6	-1.5	10.6
Profit/loss before tax	-19.2	-83.5	-19.2	-83.5
Profit/loss after tax	-17.2	-84.9	-17.2	-84.9
Minority interests	-	0.1	-	0.1
Profit/loss after tax majority interests	-17.2	-85.1	-17.2	-85.1
Number of shares ex own shares	1 600 425	1 243 173	1 600 425	1 243 173
Profit/loss per share in NOK	-10.7	-68.3	-10.7	-68.3
Number of employees average	566	633	566	633

BALANCE SHEET

	31.03.2021	31.12.2020
Intangible assets	185.6	201.7
Other fixed assets	169.0	172.1
Total fixed assets	354.6	373.8
Accounts receivable	57.7	80.7
Other short-term receivables	35.2	32.8
Cash and cash equivalents	244.1	217.6
Total short-term assets	337.0	331.1
Total assets	691.6	704.9
Shareholders' equity	-3.5	16.8
Total shareholders' equity	-3.5	16.8
Long term debt	215.5	222.9
Accounts payable	22.4	32.1
Prepayments	329.7	297.8
Other short-term debt	127.5	135.3
Total liabilities	695.1	688.1
Total shareholders' equity and liabilities	691.6	704.9

NOTE 1 ACCOUNTING PRINCIPLES

Tax expenses are estimated based on expected tax rate for the year.

NOTE 2 SPECIFICATIONS	Q1 2021		YTD 2021	
	Operating revenues	EBIT	Operating revenues	EBIT
Norwegian Publications	132.5	0.5	132.5	0.5
Global Publications	66.1	5.3	66.1	5.3
SaaS	57.2	-8.1	57.2	-8.1
Other group companies	22.8	-10.8	22.8	-10.8
Amortisation of excess values	-	-4.6	-	-4.6
Eliminations	-22.6	-	-22.6	-
SUM	256.0	-17.7	256.0	-17.7

NOTE 3 WRITE-DOWN OF GOODWILL

Following the discovery of the Covid-19 virus in January 2020, severe measures were introduced world-wide to limit the spreading of the virus. These measures led to reduced economic activity, affecting many of the group's markets negatively in 2020 and 2021.

Upon the acquisition of Mention on 1 September 2018, excess values related to customers, technology and brand were identified as well as a residual goodwill. Mention's business plan was based on an aggressive growth strategy which, as of 31 December 2019, showed that recognized values from the Mention acquisition were retained.

However, it later became clear that the market prospects and growth opportunities for Mention in the short term were significantly weakened. Based on the development in the first quarter of 2020 and the revised business plan, goodwill was written down by NOK 80.6 million in the first quarter of 2020.

NOTE 4 DIVESTMENT OF MORGENBLADET

NHST Media Group AS sold its shares in Morgenbladet AS to Mentor Medier AS, effective from 30 June 2020. The ownership in Morgenbladet AS prior to the sale was 90.8 per cent and the shareholding was sold at a purchase price of NOK 40.0 million. The purchase price was settled in cash on the transaction date. The gain from the sale was NOK 4.3 million and is included in the Income Statement as *Other revenues* in the second quarter 2020.