



Schibsted ASA (SCHA/SCHB) - Schibsted initiates process to sell its news media operations to the Tinius Trust

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Schibsted ASA (“Schibsted” or the “Company”) and its largest shareholder, the Tinius Trust through Blommenholm Industrier AS (collectively the “Trust”), today announced that they have entered into a non-binding agreement regarding a potential acquisition of Schibsted’s news media operations by the Trust (the “Agreement”). Subject to a final agreement being reached, the Board of Directors will submit the agreement to the general meeting for approval. If finalised, the transaction will lead to today’s Schibsted becoming two, more focused, companies; a media company fully owned by the Tinius Trust, and a publicly listed marketplaces company.

Key highlights of the Agreement

- Schibsted’s current News Media business area, the ownership stakes in Polaris Media ASA (“Polaris”), and other media assets, would be carved out from Schibsted into a separate company (preliminarily named “Schibsted Media”), to be sold to and privately held by the Trust.
- Schibsted’s remaining businesses would remain as a publicly listed company (preliminarily named “Schibsted Marketplaces”) on the Oslo Stock Exchange, consisting of the current business areas Nordic Marketplaces, which includes Delivery, and Growth & Investments.
- The total transaction value in the Agreement is NOK 6.2 billion^[1], consisting of
 - NOK 5.4 billion for Schibsted’s News Media business area, Schibsted’s minority stakes in Norsk Telegrambyrå AS (“NTB”), TT Nyhetsbyrå AB (“TT”) and Lokalavisene AS, and
 - the stake in Polaris valued at NOK 0.8 billion based on the volume weighted average price of Polaris the week prior to the signing of the Agreement.
- The Trust has agreed to support the removal of Schibsted’s dual-class share structure by 1 January 2026, pending completion of the transaction and subject to shareholder approval.
- Execution of the final transaction agreements, and closing of the transaction is expected in the first half of 2024.
- The transaction would simplify the overall structure and equity story of Schibsted by making it a more focused marketplaces company, and at the same time enable its news media business to more forcefully execute its strategy.
- Schibsted intends to use the cash proceeds from the anticipated transaction to return capital to its shareholders.

“After an extensive financial and strategic analysis of the value creation potential of Schibsted’s current core businesses, News Media and Nordic Marketplaces, we have concluded that both have a potential as stand-alone companies up and beyond what they can achieve in the current company structure,” says Schibsted Deputy Chairman of the Board Rune Bjerke. “Schibsted’s Board and Management have therefore worked together with the Trust to find a structural solution that unlocks that potential, while also safeguarding and developing the important societal role of Schibsted’s news media operations.”

Schibsted CEO Kristin Skogen Lund comments: “For the last two decades, Schibsted has pioneered the digitalisation in the news media and online classifieds industries, creating both a family of digital brands with unparalleled reach and impact in the Nordic countries, and Adevinta as a global online classifieds specialist. Today marks another historic moment for Schibsted as we announce a major strategic shift to allow our current two core businesses, News Media and Nordic Marketplaces, to better realise their full potential as separate companies. We are convinced that this move will benefit our stakeholders, and we will do our utmost to ensure a good transition and prepare for exciting futures for the two entities.”

Rationale and background for the Agreement

Schibsted, with its roots as a publishing house and a newspaper company, today operates on the forefront of the news media and online classifieds industry globally, by having pioneered the digitalisation of these industries and exported the success of its online classifieds business across borders. This success has been supported by leveraging synergies across the Group, and by early stage investments close to our core, which have been an important part of building our strong positions.

This journey has been supported by the Company’s largest^[2] shareholder, the Trust, which was established in 1996 with the main objective of striving for a long-term sustainable development of Schibsted to ensure quality and credibility in all of its publications as well as free and independent newsrooms.

Looking at the next phase for the Company, Schibsted's Board and Management have thoroughly assessed the value creation potential of Schibsted's core businesses, News Media and Nordic Marketplaces.

While both businesses are well positioned for further growth, the continued verticalisation of Nordic Marketplaces is hard to combine with the vision of creating a more integrated Schibsted for the next few years, and News Media's long-term strategy requires investments that often compete with the financially more attractive opportunities related to our marketplaces. Hence, the Company's Board and Management have concluded that both businesses have potential as stand-alone companies up and beyond what they can achieve in the current company structure.

Furthermore, Schibsted's public commitment to reduce its ownership in Adevinta, which the company announced at its Capital Markets Day in March this year, has opened up new strategic options for Schibsted and the Trust, leading up to today's announcement.

Key Agreement terms

Schibsted has agreed with the Trust, on certain terms and conditions, subject to final agreements and shareholder approval, to carve out its News Media business area, the ownership stakes in Polaris, and other media assets into the separate company (preliminarily named "Schibsted Media"), to be sold to and privately held by the Trust.

According to the Agreement, Schibsted Media consists of:

- Leading, agenda-setting news operations VG, Aftenposten, Aftenbladet, Svenska Dagbladet and other regional news destinations in Norway.
- New concepts and digital niche products such as Podme, E24, Shifter, and Fri Flyt.
- Ownership stakes in companies like Polaris, NTB, TT Nyhetsbyrån, Retriever (indirectly through NTB and TT), and Lokalavisene.
- Related companies such as Schibsted Marketing Services and Schibsted Trykk

Schibsted's remaining businesses will remain as a publicly listed company (preliminarily named "Schibsted Marketplaces") on the Oslo Stock Exchange, consisting of the business areas Nordic Marketplaces, which includes Delivery, and Growth & Investments.

The total transaction value in the Agreement is NOK 6.2 billion[3], consisting of

- NOK 5.4 billion for Schibsted's News Media business area, Schibsted's minority stakes in NTB, TT and Lokalavisene, and
- the stake in Polaris valued at NOK 0.8 billion based on the volume weighted average price of Polaris the week prior to the signing of the Agreement.

Schibsted's News Media business area which would be sold to the Trust as part of the Agreement, had NOK 7,552 million of revenues, NOK 481 million of EBITDA, and NOK -78 million of Operating losses on a last twelve months basis.[4]

As part of the Agreement, the Trust has agreed to support the removal of Schibsted's dual-class share structure by 1 January 2026, pending the transaction. To compensate the holders of Class A shares for the loss of the premium at which the Class A shares have been trading compared to the price of the Class B shares, the agreement contemplates an issuance of new shares at nominal value to the holders of Class A shares at the time of the collapse of the dual-class share structure. In order to avoid the size of the compensation being affected by the announcement of the intention to collapse the dual share class structure, the compensation will be based on the average premium at which the Class A shares have been traded to the Class B shares for the last nine months before the announcement of the agreement, i.e. during the nine-month period ending on 8 December 2023. The size of this premium is approximately 6.46%. The collapse of the dual-class share structure and the issuance of new shares as compensation to the holders of Class A shares will be subject to shareholder approval, which is expected to be sought in 2025.

The final transaction agreements are expected to include certain conditions for the completion of the transaction, including either the completion of the takeover offer for Adevinta which was announced on 21 November and a subsequent distribution by Schibsted or, should the Adevinta offer fail to complete, a distribution of shares in Adevinta by Schibsted. Further information will be provided when final transaction agreements have been entered into.

Schibsted's Chairman of the Board, Karl-Christian Agerup, has not participated in the Company's Board discussions or decisions related to the agreement due to his role as Deputy Board member of the Trust.

Alternative performance measures (APMs) used in this release are described and presented in the section Definitions and reconciliations in the interim report.

Next steps and preliminary timetable

The following events are expected to take place during first half of 2024:

- Reaching final agreements between Schibsted and the Trust
- Convening an Extraordinary General Meeting in Schibsted for approval of the transaction

Over the next months, Schibsted will review the implications of the Agreement, including the strategy and organisational setup for Schibsted Marketplaces, which is expected to be presented at a Capital Markets Day in the second half of 2024, pending closing of the transaction.

Please refer to <https://schibsted.com/norske-nyhetssaker/> and <https://schibsted.com/svenska-nyheter/> for local language versions of this release.

Investor and analyst call

A video conference call for investors and analysts will be held today, 11 December 2023, at 10:30 CET. To participate in the conference call, please use the following Zoom link:

<https://schibsted.zoom.us/j/83479736123?pwd=FuYsgbgd8naoSBN5Doykwz4kVOJutl.1>

Meeting ID: 834 7973 6123

Passcode: 959201

Press conference

A video conference for media will be held today, 11 December 2023, at 11:30 CET. To register for the press conference, please contact Schibsted's Head of Group Communication, Daniel Frykholm, at daniel.frykholm@schibsted.com.

About Schibsted

Schibsted is a family of digital brands with a strong Nordic position, and more than 6,000 employees. Millions of people enjoy interacting with our companies every day through our online marketplaces such as FINN, Blocket and Oikotie; our media houses including Aftenposten, VG and Aftonbladet; and digital services like Lendo. We also help new promising businesses grow. Our joint mission of empowering people in their daily lives is rooted in the values of our media heritage and a legacy of bold change. At our best, we are a fearless force for change in a society built on trust and transparency.

Schibsted is listed on the Oslo Stock Exchange and has a sizable investment in Adevinta, a company that was spun off and publicly listed as a separate company on Oslo Børs in 2019.

About the Tinius Trust

The Tinius Trust is a Norwegian-based foundation, established in 1996 to keep the Schibsted shares of heir Tinius Nagell-Erichsen consolidated. Tinius Trust's main objective is to strive for the long-term sustainable development of Schibsted, to ensure quality and credibility in all its publications, and to maintain free and independent newsrooms. The foundation also works to strengthen the general conditions essential to ensuring a free and independent press.

The Tinius Trust controls the equity interest in Schibsted through the investment company Blommenholm Industrier AS. The stable ownership of the foundation for nearly 30 years has contributed to Schibsted being able to meet the digital transformation proactively and innovatively.

Advisors

Carnegie AS acts as exclusive financial advisor and Advokatfirmaet Wiersholm AS acts as legal advisor to Schibsted in connection with the Agreement.

Oslo, 11 December 2023

Disclosure regulation

This information is considered to include inside information pursuant to the EU Market Abuse Regulation article 7 and is subject to the disclosure requirements pursuant to section 5-12 of the Norwegian Securities Trading Act. This stock exchange announcement was published by Jann-Boje Meinecke, at the date and time as set out above.

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[1] The enterprise value for Schibsted's News Media business area is based on IFRS accounting standards, and includes estimated lease liabilities of approximately NOK 1.1 billion allocated to Schibsted Media, out of the total Group lease liabilities of NOK 2.2 billion as per 30 September 2023 which can be found in Schibsted's interim report for Q3 2023. In addition to the aforementioned, there is a limited earn-out element based on next year's performance.

[2] The Trust currently controls approximately 26.3% of the total issued shares, and approximately 29.2% of voting rights in Schibsted.

[3] The enterprise value for Schibsted's News Media business area is based on IFRS accounting standards, and includes estimated lease liabilities of approximately NOK 1.1 billion allocated to Schibsted Media, out of the total Group lease liabilities of NOK 2.2 billion as per 30 September 2023 which can be found in Schibsted's interim report for Q3 2023. In addition to the aforementioned, there is a limited earn-out element based on next year's performance.

[4] Q4 2022-Q3 2023

Attachments

- [Download announcement as PDF.pdf](#)
- [Investor Presentation.pdf](#)