An introduction to RTL Group
Who we are
RTL Group is a leader across broadcast, content and digital

Leading commercial broadcaster in Europe

Leading global content business

Leading European media company in digital video
Our responsibility

Focus areas:

Content

We create and share stories that entertain, inform, and engage audiences around the world.

Social & society

We embrace independence and diversity in our people, our content and our businesses.

Environment

We are committed to protect the environment and becoming carbon neutral by 2030.
RTL – Europe’s leading entertainment brand

— Newly developed purpose, promise and brand principles
— Multicoloured logo reflects the diversity of RTL’s content and people
— Roll-out starts with RTL Group and RTL Deutschland, followed by other RTL-branded units
— TV Now to be rebranded to RTL+ in autumn 2021

RTL stands for positive entertainment, independent journalism, inspiration, energy and attitude.
68 TV channels

Europe’s largest commercial broadcaster
10 Streaming services
37 Radio stations in 5 European countries
Fremantle is RTL Group’s content powerhouse and a global leader in content production and rights. Operating in 25 countries and producing 12,700 hours of original programming each year. Distributing and licensing more than 30,000 hours of content in over 180 countries globally. Over 450 titles on air or in production at any one time.
From a truly European company to a global Group

Today, over 16,000 employees in more than 25 countries worldwide are #PARTofRTL
How we do
Our highlights in H1/2021

- Rebound of TV advertising markets
- Strong financial and operating performance
  - Higher TV advertising market shares in FR, NL, HU, CR
  - Streaming: paying subscribers +72% to more than 3 million
  - Fremantle revenue +29%
- Major consolidation moves to build national cross-media champions
- Further boost of Fremantle, targeting full-year revenue of €3bn by 2025
- Full-year outlook for 2021 raised
Key financials for H1/2021

Organic growth:
- Change: +21.5% (+13.7%)

Margin:
- H1/2020: 9.7%
- H1/2021: 16.0%

Group revenue:
- H1/2020: 2,652
- H1/2021: 3,014

Adjusted EBITA:
- H1/2020: 258
- H1/2021: 483

Group profit:
- H1/2020: 156
- H1/2021: 929

In € million

Adjusted EBITA is up +87.2%.

Group profit increased by +21.5%.

Organic growth is up +21.5%.
Key financials for 2020

- **Group revenue**
  - 2019: €6,651
  - 2020: €6,017
  - Change: -9.5%

- **Adjusted EBITA**
  - 2019: €1,156
  - 2020: €853

- **Group profit**
  - 2019: €864
  - 2020: €625

- **Margin**
  - 2019: 17.4%
  - 2020: 14.2%
Where we go
Strategy framework

Core

Growth

Alliances & Partnerships

Portfolios transformation

Creativity & Entrepreneurship

People

Communications & Marketing

Regulation

Enabler
Strategy – Core

Scale broadcasting businesses

- **Rationale:** National media groups with scale and resources to compete with global tech platforms

- **Content:** Enhanced capabilities to invest in premium local content

- **Tech & Data:** Develop cutting-edge technology in streaming and in addressable TV advertising

Value creation potential

- ~€250-350m run-rate synergies within 3 years after closing

- ~€100-120m run-rate synergies to be fully realised in 2025

- €250m preliminary total cash proceeds – expected to close in Q4/2021
Strategy – Core

Create German cross-media champion

- **Rationale:** Cross-media champion with the scale, resources and creative power to compete with global tech platforms in Germany

- **Growth opportunities:** Further boost of RTL+, the leading German streaming service; partner of choice for Germany’s creative talent

- **Journalistic powerhouse:** Joint editorial team with more than 1,500 journalists

**Transaction terms**

- €230m acquisition price
- ~ €100m run-rate synergies to be fully realised in 2025
- ~ €2.63bn pro-forma revenue 2020
- €496m pro-forma Adjusted EBITA 2020
Strategy – Growth

Build national streaming champions

TV NOW/ +1 Videoland.

Paying subscribers
in million

TV Now
Videoland

H1/2020
1.77
0.84

H1/2021
3.04
1.02

+72%

Key figures
in € million

Streaming revenue

TV Now
Videoland

H1/2020
80
48

H1/2021
107
85

Content spend

Streaming start-up losses

TV Now
Videoland

H1/2020
-9

H1/2021
-54

Targets 2025 unchanged

5m to 7m paying subscribers

> €500m streaming revenue

~ €350m content spend p.a.

break-even Adjusted EBITA

Notes: 1. As part of the new RTL branding, TV Now will rebrand to RTL+ in autumn 2021. 2. Refers to TV Now and Videoland combined. 3. Streaming revenue includes SVOD, TVOD and in-stream revenue from TV Now and Videoland/RTL XL. 4. Total of Adjusted EBITA from TV Now, Videoland/RTL XL, Sattho and Bedrock as consolidated on RTL Group level. The Adjusted EBITA of TV Now and Videoland/RTL XL includes synergies with TV channels on business unit level.
Strategy – Growth

Expand global content business

— **High-end factual**: Grow high-end factual talent pool and production capabilities with newly established global factual division

— **Scale**: Leverage global footprint and become preferred partner for global streamers

— **Acquisitions**: Pursue targeted investments in production companies, talent and content

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**New target 2025**

**Total revenue Fremantle**
in € million

- 2020: 1.5bn
- 2025: ~3.0bn

The three companies combined generate full-year revenue of around €0.3bn

Note: 1. Abot Hameiri fully consolidated since 2015
Strategy – Alliances & Partnerships

Expand advertising sales

– **Ad Alliance:** Build one-stop advertising sales houses for cross-media campaigns

– **RTL AdConnect:** Drive international advertising sales to access large TV and streaming portfolio

Leverage content expertise

– **Content alliance:** Create and exploit cross-media content

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99% Ad Alliance’s reach of German population

~ €2.0bn content investment p.a. in Germany
Strategy – Target structure

National cross-media champions

- Germany: 100%
- France: 16%
- The Netherlands: 70%
- Other businesses:

Global content business

- Fremantle: 100%

Cross-country cooperation and competencies

- Ad tech: smartclip, Yospace
- Streaming tech: Bedrock
- International ad sales: RTL AdConnect
- Further cross-country initiatives: Enex, Fcgroup, bce
Thank you!

Stay connected with RTL Group

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