



Joint press release from RTL Group and Talpa Network

RTL Group and Talpa Network to create a strong Dutch cross-media group to compete with global tech platforms

- **Proposed merger of RTL Nederland and Talpa Network assets will create a strong Dutch cross-media group across TV, streaming, radio, print and digital, also to the benefit of audiences and the Dutch creative industry**
- **Newly formed group will have the scale, resources and creativity to compete with global tech platforms in the Netherlands**
- **Strong commitment from both shareholders for long-term development, investment in high-quality Dutch content, diversity and pluralism of opinion**
- **Clear ambition to further expand Videoland, the leading Dutch streaming service with one million paying subscribers, and to offer the most innovative and transparent advertising opportunities**
- **Value creation for both shareholders through significant synergies, estimated between €100 million and €120 million per year**
- **Transaction terms: Talpa Network will contribute its TV, radio, print, digital, e-commerce and other assets to receive a 30 per cent stake in the enlarged RTL Nederland – RTL Group to remain controlling shareholder of RTL Nederland, owning 70 per cent of the combined group**
- **Sven Sauv , CEO of RTL Nederland, will lead the combined group after closing the transaction; Pim Schmitz, CEO of Talpa Network, to join the new Supervisory Board of RTL Nederland which will be chaired by Elmar Heggen, COO and Deputy CEO of RTL Group**

Luxembourg/Cologne/Hilversum, 22 June 2021 – RTL Group and Talpa Network today announced that they have signed agreements to merge their broadcasting and affiliated media businesses in the Netherlands and create a strong Dutch cross-media group. In the growing competition with global tech platforms, the merger will allow the combined group to step up investments in local content, technology and data, offering Dutch audiences the broadest spectrum of high-quality entertainment and reliable information programmes. Both the Dutch creative industry and advertising market will benefit from the ambitious long-term strategy pursued by RTL Group and Talpa Network.

The transaction, which has been approved by the Board of Directors of RTL Group and Talpa Holding, is subject to approval from the competition authorities and is expected to close in the first half of 2022. The advisory process with the respective works councils will start in due course.

According to the agreements, Talpa Network will contribute its TV, radio, print, digital, e-commerce and other assets to RTL Nederland and will receive a 30 per cent stake in the enlarged RTL Nederland in return. RTL Group will hold the remaining 70 per cent in the combined group and will continue to fully consolidate RTL Nederland in its accounts. Sven Sauvé will continue in his current role as CEO of RTL Nederland, leading the combined group after closing the transaction. Pim Schmitz, CEO of Talpa Network, will represent Talpa Network by joining the new Supervisory Board of RTL Nederland which will be chaired by Elmar Heggen, COO and Deputy CEO of RTL Group.

In addition, Talpa Network's content units (Talpa Concepts, Talpa Entertainment Producties) – which are not part of the deal – and RTL Nederland will enter into a content agreement for newly developed formats for linear TV channels and for the streaming service Videoland.

The combined group would have 2020 revenue of €909 million¹ and operating profit (EBITA) of €84 million¹. The annual content spend of the combined group amounts to more than €400 million. The potential synergies of the merger (EBITA run-rate impact) are estimated between €100 million and €120 million per year, to be fully realised in 2025.

Thomas Rabe, CEO of RTL Group, says: "Following the proposed merger of Groupe TF1 and Groupe M6 in France, the combination of RTL Nederland and Talpa Network is the second major step to scale up our broadcasting businesses across our European footprint. The new cross-media group will have the size, resources and creativity to compete with global tech platforms in the Netherlands when it comes to investing in premium content, offering the most advanced addressable advertising opportunities, and expanding Videoland, the leading national streaming service for Dutch viewers."

Elmar Heggen, COO and Deputy CEO of RTL Group, says: "This merger demonstrates that a combination of national commercial broadcasters in a rapidly changing environment forms a strong and sustainable basis for future growth in the interest of our shareholders. John de Mol has an outstanding entrepreneurial and creative track record. Our long-term partnership and collaboration in the area of content development will be an important success factor for our linear TV channels and streaming offers."

John de Mol, owner of Talpa Network, says: "I started Talpa Network to build a strong Dutch media company able to compete with the growing global platforms in order to preserve local content. This next step will allow us to do just that – and I am pleased that the deal creates a strong Dutch company that not only guarantees Dutch quality content, but is also able to take on the American and Chinese tech players. On top of that, it allows me to fully focus once again on what I like best: the creation and development of new innovative content."

Pim Schmitz, CEO of Talpa Network, adds: "We have been able to build a strong, local, creative media company, despite challenging circumstances. There is no better time to combine forces with RTL."

¹ Adjusted and pro forma unaudited

Sven Sauv , CEO of RTL Nederland, says: “Over the last 31 years, we have built a successful company with solid financial foundations. The current changes in the media industry demonstrate the importance of strong national media players that understand the art of local storytelling and invest substantially in digital innovation, social and cultural relevance, and independent journalism. This exciting new phase gives us the possibility to ramp up investments in content, technology and data to create a competitive and distinguished alternative to global tech players. This will bring value not only for our viewers, but also for advertisers and the creative industry as a whole. We look forward to working together with John de Mol and Talpa to steer this new group towards a bright future.”

J.P. Morgan is acting as exclusive financial advisor to RTL Group and PJT Partners as exclusive financial advisor to Talpa Network. NautaDutilh is acting as legal advisor to RTL Group and Freshfields Bruckhaus Deringers LLP as legal advisor to Talpa Network. EY is acting as transaction advisor for RTL Group and Deloitte is acting as transaction advisor for Talpa Network.

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About RTL Group

RTL Group is a leader across broadcast, content and digital, with interests in 67 television channels, ten streaming platforms and 38 radio stations. RTL Group also produces content throughout the world and owns a digital video network. The television portfolio of Europe’s largest broadcaster includes RTL Television in Germany, M6 in France, the RTL channels in the Netherlands, Belgium, Luxembourg, Croatia, Hungary and Antena 3 in Spain. RTL Group’s families of TV channels are either the number one or number two in eight European countries. The Group’s flagship radio station is RTL in France, and it also owns or has interests in other stations in France, Germany, Belgium, Spain and Luxembourg. RTL Group’s content business, Fremantle, is one of the world’s largest creators, producers and distributors of scripted and unscripted content. Fremantle has an international network of production teams, companies and labels in over 30 countries, producing over 12,000 hours of original programming and distributing over 30,000 hours of content worldwide. Combining the streaming-services of its broadcasters (such as TV Now, 6play, Salto, Videoland), the digital video company We Are Era, and Fremantle’s more than 360 YouTube channels, RTL Group has become the leading European media company in digital video. RTL Group also owns the ad-tech businesses Smartclip and Yospace, as well as the streaming-tech company Bedrock. RTL AdConnect is RTL Group’s international advertising sales house. Bertelsmann is the majority shareholder of RTL Group, which is listed on the Luxembourg and Frankfurt stock exchanges and in the SDAX stock index.

For more information, please visit [RTLGroup.com](https://www.rtlgroup.com).

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About Talpa Network

John de Mol set up Talpa Network in 2017, a local Dutch media company in a response to the growing power of the international platforms. Talpa Network is a cross platform network that contains four free-to-air television channels (SBS6, Net5, Veronica and SBS9) and a video streaming platform (KIJK), four radio stations (Radio 538, Sky Radio, Radio Veronica and Radio 10) and an audio streaming platform (JUKE), a social media network (STUK TV), a print business (LINDA.) and an e-commerce platform (VakantieVeilingen and ActieVanDeDag). Furthermore, after the sale of Talpa Media to ITV and the subsequent earn out period, in 2020 John set up a new company consisting of Talpa Entertainment Productions, Talpa Concepts and Talpa Distribution as the new home for his creative development, production and international exploitation of his content. In combination with Talpa Network this is a perfect way to build and accelerate new brands to the market which creates a unique position in the Netherlands. John de Mol, former founder of Endemol and Talpa Media, is known for his creations of global block busters like Big Brother and The Voice. The Voice has won four Emmy Awards. His last company Talpa Media, founded in 2009, was sold to ITV in 2015. ITV renamed Talpa Media to ITV Studios.