



Martin
TAYLOR

CHAIRMAN OF THE BOARD
OF DIRECTORS

CHAIRMAN'S STATEMENT

Dear shareholders,
2019 was another successful year for RTL Group – marked
by a very solid set of financial results, strong
growth in streaming and content production, and profound
changes to the Group's leadership structure.

After many years of serving on the Group's Board, I was honoured to be appointed its Chairman on 1 April 2019. Following the departure of our previous CEO, Bert Habets, Thomas Rabe – who had been the Chairman of our Board since 2012 – became RTL Group's new CEO, in addition to his duties as Chairman and CEO of Bertelsmann, our majority shareholder. Thomas Rabe is, of course, an extremely experienced media executive with extensive knowledge of the TV business and of RTL Group. I am happy to report that following his appointment, RTL Group's strategy and organisational set-up have been thoroughly reviewed and the implementation of strategic plans has been markedly accelerated.

RTL Group's Board of Directors had a busy year in 2019. Working closely with the Executive Committee, we discussed intensely, and advised on, all business transactions of significance for the company, such as Groupe M6's acquisition of Lagardère's TV business, including the children's channel Gulli, and the disposal of Universum Film. We regularly advised the Executive Committee, in particular with regard to RTL Group's strategy, approved the Group's budget and

reviewed the Group's business and financial performance on an ongoing basis. We also decided on plans to strengthen the Group's compliance and risk management systems.

In addition, 2019 was marked by far-reaching changes to the organisation and leadership structure of RTL Group. The Board was closely involved in all these changes, as demonstrated by the agendas of our meetings in the past year.

In May, the new management team of our largest unit, Mediengruppe RTL Deutschland, presented their priorities, with a special focus on their advertising sales strategy. The strong performance of our cross-media sales house, Ad Alliance, was one of the key factors in gaining advertising market share in Germany.

At the end of August, we decided on RTL Group's new leadership structure – including the appointment of Elmar Heggen as COO and Deputy CEO, the appointment of Björn Bauer as the Group's new CFO, and the establishment of a new Group Management Committee (GMC).



Martin Taylor during his visit to the new offices of the RTL Group Corporate Centre in Cologne

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The GMC is advancing the strategic agenda of RTL Group and fostering cooperation. It is composed of the members of the Executive Committee (Thomas Rabe, Elmar Heggen, Björn Bauer) and the CEOs of the Group’s three largest business units – Bernd Reichart (CEO of Mediengruppe RTL Deutschland), Nicolas de Tavernost (CEO of Groupe M6) and Jennifer Mullin (CEO of Fremantle).

On 3 October 2019, the Board decided on a reorganisation of RTL Group’s Corporate Centre in Luxembourg. On 26 November 2019, RTL Group management and the staff delegation informed the employees of RTL Group S.A. that they had reached an agreement on a social plan. We are well aware that such reorganisations are never easy, and can be trying for the employees involved. On behalf of the Board, I would like to thank both management and employee representatives for negotiating what I believe to be a very fair agreement. In February 2020, I paid my first visit to the new offices of our Corporate Centre in Cologne and I am very pleased to report that the new team has made a positive start.

“RTL Group is sending a clear signal that it aims to seize the many opportunities presented by the digital transformation of our industry.”

In our December meeting, the Board followed up on the strategic review of our ad-tech businesses announced in August. The management team of Smartclip presented their plans and progress in building an open ad-tech development platform and pursuing new partnerships with European broadcasters.

The Board presentations delivered by our management teams throughout the year, and my visits to many of our operations, confirmed one common theme: our competitive landscape is changing more rapidly than ever before. And the key factor behind this change is technology, across our value chain – from content creation and content aggregation, to advertising sales and distribution.

With significantly higher ambitions to grow our streaming services, content investments and tech platforms, RTL Group is sending a clear signal that it aims to seize the many opportunities presented by the digital transformation of our industry.

Finally, I'd like to thank the employees, executives and creatives who have chosen RTL Group as their employer or partner of choice. Your efforts underpin the creative and commercial accomplishments of RTL Group, and I hope you will continue to enjoy being part of our success as our business evolves in the coming years.



MARTIN TAYLOR
Chairman of the Board of Directors