

**We invest in winners.** This means we invest in strong companies that create value for their shareholders with sustainable business models, solid balance sheets and high margins. We keep the risks low and invest when our position is fuelled by a positive event. We refer to that as the combination of value and event.

### RTL Group S.A.


The RTL Group, headquartered in Luxembourg, is one of Europe's leading media companies, with 68 television channels and 31 radio stations. RTL is majority-owned (76%) by the Bertelsmann Group. Structural changes in television consumption have weighed on the share price of the RTL Group as streaming services, media libraries and video platforms have overtaken the classic distribution channels. Then, in spring 2020, when advertising revenues plummeted 40% as a result of the coronavirus crisis and the dividend for 2019 was cancelled as a precautionary measure, the stock market valuation fell to just EUR 4 billion. We used this circumstance to build up our share position, because television, with its immense reach, is not going away and the function of this medium will remain intact even in a digital world. Average daily viewing time in Germany is 3.5 hours, and in 2020 this figure will be even higher. Television satisfies the need for quality news as well as for distraction and relaxation. It also provides a structure for everyday life. Advertising achieves the highest visual attention in this "lean-back mode", and advertising revenues rebounded with corresponding rapidity. By offering up its content to users via laptops, tablets and smartphones, RTL is providing an impressive demonstration of how robust its increasingly digital business model is as an entertainment network. The digital portfolio

nearly doubled in the course of the year to 6 billion digital visits (IVW method). With its Fremantle studio, RTL also boasts a leading content producer in the English-speaking world, for its own productions as well as for productions commissioned by Amazon, Netflix and Apple. RTL's European streaming services and open technology platforms are gaining momentum, which means that the integration of TVNOW into Dt. Telekom's MagentaTV offering presents great potential. This collaboration also includes RTL's Smartclip advertising technology platform, which can be used to link the reach of linear TV with the future market of personalised advertising (addressable TV). We also expect significant extraordinary income from the sale of US subsidiary SpotX (Ad-Tech). RTL is already largely debt-free and highly profitable (table, in euros).

	2021e	2020e	2019	2018	2017
Sales in billions	6.6	5.8	6.7	6.5	6.4
EBITA in billions	1.0	0.7	1.1	1.2	1.2
FCF conversion	95%	90%	105%	90%	104%
Dividend/Share	4.00	2.50	-	4.00	4.00

A large part of the operating profit (EBITA) can be converted into free cash flow (FCF), which is used to pay dividends. At least 80% of the adjusted after-tax result will be distributed each year. At the current share price level (EUR 40) we expect a dividend yield of 6%, and 10% in the coming year.

Sincerely yours



J. Henrik Muhle



Dr. Uwe Rathausky

Disclaimer: This document is a customer information ("CI") in the sense of the German Securities Trading Act (WpHG). Responsible as the author for the content is the tied agent listed below. This "CI" is used exclusively for information purposes and cannot replace an individual suitable investment advice. This "CI" does not constitute a contract or any other obligation or kind of contractual offer. Furthermore, the content does not constitute investment advice, an individual investment recommendation, an invitation to subscribe for securities or a declaration of consent or a solicitation of an agreement on a transaction in financial instruments. This "CI" is intended only for professional customers and eligible counterparties with a habitual residence or domicile in Germany and has not been written with the intention of giving legal or tax advice. The tax treatment of transactions is dependent on the personal circumstances of the respective customer and may be subject to future changes. Recommendations and forecasts are non-binding estimates of future events. They can therefore prove to be inaccurate regarding the future development of a product. The information contained in this document is based exclusively on the date on which this "CI" was provided. A guarantee for the actuality and correctness cannot be given. Past performance is not a reliable indicator of future performance. This information is protected by copyright, no reproduction or commercial use is permitted. Author/Issuer: GANÉ Aktiengesellschaft acting as a tied agent (§ 2 section 10 German Banking Act) in the order, in the name, for account and under the liability of the responsible liability holder BN & Partners Capital AG, Steinstraße 33, 50374 Erftstadt. BN & Partners Capital AG has an authorization from the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht) pursuant to § 32 German Banking Act for the provision of investment advisory services pursuant to § 1 section 1a no. 1a Banking Act and investment brokerage pursuant to § 1 section 1a no. 1 German Banking Act. The above content only reflects the author's opinions, which may differ from those of BN & Partners Capital AG. A change of this opinion is possible at any time, without it being published. BN & Partners Capital AG assumes no liability for the content, correctness and up-to-dateness of the information contained therein and does not accept any liability for damage resulting from the use of the "CI" or parts thereof.