

RTL Group S.A.
Société Anonyme

Annual accounts
for the year ended 31 December 2023

43, boulevard Pierre Frieden
L-1543 Luxembourg
R.C.S. Luxembourg: B10 807

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Directors' report

I. OVERVIEW

RTL Group S.A. (the "Company") is the direct and indirect parent company of several hundreds of consolidated affiliated undertakings (together referred to as "RTL Group" or "the Group"). It also indirectly holds investments in joint ventures and undertakings with which the Company is linked by virtue of participating interests.

The Group mainly operates television channels, streaming services and radio stations in Europe and, via Fremantle, produces television content, from talent and game shows to drama, daily soaps, telenovelas, films and documentaries.

The Company exercises key corporate functions for the Group, including the definition of the Group's strategy, capital allocation, financing and management. In addition, the Company houses within the Corporate Center certain service functions for individual business units.

The development of RTL Group S.A. as a standalone company therefore is essentially determined by the business success of the Group taken as a whole because the Group's development eventually drives the amounts received from affiliated undertakings as dividends. Therefore, the description of key developments of the Group is important for the understanding of development of RTL Group S.A.'s business on a standalone basis.

Key developments of the Group and in the business units

In December 2023, RTL Group announced the envisaged sale of RTL Nederland to DPG Media. RTL Nederland was classified as held for sale as at 31 December 2023 and presented as a discontinued operation in the consolidated financial statements 2023.

Group revenue was down 5.4 per cent to €6,234 million (2022: €6,589 million), mainly due to significantly lower TV advertising revenue from broadcasting businesses and lower Fremantle revenue. Group revenue was down 4.1 per cent organically¹ compared to 2022.

Adjusted EBITA¹ declined to €782 million (2022: €922 million), mainly due to lower profit contributions from RTL Deutschland as the German TV advertising market decreased significantly in 2023. The Adjusted EBITA includes streaming start-up losses of €176 million (2022: €222 million). The Adjusted EBITA margin¹ was 12.5 per cent (2022: 14.0 per cent).

Group profit from continuing operations was €483 million (2022: €642 million). Group profit from discontinued operations was €115 million (2022: €124 million). Total Group profit was €598 million (2022: €766 million).

The main developments in 2023 for key business units were as follows:

- In the reporting period, the German net TV advertising market was estimated to be down between 9.5 and 10.5 per cent, with RTL Deutschland performing better than the market. Total revenue of RTL Deutschland was down 5.3 per cent to €2,620 million (2022: €2,766 million), due to significantly lower TV advertising revenue. This was partly compensated by higher streaming revenue. Adjusted EBITA declined 30.1 per cent to €321 million (2022: €459 million), mainly due to significantly lower TV advertising revenue and significant streaming start-up losses.

In 2023, the combined average audience share of RTL Deutschland in the target group of viewers aged 14 to 59 was 27.4 per cent (2022: 26.8 per cent), including the pay-TV channels RTL Crime, RTL Living, RTL Passion and Geo Television. The German RTL family of channels increased its lead over its main commercial competitor, ProSiebenSat1, to 5.8 percentage points – the highest in 10 years (audience share 2022: 21.6 per cent, lead up 1.3 percentage point compared to the previous year).

With its portfolio of eight free-TV channels, four pay-TV channels and the streaming service RTL+, RTL Deutschland reached 26.5 million viewers every day in 2023 (2022: 27.9 million).

¹ As defined in the Directors' report of the Group

With an audience share of 9.4 per cent (up 0.3 percentage points) in the target group of viewers aged 14 to 59 (2022: 9.1 per cent), the German main channel RTL was the leading commercial channel in 2023 and the only large channel increasing its audience share, ahead of ZDF (9.2 per cent), Das Erste (8.7 per cent), Vox (6.2 per cent), Sat1 (6.0 per cent) and Prosieben (5.4 per cent).

- In 2023, the French net TV advertising market was estimated to be down 4 per cent compared to 2022, with Groupe M6 performing in line with the market. Groupe M6's total revenue was down by 3.0 per cent to €1,316 million (2022: €1,357 million). The decrease in revenue was mainly due to scope effects and lower TV advertising revenue. Groupe M6's Adjusted EBITA was up 2.3 per cent to €311 million (2022: €304 million), mainly driven by Groupe M6's diversification businesses partly offset by lower contributions from TV advertising revenue.

The audience share of the Groupe M6 family of free-to-air channels in the commercial target group (women under 50 responsible for purchases) reached 21.9 per cent (2022: 22.3 per cent), thereby representing the second-most watched commercial family of TV channels in France. In the target group of viewers aged 25 to 49, the combined audience share of Groupe M6 was slightly up to 20.5 per cent (2022: 20.3 per cent). The total audience share was 13.0 per cent (2022: 13.5 per cent). On average, again 23.0 million viewers watched Groupe M6's free-to-air channels every day in 2023 (2022: 23.0 million).

- Revenue at RTL Group's content business, Fremantle, was down by 3.5 per cent to €2,266 million in 2023 (2022: €2,347 million), mainly due to timing effects and negative foreign exchange rate effects, which were partly offset by positive scope effects. The business unit's revenue decreased 4.9 per cent organically¹, mainly due to timing effects. Accordingly, Adjusted EBITA declined 14.2 per cent to €139 million (2022: €162 million).

Key developments of the Company

The profit of the Company for the year 2023 amounted to €70 million (2022: €105 million).

The main reason for this deterioration is a significant drop in the financial result of €51 million and higher taxes of €1 million which more than offset the improvement in the operating result of €17 million.

The financial result mainly decreased because of higher net interest expenses (up €37 million) and lower dividend income (down €17 million). Net foreign exchange gains improved by €3 million.

The improvement in the operating result mainly related to favourable effects from value adjustments of €22 million and savings in other external expenses of €3 million which more than compensated the drop in other operating income, mostly from lower recharges of costs to affiliated undertakings.

As in prior years, the Company did not have any branches during 2023.

Consistently with the past, the Company has centralised financing and treasury functions of the Group through central foreign currency risk management and cash pooling arrangements with Group subsidiaries.

¹ As defined in the Directors' report of the Group

II. SUMMARY INCOME STATEMENT

<i>In € million</i>	2023	2022
Operating income ⁽¹⁾	1	9
Operating expenses ⁽²⁾	(4)	(29)
Operating result	(3)	(20)
Financial income ⁽³⁾	222	226
Financial expenses ⁽⁴⁾	(148)	(101)
Financial result	74	125
Taxes	(1)	-
Profit for the financial year	70	105

⁽¹⁾ Operating income mainly relates to the recharge of costs and services. In 2022, they also included reversals of operating provisions

⁽²⁾ Operating expenses mainly include a net reversal of value adjustments of €11 million (2022: unfavourable impact of value adjustments of €11 million), staff costs of €6 million (2022: €6 million), general expenses of €4 million (2022: €5 million) and consulting fees of €3 million (2022: €5 million)

⁽³⁾ Financial income includes interest income of €105 million (2022: €34 million), dividends of €84 million (2022: €101 million) and foreign exchange gains of €33 million (2022: €91 million)

⁽⁴⁾ Financial expenses include interest charges of €121 million (2022: €13 million) and foreign exchange losses of €27 million (2022: €88 million)

⁽⁵⁾ Taxes mainly relate to withholding tax

III. RESEARCH AND DEVELOPMENT

The Company did not carry out any conventional research and development.

The media sector has a similar imperative to create innovative media content and media-related products and services in a rapidly changing environment. This means that instead of conventional research and development activities, management views the Company's own creative power and technical expertise as particularly important for business development. The long-term success of the Group depends heavily on product innovations, investing in growth businesses and making use of integrating new technologies.

Innovation at RTL Group focuses on three core topics: continuously developing new, high-quality TV formats; using all digital distribution channels; and better monetisation of the Group's audience reach using personalisation, recommendations and the addressing of target groups increasingly via artificial intelligence (AI).

In December 2023, Groupe M6 successfully launched the new adventure reality format Destination X on M6 in France. In addition to the new format, which originates from Belgium, Groupe M6 has also launched a digital interactive platform on 6play.fr and the 6play app to allow audiences to actively participate in the adventure. UFA Serial Drama, part of Fremantle, produced Der kleine Unter uns Weihnachtsfilm (The little 'Among us' Christmas film) with the help of AI for content, language and visualisations. In the short film, AI was used to create a storyline inspired by Charles Dickens' A Christmas Carol.

In August 2023, RTL Deutschland launched Germany's first all-inclusive entertainment app. Comprising video, music, podcasts, radio, audiobooks and digital magazines, RTL+ is a unique selling proposition in the German-speaking market. The service's innovative recommendation algorithm, based on intelligent text, audio and video analysis, ensures that users are offered personalised content suggestions across all media types. RTL Deutschland is also investing in its publishing business, in particular the development of digital paid offer Stern+.

Another innovative focus point is addressable TV advertising, which combines the broad reach of linear TV with targeted digital advertising. RTL Group continuously develops its advertising technologies or acquires the necessary technology in this area. RTL Group's European ad-tech business Smartclip has launched technology to substitute the advertising breaks in linear TV streams with addressable TV (ATV) advertising, while ensuring an uninterrupted viewing experience for the audience. This innovative technology was first implemented on RTL Up, and since May 2023, the ad replacement technology in the linear TV stream is available for programmatic buying on the German market. In addition, Smartclip's French subsidiary Realytics has introduced BEE (Brand Exposure Engagement) in April 2023. BEE measures and compares spot exposure from the first second across all major distribution channels (linear TV, ATV and CTV). The tool also detects duplicates and avoids measuring the same household as an individual contact – even if the household is addressed on both linear and digital channels.

The Group's advertising sales houses continue to introduce innovative and award-winning advertising formats. In Germany, Ad Alliance launched CrossOver Evolution in May 2023 – a large-scale innovation project in the area of cross-channel marketing. With the xMedia spot, advertisers in Germany can book spots for ATV, connected TV (CTV), desktop, tablets and smartphones in one place. The new product bundles the entire video inventory of Ad Alliance's portfolio, while reducing the complexity of booking and managing ads. In addition, Ad Alliance is increasingly using artificial intelligence (AI) technology internally to increase the efficiency of its pricing processes. Externally, AI is used in multi-award-winning video tagging to play ads with exactly the right message or at the right emotional moment. In France, M6 Publicité, the advertising sales house from Groupe M6, has developed 6scan range – an engaging and immersive advertising solution based on the QR code. A QR code is added to the advertiser's TV advert, providing viewers with additional information or a call-to-action – such as an augmented reality projection, or the opportunity to interact with chatbots.

AI was a significant driver in RTL Group's innovative projects in 2023. In July 2023, RTL Deutschland bundled its various AI activities together in a newly founded AI Circle. The group focuses on five strategically relevant value levers: Strengthening content, optimising advertising sales, engagement & discovery, increasing efficiency, and risk minimisation and innovation. In 2023, AI was applied prominently in the production of a new series based on the classic German children's series Pumuckl. The original voice of the red-haired goblin, Hans Clarin (who died in 2005), was recreated using AI for the series Pumuckl's New Adventures. AI technology has also been used by RTL News to develop synthetic voices, making it possible to transform written text into natural-sounding speech. In France, Groupe M6 has embarked on a 24/7 transcription initiative for its radio content. Transforming audio content into text enables the team to create more content, easily edit it in the CMS, and generate new editorial products, summaries, metadata, tags and even legal reports. The transcription initiative not only streamlines the content creation process, but also paves the way for more dynamic and diversified digital content offerings in the near future. Fremantle is also increasingly relying on AI, for example with upscaling old video from the 70s-80s by using AI to interpolate the pixels. Fremantle also uses graphics generation tools like Midjourney or Dall-E to create pitch documents and reimagine creative ideas.

IV. FINANCIAL INSTRUMENTS, RISK MANAGEMENT AND INTERNAL CONTROLS

The Group's activities expose it to a variety of financial risks: market risks including foreign exchange risks and interest rate risk, credit risk and liquidity risk. The Group is exposed in particular to risks from the movement in foreign exchange rates as it engages in long-term purchase contracts for programme rights (output deals) denominated in foreign currency.

The Company uses financial instruments to optimise cash flow, net income and net worth for and on behalf of its affiliated undertakings as described in Note 2.3 to the annual accounts and in the corresponding sections of the consolidated financial statements of the Group.

The consolidated financial statements of the Group also provide details of the Group's financial risk management objectives and policies, including its policy for hedging major types of forecasted transactions for which hedge accounting is used as well as its exposure to price risk, credit risk, liquidity risk and cash flow risk. These objectives and policies also apply to the Company.

Details of Group's internal control and risk management systems in relation to the financial reporting process, which also apply to the Company, can be found in the Director's report of the Group.

V. SHARES

The Company has an issued share capital of €191,845,074 (2022: €191,845,074) divided into 154,742,806 (2022: 154,742,806) fully paid-up shares with no nominal value. All shares have equal rights and obligations.

The Company is listed on the Frankfurt and Luxembourg Stock Exchanges. At 29 December 2023, the Company's share price, as listed on the Frankfurt Stock Exchange, was €34.96 per share (2022: €39.44).

The Company did not hold own shares neither directly nor indirectly.

VI. SIGNIFICANT LITIGATIONS

The Company is party to legal proceedings in the normal course of its business, both as defendant and claimant. Most of these claims involve complex issues and the probability of loss and an estimation of damages are difficult to ascertain. A provision is recognised when the risk of a loss becomes likely and when it is possible to make a reasonable estimate of the expected financial effect of a proceeding. The publication of this information on a case-by-case basis, however, would seriously prejudice the Company's position in the ongoing legal proceedings or in any related settlement discussions. No significant litigations are currently ongoing.

In addition, the Group is also party to legal proceedings in the normal course of business, both as defendant and claimant. Details of the main legal proceedings to which the Group is a party are disclosed in the consolidated financial statements.

VII. CORPORATE GOVERNANCE

The RTL Group Board of Directors is committed to high standards of corporate governance. RTL Group has applied the principles of good governance for years, even before the Ten Principles of Corporate Governance were implemented by the Luxembourg Stock Exchange – principles that RTL Group is in line with and submitted to.

The comprehensive explanations on Corporate Governance can be also found in the Directors' Report of the Group and on the Company's website. It contains RTL Group's corporate governance charter, and regularly updated information, such as the latest version of the Company's governance documents (articles of incorporation, statutory accounts, minutes of shareholders' meetings), and information on the composition and mission of the RTL Group Board and its Committees. The "Investors" section also contains the financial calendar and other information that may be of interest to shareholders.

VIII. SUBSEQUENT EVENTS

There have been no subsequent events for the Company.

Subsequent events relating to the Group are disclosed in the consolidated financial statements.

IX. PROFIT APPROPRIATION

The annual accounts of RTL Group show a profit for the financial year 2023 of €69,677,341 (2022: €104,596,391). Taking into account the share premium account of €3,652,764,148 (2022: €4,167,138,981) and the profit brought forward of €70,963,534 (2022: €70,963,534), a sufficient amount is available for distribution.

X. PRINCIPAL RISKS, UNCERTAINTIES AND OUTLOOK

Principal risks and uncertainties and outlook are disclosed in the consolidated financial statements and the related Directors' report.

XI. LUXEMBOURG LAW ON TAKEOVER BIDS

The following disclosures are made in accordance with article 11 of the Luxembourg Law on Takeover Bids of 19 May 2006.

a) Share capital structure

RTL Group S.A. has issued one class of shares which is admitted to trading on the Frankfurt Stock Exchange, and the Luxembourg Stock Exchange. No other securities have been issued. The issued share capital as at 31 December 2023 amounts to €191,845,074 represented by 154,742,806 shares with no par value, each fully paid-up.

b) Transfer restrictions

At the date of this report, all RTL Group S.A. shares are freely transferable but shall be subject to the provisions of the applicable German and Luxembourg insider dealing and market manipulation laws, which prevent anyone who has material non-public information about a company from dealing in its shares and from committing market manipulations. A detailed Dealing Code contains restrictions on dealings by directors and certain employees of RTL Group S.A. and its subsidiaries.

c) Major shareholding

The shareholding structure of RTL Group S.A. as at 31 December 2023 is as follows: Bertelsmann Capital Holding GmbH held 76.28 per cent, 23.72 per cent were publicly traded.

d) Special control rights

All the issued and outstanding shares of RTL Group S.A. have equal voting rights and with no special control rights attached.

e) Control system in employee share scheme

RTL Group S.A.'s Board of Directors is not aware of any issue regarding section e) of article 11 of the Luxembourg Law on Takeover Bids of 19 May 2006.

f) Voting rights

Each share issued and outstanding in RTL Group S.A. represents one vote. The Articles of Association do not provide for any voting restrictions. In accordance with the Articles of Association, a record date for the admission to a general meeting is set and certificates for the shareholdings and proxies shall be received by RTL Group S.A. the 14th day before the relevant date at 24 hours (Luxembourg time). Additional provisions may apply under Luxembourg law.

g) Shareholders' agreement with transfer restrictions

RTL Group S.A.'s Board of Directors has no information about any agreements between shareholders which may result in restrictions on the transfer of securities or voting rights.

h) Appointment of Board members, amendments of the Articles of Association

The appointment and replacement of Board members and the amendments of the Articles of Association are governed by Luxembourg Law and the Articles of Association. The Articles of Association are published under the 'Investor Relations' Corporate Governance Section on <https://company.rtl.com>.

i) Powers of the Board of Directors

The Board of Directors is vested with the broadest powers to manage the business of RTL Group S.A. It may take all acts of administration and of disposal in the interest of RTL Group S.A. The Board of Directors has set up several committees whose members are Directors. The responsibilities and functionalities of the Board of Directors and its committees are described in the Articles of Association and the Corporate Governance Charter, published under the 'Investor Relations' Corporate Governance Section on <https://company.rtl.com>. The Company's General Meeting held on 26 April 2019 renewed the authorisation granted at the Company's General Meeting of 16 April 2014 to the Board of Directors to acquire a total number of shares of the Company not exceeding 150,000. This renewal of authorisation is valid for five years and the purchase price is fixed at a minimum of 90 per cent and a maximum of 110 per cent of the average closing price of the RTL Group S.A. share over the last five trading days preceding the acquisition.

j) Significant agreements or essential business contracts

The Board of Directors is not aware of any significant agreements to which RTL Group S.A. is party and which take effect, alter or terminate upon a change of control of RTL Group S.A. following a takeover bid.

k) Agreements with Directors and employees

The Executive Committee members are entitled to contractual severance payments in case of dismissal, to the exception of dismissal for serious reasons.

13 March 2024

The Board of Directors



Board of Directors

Non-Executive Directors

Martin Taylor*, chairman of the board of directors and chairman of the Nomination and Compensation Committee

Pernille Erenbjerg*, chairman of the Audit Committee

Jean-Louis Schiltz*, vice-chairman of the board of directors

Alexander von Torklus since 26 April 2023

Carsten Coesfeld since 26 April 2023

Thomas Götz

Rolf Hellermann

Immanuel Hermreck

Guillaume de Posch

Bettina Wulf until 26 April 2023

Lauren Zalaznick*

Executive Directors

Thomas Rabe , executive director

Elmar Heggen , executive director

*Independent director

Balance sheet at 31 December 2023

	Notes	2023 €	2022 €
ASSETS			
C. Fixed assets		5,738,996,156	7,430,094,920
I. Intangible assets	3.1.	-	-
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were			
a) acquired for valuable consideration and need not be shown under C.I.3		-	-
II. Tangible assets	3.2.	1,222	2,178
2. Plant and machinery		1,222	2,178
III. Financial assets	3.3.	5,738,994,934	7,430,092,742
1. Shares in affiliated undertakings	3.3.1.	5,504,069,224	5,504,066,504
2. Loans to affiliated undertakings	3.3.2.	233,542,079	1,924,642,607
5. Investments held as fixed assets	3.3.3.	1,383,631	1,383,631
D. Current assets		2,280,359,530	474,519,948
II. Debtors	3.4.	2,272,416,537	463,902,092
1. Trade debtors			
a) becoming due and payable within one year		268,052	265,074
2. Amounts owed by affiliated undertakings			
a) becoming due and payable within one year	3.4.1.	2,227,398,232	359,773,163
4. Other debtors	3.4.2.		
a) becoming due and payable within one year		39,263,137	75,841,900
b) becoming due and payable after more than one year		5,487,116	28,021,955
IV. Cash at bank and in hand		7,942,993	10,617,856
E. Prepayments		689,227	29,210
TOTAL (ASSETS)		8,020,044,913	7,904,644,078

The notes in the annex form an integral part of the annual accounts.

Balance sheet at 31 December 2023

	Notes	2023 €	2022 €
CAPITAL, RESERVES AND LIABILITIES			
A. Capital and reserves	3.5.	4,011,506,404	4,560,800,287
I. Subscribed capital	3.5.1.	191,845,074	191,845,074
II. Share premium account		3,652,764,148	4,167,138,981
IV. Reserves			
1. Legal reserve	3.5.2.	19,184,507	19,184,507
4. Other reserves, including the fair value reserve			
b) other non available reserves		7,071,800	7,071,800
V. Profit or loss brought forward		70,963,534	70,963,534
VI. Profit or loss for the financial year		69,677,341	104,596,391
B. Provisions	3.6.	18,322,177	18,866,893
1. Provision for pensions and similar obligations	3.6.1.	16,368,839	16,842,140
3. Other provisions	3.6.2.	1,953,338	2,024,753
C. Creditors	3.7.	3,990,216,332	3,324,976,898
2. Amounts owed to credit institutions			
a) becoming due and payable within one year		316	3,152
4. Trade creditors			
a) becoming due and payable within one year		1,139,001	799,959
6. Amounts owed to affiliated undertakings			
a) becoming due and payable within one year	3.7.1.	3,828,061,919	3,195,060,302
b) becoming due and payable after more than year		100,000,000	-
8. Other creditors			
a) Tax authorities	3.7.2.	1,120,525	1,132,789
b) Social security authorities		131,527	133,433
c) Other creditors	3.7.3.		
i) becoming due and payable within one year		53,495,613	99,050,191
ii) becoming due and payable after more than one year		6,267,431	28,797,072
TOTAL (CAPITAL, RESERVES AND LIABILITIES)		8,020,044,913	7,904,644,078

The notes in the annex form an integral part of the annual accounts.

Profit and loss account for the year ended 31 December 2023

	Notes	2023 €	2022 €
4. Other operating income	4.1.	607,291	8,683,170
5. Raw materials and consumables and other external expenses		(7,044,800)	(10,039,179)
a) Raw materials and consumables		(20,843)	(30,915)
b) Other external expenses	4.2.	(7,023,957)	(10,008,264)
6. Staff costs	4.3.	(5,617,902)	(6,322,651)
a) Wages and salaries		(5,184,312)	(5,209,209)
b) Social security costs		(221,403)	(271,469)
i) relating to pensions		(149,673)	(151,894)
ii) other social security costs		(71,730)	(119,575)
c) Other staff costs		(212,187)	(841,973)
7. Value adjustments		10,767,823	(11,225,945)
a) in respect of formation expenses and of tangible and intangible fixed assets	3.1./ 3.2.	(956)	(955)
b) in respect of current assets	4.4.	10,768,779	(11,224,990)
8. Other operating expenses	4.5.	(1,603,018)	(1,416,720)
9. Income from participating interests	4.6.	78,780,860	98,476,075
a) derived from affiliated undertakings		78,780,860	98,476,075
10. Income from other investments and loans forming part of the fixed assets		15,508,518	23,603,616
a) derived from affiliated undertakings	3.3.2.	10,630,159	21,136,767
b) other income not included under a)	3.3.3.	4,878,359	2,466,849
11. Other interest receivable and similar income		127,983,344	103,448,125
a) derived from affiliated undertakings	4.7.	127,943,152	39,224,728
b) other interest and similar income	4.8.	40,192	64,223,397
13. Value adjustments in respect of financial assets and of investments held as current assets	3.3.1.	-	226,476
14. Interest payable and similar expenses		(148,215,645)	(100,507,484)
a) concerning affiliated undertakings	4.9.	(138,407,808)	(81,787,753)
b) other interest and similar expenses	4.10.	(9,807,837)	(18,719,731)
15. Tax on profit or loss		(1,484,315)	(324,277)
16. Profit or loss after taxation		69,682,156	104,601,206
17. Other taxes not shown under items 1 to 16	4.11.	(4,815)	(4,815)
18. Profit or loss for the financial year		69,677,341	104,596,391

The notes in the annex form an integral part of the annual accounts.

1. GENERAL

RTL Group S.A. (the "Company" or "RTL Group") was incorporated as a "Société Anonyme" on 30 December 1972 under the name of Compagnie Luxembourgeoise pour l'Audiovisuel et la Finance, abbreviated to "Audiofinda". The Articles of Association were published in the "Mémorial C des Sociétés et Associations" on 27 March 1973, under the number 52. They were modified on several occasions, the last time on 19 April 2017. The Company is formed for an unlimited period.

On 25 July 2000, the name of the Company was changed to RTL Group.

The registered office of the Company is established at 43, boulevard Pierre Frieden, L-1543 Luxembourg.

The Company's financial year starts on 1 January and ends on 31 December of each year.

The purpose of the Company is the national and international development in the audiovisual, communication and information sectors and all related technologies. The Company can also take holdings through granting of loans, merging, subscription or other form of investment in any company, undertaking, association or other legal entity, existing or to be constituted, whatever its form or nationality, having a purpose which is similar or complementary to that of the Company. The Company can undertake any commercial, industrial or financial operation linked directly or indirectly to its purpose or of such a nature that it facilitates or favours its realisation. The Company may also undertake any action useful or necessary for the accomplishment of its purpose.

The Company is listed on the Frankfurt and Luxembourg Stock Exchanges. At 29 December 2023, the Company's share price, as listed on the Frankfurt Stock Exchange, was €34.96 per share (2022: €39.44).

The Company also prepares consolidated financial statements which are published according to the provisions of the law and may be obtained at its registered office and on its official website.

The consolidated financial statements of RTL Group are included in the consolidated accounts of Bertelsmann SE & Co. KGaA, the ultimate parent company of RTL Group which represents the smallest and largest entity of which the Company is a subsidiary. Bertelsmann SE & Co. KGaA is a company incorporated under German law whose registered office is established at Carl-Bertelsmann-Strasse 270, D-33311 Gütersloh, Germany. Consolidated financial statements of Bertelsmann SE & Co. KGaA may be obtained at its registered office and on its official website.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of preparation

The annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements and following the going concern principle. Accounting policies and valuation rules are, besides the ones laid down by the Amended Law dated 19 December 2002, determined and applied by the Board of Directors.

The annual accounts have been prepared under the historical cost convention except for items relating to foreign exchange hedging activities as described in Note 2.3.

All monetary amounts in the notes are in Euro unless otherwise indicated.

The preparation of annual accounts requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgement in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the period in which the assumptions changed. Management believes that the underlying assumptions are appropriate and that the annual accounts therefore fairly present the financial position and results.

The Company makes estimates and assumptions that may affect the reported amounts of assets and liabilities in the next financial year(s). Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

2.2. Foreign currency translation

The Company maintains its accounts in Euro and both the balance sheet and profit and loss account are expressed in this currency.

Transactions in foreign currencies are recorded at the rate of exchange ruling on the transaction date. With the exception of non-monetary fixed assets, all assets and liabilities denominated in foreign currencies are converted at the rate of exchange ruling at the balance sheet date. Related realised and unrealised gains and losses are recognised in the profit and loss account.

2.3. Foreign exchange risk and derivatives

RTL Group companies operate internationally and are exposed to foreign exchange risk arising from various currency exposures, including most notably exposures to USD and GBP. For the Group as a whole, cash flow, net income and net assets are optimised by reference to Euro. Foreign exchange risks faced by individual Group companies, however, are managed or hedged against the functional currency of the relevant entity.

Group Treasury periodically collects from the Group companies forecasts of foreign currency exposures arising mainly from signed output deals and programme rights in order to monitor the Group's overall foreign currency exposure. Entities exposed to foreign currencies risk are responsible for hedging their exposures in accordance with the Treasury policies approved by the Board of Directors. Companies in the Group use forward contracts, transacted with Group Treasury, to hedge their exposure to foreign currency risk. Group Treasury is responsible for hedging positions in each currency by using external foreign currency derivative contracts.

The foreign currency management policy of the Group is to hedge 100 per cent of the recognised monetary foreign currency exposures arising from cash, receivables, payables, loans and borrowings denominated in currencies other than Euro. The off-balance exposures and firm commitments are partially hedged according to the provision of the foreign exchange policy.

Within this framework, RTL Group enters into foreign currency derivative contracts with banking institutions (external) and with Group subsidiaries (internal).

Unrealised losses and gains resulting from the revaluation of the foreign currency derivative contracts (internal and external) are recognised in the profit and loss account with a counterpart in the balance sheet in "Other creditors" or "Other debtors", respectively.

2.4. Intangible assets

Intangible assets are stated at cost, including expenses incidental thereto, less accumulated amortisation. They include software amortised on a straight-line basis over their estimated useful life of three years. Where the Company considers that an intangible asset has suffered a durable depreciation in value, an additional write-down is recorded to reflect this loss. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

2.5. Tangible assets

Tangible assets are stated at cost, including expenses incidental thereto, less accumulated depreciation. Depreciation is recognised on a straight-line basis over the estimated useful lives of the tangible assets:

- Plant and machinery: four to ten years;
- Other fixtures and fittings, tools and equipment: three to ten years.

Where the Company considers that a tangible asset has suffered a durable depreciation in value, an additional write-down is recorded to reflect this loss. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

2.6. Financial assets

Shares in affiliated undertakings and investments held as fixed assets are recorded on the balance sheet at acquisition cost, including expenses incidental thereto. A value adjustment is made when there is a durable diminution in their value. These value adjustments are not continued if the reasons for which these value adjustments were made have ceased to apply.

Investments are classified as affiliated undertakings if the Group is able to exercise control over the company concerned.

Dividends from shares in affiliated undertakings are recognised in the profit and loss account when declared by decision of the General Meeting.

Loans to affiliated undertakings are recorded on the balance sheet at acquisition cost including expenses incidental thereto or nominal value. When the market value or the recoverable value is lower than the acquisition cost or nominal value, a value adjustment is recorded. These value adjustments are not continued if the reasons for which these value adjustments were made have ceased to apply.

2.7. Debtors

Debtors are recorded at their nominal value. They are subject to value adjustments when their recovery is compromised. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

2.8. Cash at bank and in hand

The Company reports in the balance sheet the net amount of the debit and credit positions of the bank accounts when these positions relate to the same nature of bank account with the same currency in the same bank and a netting agreement exists with the bank. If these conditions are not met, credit positions are recorded as bank overdrafts and included in "Amounts owed to credit institutions".

2.9. Cash pooling arrangements

In order to optimise cash management, RTL Group has implemented a cash pooling policy to centralise the Group's liquid funds:

- The local cash pooling includes the Luxembourg subsidiary CLT-UFA S.A. This automated cash pooling is made with a local banking institution. The conditions of the cash pooling are determined on an arm's length basis and based on specific risks linked to the Group company. The basis rate is ESTR (Euro short-term rate) adjusted for - 0.25% on credit margin with a minimum of 0% in case of very low interest rates and +0.50% on debit margin);
- The European cash pooling comprises the following Group companies: A Team Productions B.V. (Belgium), Bedrock SAS (France), Freecaster BVBA (Belgium), FremantleMedia Belgium N.V. (Belgium), FremantleMedia España S.A. (Spain), FremantleMedia Italy Group SRL (Italy), FremantleMedia Polska SP Z.O.O. (Poland), FremantleMedia Portugal S.A. (Portugal), IP Österreich (Austria), Miso Film ApS (Denmark), Magyar RTL Televisio Zrt (Hungary), Nice Entertainment Group OY (Finland), RTL Group Beheer B.V. (the Netherlands), RTL France Holding SAS (France), RTL Group GmbH (Germany), RTL Nederland Holding B.V. (the Netherlands), RTL Services Kft (Hungary), Strong Productions A/S (Denmark), This Is Nice Studios Sweden AB (Sweden), This Is Nice Studios Norway AS (Norway) and We are era GmbH (Germany). The interest rate of the cash pooling is based on ESTR for Euro or equivalent base rate for non-Euro cash pooling, adjusted for a margin reflecting the specific risks attached to the Group's companies;

- The non-European cash pooling comprises the following Group companies: Abot Hameiri Communications Ltd (Israel), Dancing Ledge Productions Limited (United Kingdom), Element Pictures (The Dry) Ltd (United Kingdom), Element Pictures Productions UK Ltd (United Kingdom), FremantleMedia Australia PTY Ltd (Australia), FremantleMedia Group Ltd (United Kingdom), Fremantle Periodic (Holdings) Ltd (United Kingdom), Fremantle Productions North America Inc (United States of America), RTL AdConnect UK LTD (United Kingdom), RTL AdConnect Inc (United States of America), RTL US Holdings Inc (United States of America), Silvio Productions Ltd (Israel) and Yospace Technologies Ltd (United Kingdom). The interest rate of the cash pooling is based on LIBOR or equivalent base rate for non-GBP cash pooling, adjusted for a margin reflecting the specific risks attached to the Group companies.

2.10. Prepayments

The Company reports under this caption expenditure incurred during the financial year but relating to a subsequent financial year.

2.11. Provisions

Provisions are intended to cover losses or liabilities, the nature of which is clearly defined and which, at the date of the balance sheet, are either likely to be incurred or certain to be incurred but uncertain as to their amount or date on which they will arise.

The Company participates in a defined benefit plan. This plan is financed internally via accruals which are determined by independent qualified actuaries using the aggregate cost method (percentage of payroll). The level of accruals exceeds the minimum financing requirement. In case of bankruptcy, the benefits are preserved through the Pensions-Sicherungs-Verein Versicherungsverein auf Gegenseitigkeit (PSVaG) insolvency reinsurance.

2.12. Creditors

Creditors are recorded at their reimbursement value or, if applicable, their residual amount.

3. BALANCE SHEET

3.1. Intangible assets

At 31 December 2023, "Intangible assets" mainly consisted of licences which are recorded and amortised according to the policies described in Note 2.4.

In 2023, "Intangible assets" consisted of:

Acquisition cost at 31.12.2022	9,472,248
Acquisition cost at 31.12.2023	9,472,248
Accumulated value adjustments at 31.12.2022	(9,472,248)
Accumulated value adjustments at 31.12.2023	(9,472,248)
Net book value at 31.12.2022	-
Net book value at 31.12.2023	-

3.2. Tangible assets

In 2023, "Tangible assets" consisted of:

	Plant and machinery	Other fixtures and fittings, tools and equipment	Total
Acquisition cost at 31.12.2022	8,506	15,747	24,253
Acquisition cost at 31.12.2023	8,506	15,747	24,253
Accumulated value adjustments at 31.12.2022	(6,328)	(15,747)	(22,075)
Depreciation charges for the year	(956)	-	(956)
Accumulated value adjustments at 31.12.2023	(7,284)	(15,747)	(23,031)
Net book value at 31.12.2022	2,178	-	2,178
Net book value at 31.12.2023	1,222	-	1,222

3.3. Financial assets

In 2023, "Shares" evolved as follows:

	Shares in affiliated undertakings	Investments held as fixed assets
Acquisition cost at 31.12.2022	5,509,556,028	1,383,631
Increase	2,720	-
Decrease	(373,524)	-
Acquisition cost at 31.12.2023	5,509,185,224	1,383,631
Accumulated value adjustments at 31.12.2022	(5,489,524)	-
Decrease	373,524	-
Accumulated value adjustments at 31.12.2023	(5,116,000)	-
Net book value at 31.12.2022	5,504,066,504	1,383,631
Net book value at 31.12.2023	5,504,069,224	1,383,631

On 11 September 2023, the Company acquired 17 additional shares in CLT-UFA S.A. from a third party for €2,720.

On 8 December 2023, the Fremantle Productions Asia Limited, a fully impaired dormant entity organised under the laws of Hong Kong, was dissolved and struck off. Therefore, the Company derecognised the shares in this entity and the accumulated value adjustment thereon of €373,524 each.

In 2022, the Company had recorded a partial reversal of the value adjustment of €226,476 on its investment in Fremantle Productions Asia Limited.

3.3.1. Shares in affiliated undertakings

Details of shares

Name of the company	Legal form	Country	Activity	Direct % held	Acquisition cost	Accumulated value adjustments	Net	Equity at 2022 year-end (last period closed) ⁽¹⁾	Result for 2022 (last period closed) ⁽¹⁾
Shares in affiliated undertakings									
CLT-UFA	S.A.	Luxembourg	Holding/TV/Radio	99.7	5,504,069,224	-	5,504,069,224	5,148,452,733	352,297,926
Grundy International Operations	Ltd	Antigua and Barbuda	Holding	100	5,116,000	(5,116,000)	-	72,855 ⁽²⁾	- ⁽²⁾
					5,509,185,224	(5,116,000)	5,504,069,224		

⁽¹⁾ Except unless otherwise stated, amounts on a 100% basis before dividend distribution, if any, and converted at 2023 closing rate, if required

⁽²⁾ Amounts according to unaudited IFRS accounts for 2022 converted at 2023 closing rate

The Board of Directors considered the valuation of the shares and concluded that no further valuation adjustment was required.

3.3.2. Loans to affiliated undertakings

In 2023, "Loans to affiliated undertakings" evolved as follows:

Gross amount at 31.12.2022	1,924,642,607
Transfers to "Amounts owed by affiliated undertakings"	(1,699,258,687)
Interest income	10,630,159
Reimbursements	(4,273,318)
Foreign exchange effects	1,801,318
Gross amount at 31.12.2023	233,542,079
Accumulated value adjustments at 31.12.2022	-
Accumulated value adjustments at 31.12.2023	-
Net book value at 31.12.2022	1,924,642,607
Net book value at 31.12.2023	233,542,079

At 31 December 2023, "Loans to affiliated undertakings" consisted of the following:

- Loan of €124,105,391 granted to CLT-UFA Germany GmbH on 30 June 2021, bearing interest at a rate of 4.81% and with maturity date of 30 June 2026. The interest accrued on the loan at 31 December 2023 amounted to €1,507,381 (2022: €21,043);
- Loans to FremantleMedia Limited for a total amount of €96,424,074, consisting of (i) GBP 80,000,000 granted on 26 October 2022, bearing interest at a rate of 6.26% and with a maturity date of 26 October 2027, (ii) HUF 1,559,078,544 granted on 17 November 2023, bearing interest at a rate of 12.58% and with a maturity date of 19 May 2025, and (iii) €296,703 granted on 17 November 2023, bearing interest at a rate of 5.56% and with a maturity date of 19 May 2025. The interest accrued on the total loan at 31 December 2023 amounted to €1,124,613 (2022: €704,237) for all three components;
- Loan to RTL France Holding SAS of €10,200,000 granted on 29 April 2022, bearing interest at a rate of 2.57% and with a maturity date of 29 April 2027. The interest accrued on the loan at 31 December 2023 amounted to €180,620 (2022: €154,473).

The loan of €1,695,000,000 originally granted to RTL Group GmbH in two tranches of €1,100,000,000 on 25 September 2019 and €595,000,000 on 31 December 2019, bearing interest at a rate of 2.01% and with maturity date of 25 September 2024 and accrued interest thereon were reclassified to "Amounts owed by affiliated undertakings" in line with remaining maturity.

In 2023, total interest income amounted to €10,630,159 (2022: €21,136,767).

The Board of Directors considered the valuation of the loans and concluded that no valuation adjustment was required.

3.3.3. Investments held as fixed assets

At 31 December 2023, "Investments held as fixed assets" related to a 10 per cent stake held in Bertelsmann Business Support S.a r.l. A 25-year shareholders agreement has been concluded between Bertelsmann SE & Co KGaA and RTL Group S.A. The shareholders agreement stipulates that 50 per cent of the aggregate amount of corporate and trade tax that, in the absence of existing tax losses carried forward of Bertelsmann Business Support S.a r.l., if any, would have otherwise been incurred by the Company, will be paid to RTL Group S.A. as a preferred dividend with a minimum amount of €1 million per year. The minimum dividend of €1 million became payable as from 2016 onwards. In 2023, total dividends of €4,878,359 (2022: €2,466,849), including the seventh minimum dividend of €1 million were recognised following the approval of the annual accounts 2022 of Bertelsmann Business Support S.a r.l.

Name of the company	Legal form	Country	Activity	Direct % held	Acquisition cost	Accumulated value adjustments	Net	Equity at 2022 year-end (last period closed) ⁽¹⁾	Result for 2022 (last period closed) ⁽¹⁾
Investments held as fixed assets									
Bertelsman Business Support	S.a r.l.	Luxembourg	Financing, provision of services	10	1,383,631	-	1,383,631	2,464,668,058	42,158,992
					1,383,631	-	1,383,631		

⁽¹⁾ Except unless otherwise stated, amounts on a 100% basis before dividend distribution, if any

3.4. Debtors

3.4.1. Amounts owed by affiliated undertakings - RTL Group companies

At 31 December 2023, amounts owed by RTL Group companies consisted of:

- Loan receivable from RTL Group GmbH of €1,695,000,000 and accrued interest thereon of €10,180,594 transferred from "Loans to affiliated undertakings" in line with the remaining maturity (see Note 3.3.2.);
- Cash pooling with a number of Group companies in multiple currencies for €536,223,283 (2022: €382,360,768) less a value adjustment of €15,106,884 (2022: €25,875,663), bearing interest at an adjusted ESTR / SONIA / SOFR rate as described in Note 2.9. and without maturity date. Total interest income during the year 2023 amounted to €23,285,120 (2022: €8,944,680) (Note 4.7.);
- Loan receivable from Format Creation Group B.V. of €600,000 granted on 18 July 2023, bearing interest at a rate of 4.00% and with a maturity date of 18 July 2024, and accrued interest thereon of €10,934;
- Trade accounts receivable with a number of group companies for €490,305 (2022: €2,922,114) without interest and maturity date.

The loan of IDR 6,000,000,000 (€363,201) granted to PT Dunia Visitama Produksi on 23 August 2022 in two tranches of IDR 3,000,000,000 each, bearing interest at 7.70% and 7.90% respectively and both with maturity date 23 February 2023 was collected during the year.

In 2023, the Company recorded a net reversal of value adjustments on "Amounts owed by affiliated undertakings" of €10,768,779 (2022: net value adjustment of €11,224,990).

Refer to Note 4.7. for details on "Other interest receivable and similar income derived from affiliated undertakings".

3.4.2. Other debtors

At 31 December 2023, "Other debtors" mainly related to the Group's foreign exchange derivative assets of €41,029,311 (2022: €98,328,346), thereof €22,473,340 contracted with affiliated undertakings (2022: €46,561,869). Out of the total amount, €5,487,116 (2022: 28,021,955) were due after more than one year, thereof €2,963,915 contracted with affiliated undertakings (2022: €14,640,788).

"Other debtors" also included VAT receivable of €3,678,144 (2022: €5,535,094).

3.5. Capital and reserves

The changes in capital and reserves during the year are summarised in the table below:

	Subscribed capital	Share premium account	Legal reserve	Other non available reserves	Profit or loss brought forward	Profit or loss for the financial year	Total
At 31.12.2022	191,845,074	4,167,138,981	19,184,507	7,071,800	70,963,534	104,596,391	4,560,800,287
Allocation of 2022 result	-	-	-	-	104,596,391	(104,596,391)	-
Profit or loss for the financial year	-	-	-	-	-	69,677,341	69,677,341
Dividend distribution	-	(514,374,833)	-	-	(104,596,391)	-	(618,971,224)
At 31.12.2023	<u>191,845,074</u>	<u>3,652,764,148</u>	<u>19,184,507</u>	<u>7,071,800</u>	<u>70,963,534</u>	<u>69,677,341</u>	<u>4,011,506,404</u>

Changes in capital and reserves can be explained by:

- The profit for the financial year 2023;
- The allocation of the profit for the year ended 31 December 2022 by the Annual General Meeting of shareholders held on 26 April 2023, which decided the allocation of the profit for the financial year 2022 of €104,596,391 to "Profit or loss brought forward" and the payment of a dividend of €4 per share (total amount of €618,971,224).

3.5.1. Subscribed capital

At 31 December 2023, the subscribed capital amounted to €191,845,074 (2022: €191,845,074) and was represented by 154,742,806 shares (2022: 154,742,806), all fully paid-up and without designation of nominal value. All shares had equal rights and obligations.

The Company has appointed ING Luxembourg as depository for its bearer shares to comply with the law of 28 July 2014 regarding the immobilisation of bearer shares in Luxembourg.

3.5.2. Legal reserve

In accordance with Luxembourg company law, the Company is required to allocate a minimum of 5% of its net profit for each financial year to a legal reserve. This requirement ceases to be necessary once the balance of the legal reserve reaches 10% of the subscribed share capital. The legal reserve is not available for distribution to the shareholders.

3.6. Provisions

3.6.1. Provision for pensions and similar obligations

The provisions for pensions at 31 December 2023 represented commitments from the Company towards current and former employees and amounted to €16,368,839 (2022: €16,842,140).

3.6.2. Other provisions

At 31 December 2023 and 2022, "Other provisions" mainly related to provisions linked to the restructuring of the Company's activities.

The provision for reconstructing had been set up in 2019 for the reorganisation of the Corporate Center in Luxembourg.

3.7. Creditors

3.7.1. Amounts owed to affiliated undertakings

At 31 December 2023, "Amounts owed to affiliated undertakings" consisted of:

- Cash pooling account payable with a number of Group companies in various currencies. At 31 December 2023, the corresponding liability amounted to €3,670,453,192 (2022: €3,193,001,700), of which €1,961,993,576 towards CLT-UFA S.A. (2022: €1,630,600,100), €849,500,760 towards RTL Group GmbH (2022: €894,059,889), €318,033,756 towards RTL Group Beheer B.V. (2022: €274,138,813), €331,840,765 towards RTL US Holding Inc. (2022: €65,933,422) and €130,764,164 towards RTL NL Holding B.V. (2022: €131,760,976).
- Loan payable to Bertelsmann Business Support S.a r.l. of €100,000,000 (2022: € nil), granted on 4 May 2023, bearing interest at a rate of 3.805% and maturing on 5 May 2027. At 31 December 2023, accrued interest amounted to €2,522,767 (2022: € nil);
- Loan payable to Bertelsmann Business Support S.a r.l. of €100,000,000 (2022: € nil), granted on 2 August 2023, bearing interest at a rate of 4.329% and maturing on 2 February 2024. At 31 December 2023, accrued interest amounted to €1,827,800 (2022: € nil);
- Loan payable to Bertelsmann Business Support S.a r.l. of €50,000,000 (2022: € nil), granted on 4 December 2023, bearing interest at a rate of 4.254% and maturing on 4 January 2024. At 31 December 2023, accrued interest amounted to €165,433 (2022: € nil);
- Trade creditors with a number of Group companies for €3,092,727 (2022: €2,058,602) without interest and maturity date.

Total interest expense on cash pooling accounts payable and loans during the year 2023 amounted to €120,859,800 (2022: €10,254,759) (Note 4.9.).

3.7.2. Tax authorities

The Company is subject in Luxembourg to the general tax regulations applicable to all companies. The Company has received final assessments up to 2018 for corporate income tax and up to 2019 for net wealth tax.

From 1 January 2001, the Company is part of a tax unity including other Luxembourg Group companies. Unused tax losses existing at 31 December 2023, for the tax unity in Luxembourg, amounted to €3,968,858,083 (2022: €4,039,777,834) out of which €3,962,349,049 (2022: €4,033,268,800) can be carried forward indefinitely. The remaining €6,509,034 (2022: €6,509,034) will expire in 2035. In the case where one or several Group companies would have taxable income, these companies would not record income tax charges (towards RTL Group), respectively RTL Group would not record income tax profits (towards the Group companies) as long as the tax unity would benefit from unused tax losses.

3.7.3. Other creditors

At 31 December 2023, "Other creditors" mainly related to the Group's foreign exchange derivative liabilities of €57,302,776 (2022: €124,317,698), thereof €27,454,114 contracted with affiliated undertakings (2022: €67,864,707). Out of the total amount, €5,355,288 (2022: €28,797,072) were due after more than one year, thereof €4,122,964 contracted with affiliated undertakings (2022: €15,315,248).

"Other creditors" also included accounts payable to employees of €2,378,408 (2022: €3,276,836), thereof €1,457,993 (2022: €3,276,836) due within one year.

4. PROFIT AND LOSS ACCOUNT

4.1. Other operating income

In 2023, "Other operating income" included recharges of services and other one-off effects and can be broken down as follows:

	2023	2022
Recharges to Group companies		
Administrative and management services	329,999	5,793,059
Other	-	-
	329,999	5,793,059
Other		
Miscellaneous	277,292	2,890,111
	277,292	2,890,111
Total	607,291	8,683,170

4.2. Other external expenses

In 2023, "Other external expenses" consisted of:

	2023	2022
Consulting fees	2,537,308	5,277,074
General expenses	4,486,649	4,731,190
Total	7,023,957	10,008,264

"General expenses" included fees related to the Company's auditor regarding continuing operations as follows:

	2023	2022
Audit services pursuant to legislation	435,776	312,290
Other services	352,264	242,500
Total	788,040	554,790

4.3. Staff costs

In 2023, the Company had an average of 13 employees (2022: 13) who were dedicated to corporate functions.

4.4. Value adjustments in respect of current assets

In 2023, "Value adjustments in respect of current assets" related to a net reversal of value adjustments on cash pooling accounts receivable from affiliated undertakings (2022: net of value adjustments) (Note 3.4.1.).

4.5. Other operating expenses

In 2023, "Other operating expenses" mainly related to attendance fees for Board members of €1,361,890 (2022: €1,306,411) and non-deductible VAT of €229,221 (2022: € nil).

4.6. Income from participating interests

During 2023, "Income from participating interests" evolved as follows:

	2023	2022
CLT-UFA S.A. dividend	78,780,860	98,476,075
Total	78,780,860	98,476,075

4.7. Other interest receivable and similar income derived from affiliated undertakings

In 2023, "Other interest receivable and similar income derived from affiliated undertakings" consisted of:

	2023	2022
Foreign exchange gains, net	32,998,741	26,736,485
Interest on loans and advances	71,659,291	3,543,563
Interest on cash pooling arrangements	23,285,120	8,944,680
Total	127,943,152	39,224,728

"Foreign exchange gains, net" consisted of the following:

	2023	2022
Realised net foreign exchange gains	9,284,374	5,021,024
Unrealised net foreign exchange gains	1,801,552	66,981
Realised net foreign exchange gains on foreign currency derivatives	2,917,151	20,884,810
Unrealised net foreign exchange gains on foreign currency derivatives	18,995,664	763,670
Total	32,998,741	26,736,485

4.8. Other interest and similar income

In 2023, "Other interest and similar" income consisted of the following:

	2023	2022
Foreign exchange gains, net	40,192	64,223,397
Total	40,192	64,223,397

"Foreign exchange gains, net" consisted of the following:

	2023	2022
Realised net foreign exchange gains	-	13,819,114
Unrealised net foreign exchange gains	40,192	12,652
Realised net foreign exchange gains on foreign currency derivatives	-	50,391,631
Total	40,192	64,223,397

4.9. Interest payable and similar expenses concerning affiliated undertakings

In 2023, "Interest payable and similar expenses concerning affiliated undertakings" consisted of:

	2023	2022
Foreign exchange losses, net	17,548,008	71,532,994
Interest on cash pooling arrangements	120,859,800	10,254,759
Total	138,407,808	81,787,753

"Foreign exchange losses, net" consisted of the following:

	2023	2022
Realised net foreign exchange losses	4,768,247	21,632,603
Unrealised net foreign exchange losses	209,410	2,323,462
Realised net foreign exchange losses on foreign currency derivatives	11,383,126	32,330,365
Unrealised net foreign exchange losses on foreign currency derivatives	1,187,225	15,246,564
Total	17,548,008	71,532,994

4.10. Other interest and similar expenses

In 2023, "Other interest payable and similar expenses" consisted of:

	2023	2022
Foreign exchange losses, net	9,728,556	16,792,278
Financial expenses for guarantees	79,281	1,927,453
Total	9,807,837	18,719,731

"Foreign exchange losses, net" consisted of the following:

	2023	2022
Realised net foreign exchange losses	202,181	-
Realised net foreign exchange losses on foreign currency derivatives	1,433,823	-
Unrealised net foreign exchange losses on foreign currency derivatives	8,092,552	16,792,278
Total	9,728,556	16,792,278

4.11. Other taxes not shown under items 1 to 16

In 2023, "Other taxes not shown under items 1 to 16" related to net wealth tax of €4,815 (2022: €4,815).

5. RELATED PARTIES TRANSACTIONS

At 31 December 2023, the principal shareholder of the Company was Bertelsmann Capital Holding GmbH, a company incorporated under German law. Bertelsmann Capital Holding GmbH held 76.28 per cent (2022: 76.28 per cent of the shares of the Company).

RTL Group and its subsidiaries are also subject to other related parties transactions with its main shareholder notably in the context of the deposits with Bertelsmann SE & Co. KGaA and the loans from Bertelsmann SE & Co. KGaA and Bertelsmann Business Support S.a r.l. to RTL Group subsidiaries. These transactions are described in the Group's Financial Statements.

During the year 2023, all transactions entered into with related parties have been done at arm's length.

5.1. Transactions with shareholders

In 2023, "Transactions with shareholders" amounted to €1,612,051 (2022: €611,470).

Both in 2023 and 2022, they primarily related to recharges from the shareholder to the Company for corporate functions, including the provision of guarantees and IT licences sourced centrally.

5.2. Transactions with key management personnel

Transactions with key management personnel can be summarised as follows:

<i>In € million</i>	2023	2022
Short-term benefits	1.3	1.5
Long-term benefits	0.3	0.4
Total	1.6	1.9

5.3. Directors' fees

In 2023, a total of €1,361,890 (2022: €1,306,411) was allocated in the form of attendance fees to the members of the Board of Directors of RTL Group.

6. OFF-BALANCE SHEET COMMITMENTS

6.1. Outstanding forward currency contracts

At 31 December 2023, in accordance with the foreign currency management policy described in Note 2.3. RTL Group has entered into foreign currency derivative contracts with banking institutions (external) and with Group companies (internal).

The net foreign currency exposure resulting from the open contracts at year-end can be detailed as follows:

Currency	With banking institutions	With Group companies
AUD	(5,762,212)	5,732,588
CAD	(6,641,889)	6,646,002
CHF	(4,033,869)	4,028,569
DKK	(1,131,267)	1,159,716
GBP	20,886,951	(19,592,232)
IDR	-	-
ILS	-	-
NOK	646,136	(655,355)
PLN	(906,164)	859,211
RON	-	-
SEK	34,194,886	(34,311,450)
SGD	882,520	(879,620)
USD	362,065,166	(360,949,076)
ZAR	(12,301,536)	12,281,071

In the table, the positive amounts correspond to a sale of the related currency (short position) and the negative amounts correspond to a purchase of the related currency (long position).

6.2. Guarantees and other similar commitments

The Company has given guarantees and other similar commitments to third parties and to Group companies as detailed below:

	2023	2022
Guarantees and other similar commitments to third parties	486,312,112	359,888,822
Other commitments to Group companies	1,118,994	1,263,943

The Company has issued letters of support to nine affiliated undertakings domiciled in Australia, Luxembourg and the United Kingdom, confirming that the Company is able and willing to continue to provide financial support.

7. SUBSEQUENT EVENTS

There have been no subsequent events for the Company.

Subsequent events relating to the Group are disclosed in the consolidated financial statements.

MANAGEMENT RESPONSIBILITY STATEMENT

We, Thomas Rabe, Chief Executive Officer, Elmar Heggen, Chief Operating Officer and Deputy Chief Executive Officer and Björn Bauer, Chief Financial Officer, confirm, to the best of our knowledge, that these 2023 annual accounts which have been prepared in accordance with the Luxembourg amended law dated 19 December 2002, give a true and fair view of the assets, liabilities, financial position and profit or loss of RTL Group and that the Directors' report includes a fair review of the development and performance of the business and the position of RTL Group, together with a description of the principal risks and uncertainties that they face.

Luxembourg, 13 March 2024

Thomas Rabe
Chief Executive Officer

Elmar Heggen
Chief Operating Officer
Deputy Chief Executive Officer

Björn Bauer
Chief Financial Officer



KPMG Audit S.à r.l.
39, Avenue John F. Kennedy
L-1855 Luxembourg

Tel.: +352 22 51 51 1
Fax: +352 22 51 71
E-mail: info@kpmg.lu
Internet: www.kpmg.lu

To the Shareholders of
RTL Group S.A.
43, boulevard Pierre Frieden
L-1543 Luxembourg
Luxembourg

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Report on the audit of the annual accounts

Opinion

We have audited the annual accounts of RTL Group S.A. (the "Company"), which comprise the balance sheet as at 31 December 2023, and the profit and loss account for the year then ended, and notes to the annual accounts, including a summary of significant accounting policies.

In our opinion, the accompanying annual accounts give a true and fair view of the financial position of the Company as at 31 December 2023 and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

Basis for opinion

We conducted our audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier ("CSSF"). Our responsibilities under the EU Regulation N° 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of "réviseur d'entreprises agréé" for the audit of the annual accounts » section of our report. We are also independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the annual accounts, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period. These matters were addressed in the context of the audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



Valuation of shares in affiliated undertakings, recoverability of loans to affiliated undertakings and amounts owed by affiliated undertakings (loan to RTL Group GmbH)

a) Why the matter was considered to be one of most significant in our audit of the annual accounts of the current period

Refer to Note 2.6, Note 2.7, Note 3.3.1, Note 3.3.2 and Note 3.4.1 to the annual accounts.

Investments in shares, loans to affiliated undertakings and amounts owed by affiliated undertakings (loan to RTL Group GmbH) amount to EUR 7,443 million or approximately 93% of the total assets of the Company at year-end.

The most significant investment is the holding of 99.7% in CLT-UFA S.A (carrying amount of EUR 5,504 million) and the most significant loan being with RTL Group GmbH (carrying amount of EUR 1,705 million, including interests), representing separately 69% and 21% and in total 90% of the total assets of the Company at year-end.

Management performs an annual impairment test to assess whether the recoverable amount of each of those financial assets is at least equal to their respective carrying value. The recoverable amount can be determined through different valuation techniques; the most regularly used by Management being the discounted cash flow (DCF) model.

This matter was of particular significance to our audit as Management's assessment of the recoverable amount required estimation and judgment, such as future expected cash flows generated by the financial assets, the discounting factor and other key assumptions of the DCF model.

b) How the matter was addressed during the audit

Our procedures over the impairment of financial fixed assets include, but are not limited to:

- Gaining an understanding of the Management's process and controls related to the identification of the impairment indicators and the impairment test of the investments and loans to affiliated undertakings (financial assets).
- Assessing the Company's ability to reliably determine the recoverable amount of its financial fixed assets, notably the method for determining the future discounted cash flows.
- Assessing key assumptions used by the Management in the impairment tests by reference to the budgets approved by the Board of Directors, data external to RTL Group, our understanding as well as to the historical data and performance.
- Involving valuation specialists to test discount rates retained by Management.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information stated in the annual report including the management report and the Corporate Governance Statement but does not include the annual accounts and our report of the "réviseur d'entreprises agréé" thereon.

Our opinion on the annual accounts does not cover the other information and we do not express any form of assurance conclusion thereon.



In connection with our audit of the annual accounts, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the annual accounts or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and Those Charged with Governance for the annual accounts

The Board of Directors is responsible for the preparation and fair presentation of the annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts, and for such internal control as the Board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

The Board of Directors is responsible for presenting the annual accounts in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format (“ESEF Regulation”).

In preparing the annual accounts, the Board of Directors is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company’s financial reporting process.

Responsibilities of the réviseur d’entreprises agréé for the audit of the annual accounts

The objectives of our audit are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the “réviseur d’entreprises agréé” that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

Our responsibility is to assess whether the annual accounts have been prepared in all material respects with the requirements laid down in the ESEF Regulation.



As part of an audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

We have been appointed as "réviseur d'entreprises agréé" by the Shareholders on 26 April 2023 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is four years.



The Directors' report is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

The accompanying Corporate Governance Statement, as published on the Company's website <https://company.rtl.com/en/investor-relations/overview/corporate-governance/>, is the responsibility of the Board of Directors. The information required by Article 68ter paragraph (1) letters c) and d) of the law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

We confirm that the audit opinion is consistent with the additional report to the audit committee or equivalent.

We confirm that the prohibited non-audit services referred to in the EU Regulation N° 537/2014 were not provided and that we remained independent of the Company in conducting the audit.

We have checked the compliance of the annual accounts of the Group as at 31 December 2023 with relevant statutory requirements set out in the ESEF Regulation that are applicable to annual accounts.

For the Company it relates to:

- Annual accounts prepared in a valid xHTML format.

In our opinion, the annual accounts of RTL Group S.A. as at 31 December 2023, identified as RTLGroupSA-2023-12-31-EN.xhtml, have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

Our audit report only refers to the annual accounts of RTL Group S.A. as at 31 December 2023, identified as RTLGroupSA-2023-12-31-EN.xhtml prepared and presented in accordance with the requirements laid down in the ESEF Regulation, which is the only authoritative version.

Luxembourg, 13 March 2024

KPMG Audit S.à r.l.
Cabinet de révision agréé

Jean-Manuel Séris