

## Press Release

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### ProSiebenSat.1 and General Atlantic team up to acquire The Meet Group to create a leading global player in the online dating segment

- Vision of creating leading global player in the online dating segment by combining NuCom's Parship Group with The Meet Group
- Cash price to Meet Group shareholders of \$6.30 per share, valuing the company at approximately \$500m enterprise value
- Acquisition multiples for The Meet Group: EV/LTM Sales 2.4x, EV/LTM Adj. EBITDA 12.8x / incl. full run rate synergies <10x<sup>1</sup>
- Acquisition to be adj. net income accretive for ProSiebenSat.1 in first year (pro forma 2020E)
- ProSiebenSat.1 committed to its financial leverage target range of 1.5x-2.5x
- Transaction expected to close in the second half of 2020
- After the successful closing, Parship Group will cover the complete spectrum of the online dating market: from science based online dating to interactive live video apps

**Munich/Hamburg, March 5, 2020.** ProSiebenSat.1 and General Atlantic teamed up to sign with their joint company NuCom Group an agreement for the acquisition of the US online dating and social entertainment provider The Meet Group (NASDAQ: MEET). The goal is to create a leading global player in the online dating segment by combining NuCom's portfolio company Parship Group with The Meet Group. The cash price consideration to The Meet Group's shareholders is \$6.30 per share, valuing The Meet Group at approximately \$500m enterprise value. The acquisition is expected to close in the 2<sup>nd</sup> second half of 2020 and is subject to the satisfaction of customary conditions, including approval of The Meet Group's shareholders and receipt of required antitrust and regulatory approvals.

#### Two leading businesses with complementary strengths and unique product offerings in their respective highly attractive market segments

After a successful closing of the transaction, Parship Group will cover the complete spectrum of the online dating market. The Meet Group's fast-growing dating and social entertainment apps with brands such as MeetMe®, Tagged® and Lovoo® meet the universal need for human connection. The established and well-known brands Parship, eharmony and ElitePartner offer science-based online dating to create long-term relationships. By combining their industry expertise as well leveraging their complementary fit and user bases in the core markets, Parship Group will become a global leader in the online dating market with expected double-digit annual revenue growth rates.

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**Max Conze, CEO, ProSiebenSat.1 Media SE:** “The acquisition of The Meet Group is one of ProSiebenSat.1’s largest transactions. It will significantly advance our ambition to create one of the leading global players in online dating and interactive live video. We believe the combination of these two successful and complementary businesses will also create synergies within the ProSiebenSat.1 universe and accelerate the growth of our market share in the German live video apps sector.”

**Industry leader with innovative and interactive live video offer**

The Meet Group’s apps are positioned at the intersection of online dating and social entertainment. Its main markets are North America, Germany and Southern Europe. In total the brands of The Meet Group have approximately 4.46m mobile daily active users, focusing on a target group of men and women between the age of 18 and 34 years+. The Meet Group apps represent a high-quality product expansion for the Parship Group, diversifying revenues from 100% subscription towards virtual gifting and advertising. The company, which is listed on NASDAQ, generated approximately \$206.6m of revenues and approximately \$39.5m of Adjusted EBITDA<sup>1</sup> for the twelve months period ending September 30, 2019.

**Attractive value creation by strengthening core vertical of NuCom Group**

NuCom Group has a proven track record of successful value creation for investors and their portfolio companies. Over the past four years, NuCom Group has established a profitable online matchmaking platform – Parship Group – through the acquisition of Parship and ElitePartner in Germany in 2016, followed by the acquisition of US-based eharmony Group in 2018, globalizing the company. The acquisition of The Meet Group with its leading portfolio of mobile dating apps will further diversify the matchmaking and dating platform, and will scale the combined entity’s geographical presence and breadth.

**Joern Nikolay, Managing Director General Atlantic:** “Nearly two years ago, we entered into this partnership with ProSiebenSat.1 and NuCom Group with a clear mission to create category leaders. The Meet Group is an innovative and growing company that is a natural fit with the Parship Group, and the transformative combination of the companies will move us closer toward our vision of creating a global leader in the online dating segment. We are proud to be a partner of both ProSiebenSat.1 and NuCom Group as we work to create long-term value and growth.”

**Geoffrey Cook, CEO, The Meet Group:** “We are excited about this transaction and the significant benefits resulting from a combination with NuCom’s Parship Group. We look forward to joining forces with Parship Group and leveraging their industry experience to continue to advance our mission of helping users connect in a meaningful way.”

**Tim Schiffrers, CEO Parship Group:** “Following the successful acquisition of eharmony, we have proven that we can manage new businesses and accelerate their growth by combining the best of both worlds. We continue to consolidate our position in the online dating market and extend our business model by adding social entertainment. I am looking forward to working with our new colleagues to solidify our international footprint.”

### **Deal structure demonstrates excellent collaboration between ProSiebenSat.1 and General Atlantic**

ProSiebenSat.1 Group and General Atlantic will jointly finance the acquisition with cash contributions of \$232m (EUR 209m<sup>2</sup>) and \$306m (EUR 276m<sup>3</sup>), respectively. NuCom Group, which is jointly owned by ProSiebenSat.1 and General Atlantic, will contribute Parship Group to a newly formed company. After completing the transaction, ProSiebenSat.1 Group will hold 55% of the merged online dating business, whereas General Atlantic's stake will amount to 45%. The envisaged shareholding structure also takes a pre-merger Enterprise Value for the Parship Group of EUR 726m into account.

The acquisition multiples for The Meet Group are EV/LTM Sales of 2.4x, EV/LTM Adjusted EBITDA of 12.8x, reducing to < 10x including full run rate synergies (full run rate synergy potential expected to be realized by 2022). The acquisition is expected to be adjusted net income accretive for ProSiebenSat.1 in the first year (pro-forma full year 2020E). The acquisition will increase the net debt position of ProSiebenSat.1 Group by c. EUR 209m<sup>4</sup> and will result a slight increase of financial leverage (pro-forma full year 2020E). However, ProSiebenSat.1 Group is strongly committed to its targeted financial leverage in the range of 1.5x to 2.5x.

#### **ProSiebenSat.1 Media SE**

ProSiebenSat.1 combines leading entertainment brands with a successful production business and a strongly growing commerce portfolio and is thus one of the most diversified media companies in Europe. We want to offer great entertainment – whenever, wherever and on any device. We can address over 45 million TV households in Germany, Austria and Switzerland with our 15 free and pay TV channels. At the same time, we reach around 36 million unique users every month with online offerings marketed by ProSiebenSat.1. Successful formats like “The Masked Singer”, “Germany’s next Topmodel”, and “Beat the Channel” as well as top-notch stars like Heidi Klum, or Dwayne Johnson belong to our family. Shows like “Bosch”, “Married at First Sight”, or “Queen of Drags” are created within our production and distribution business Red Arrow Studios. Our global digital studio Studio71 achieves over 9.9 billion monthly video views and operates more than 1,400 web channels. Our NuCom Group is a rapidly growing e-commerce player with leading portfolio companies that offer online price comparison, matchmaking, experiences as well as beauty & lifestyle. ProSiebenSat.1 are more than 7,000 passionate creators that love to entertain and delight our viewers and consumers each day. For more information on ProSiebenSat.1, please visit the website: [www.prosiebensat1.com](http://www.prosiebensat1.com)

#### **General Atlantic**

General Atlantic is a leading global growth equity firm providing capital and strategic support for growth companies. Established in 1980, General Atlantic combines a collaborative global approach, sector specific expertise, a long-term investment horizon and a deep understanding of growth drivers to partner with great entrepreneurs and management teams to build exceptional businesses worldwide. General Atlantic has more than 150 investment professionals based in New York, Amsterdam, Beijing, Greenwich, Hong Kong, Jakarta, London, Mexico City, Mumbai, Munich, Palo Alto, São Paulo, Shanghai, and Singapore. For more information on General Atlantic, please visit the website: [www.generalatlantic.com](http://www.generalatlantic.com).

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<sup>2</sup> Adj. EBITDA definition according to The Meet Group <https://www.prosiebensat1.com/en/investor-relations/presentations-events/ma>

<sup>2</sup> Based on EUR/USD exchange rate of 1.11.

<sup>3</sup> Based on EUR/USD exchange rate of 1.11.

<sup>4</sup> Based on EUR/USD exchange rate of 1.11, subject to condition at closing date.

### **NuCom Group**

NuCom Group is the growth partner for consumer internet companies. We create global category leaders and accelerate the growth of our portfolio companies by adding marketing power, operational expertise and clear buy-and-build strategies. Thereby we combine the strengths of our shareholders in a “best of both worlds” approach, featuring the reach, know-how and resources from the ProSiebenSat.1 Group and the expertise and firepower of General Atlantic, a leading global growth equity investor. We focus on B2C asset light business models with a clear USP and differentiation. Currently our portfolio is divided in four verticals: consumer advice, matchmaking, experience and gift vouchers and beauty and lifestyle. <https://www.nucom.group/>

### **The Meet Group**

The Meet Group (NASDAQ: MEET) is a leading provider of interactive livestreaming solutions designed to meet the universal need for human connection. Our ecosystem of livestreaming apps enables users around the world to interact through one-to-many livestreaming broadcasts and text-based conversations. Our top apps, MeetMe®, LOVOO®, Skout®, Tagged® and Growlr®, deliver live interactions and meaningful connections to millions of users daily. Headquartered in New Hope, PA, we have offices in Philadelphia, San Francisco, Dresden, and Berlin. The Meet Group is committed to safety. You can find a description of current safety practices here: <https://www.themeetgroup.com/safety-practices/>. For more information, visit [themeetgroup.com](https://www.themeetgroup.com), and follow us on [Facebook](#), [Twitter](#) or [LinkedIn](#).

### **Parship Group**

The Parship Group is the leading provider of online matchmaking services. The well-known international brands Parship, ElitePartner and eharmony belong to the group. All three services use scientific methods to successfully support singles in finding meaningful relationships that enrich their lives. Both Parship and eharmony are pioneers in using algorithms to create highly compatible relationships. California-based eharmony was founded in 2000 and operates in the United States, Canada, the United Kingdom and Australia. Parship invented scientific matchmaking in Europe in 2001 and today offers its service in the German-speaking world and the Benelux countries. Since 2004, ElitePartner is the premium partner agency for sophisticated singles, operating in the DACH-region. Currently, the Parship Group employs over 300 colleagues in Hamburg / Germany (headquarters), Los Angeles, London and Amsterdam. <https://www.parshipgroup.com/>