



0700, 31 January 2024

## STV Studios becomes majority shareholder in high-end scripted production company, Two Cities Television

- Increased equity stake from 25% to 51% accelerates STV Studios' growth plan and is materially earnings enhancing
- High-end drama producer has secured revenues of £55m over next 3 years across multiple series
- Investment will help underpin Two Cities' growth and strengthen STV Studios' position as leading Nations & Regions producer

STV Studios is pleased to announce it has increased its 25% equity stake in the high-end drama production company, Two Cities Television ("Two Cities"), to a majority holding of 51%.

STV acquired a minority stake in Two Cities in January 2020, with an option to increase its initial stake to a majority position upon Two Cities becoming profitable. Following the initial investment, the Belfast-based company has made significant progress, producing two series of the critically acclaimed police drama *Blue Lights* for BBC One, with the second series due to air in 2024. This follows previous success with BAFTA award-winning show *Patrick Melrose* starring Benedict Cumberbatch for Sky and Showtime.

Currently, Two Cities has additional high-end drama series secured which will deliver forecast revenue of £55m over the next three years (2024 to 2026). The acquisition will support STV Studios on its journey to becoming a 10% operating margin business, but at this stage in the year delivery schedules for commissioned shows have not been finalised and so the phasing of profit across the three years is not yet agreed. Additionally, there is a strong development pipeline.

Founded in 2016, Two Cities is led by Michael Jackson, formerly Controller of BBC One and BBC Two, CEO of Channel 4, President of Programming at USA Entertainment and Chairman of Universal Television, and Creative Director Stephen Wright, formerly Head of Drama for BBC Northern Ireland where he commissioned *Line of Duty* and *The Fall*.

STV Studios is one of the UK's leading producers of scripted and unscripted content and Scotland's largest production group, with stakes in multiple production companies across the UK. It acquired Greenbird Media's expansive network of independent production companies in July 2023, significantly increasing the number of creative labels in the STV Studios family to 24 and its portfolio of returning series to nearly 40. STV Studios is responsible for a wide range of scripted and unscripted series such as AppleTV+ drama *Criminal Record*; prison drama *Screw*; *Bridge of Lies*; *Celebrity Catchphrase*; *The Hit List*; *A&E After Dark*; *LEGO Masters*; *Antiques Road Trip*; and *The Travelling Auctioneers*.

**Stephen Wright and Michael Jackson of Two Cities Television** said: "The STV team have been incredible partners. The company is beginning to find its feet and we are thankful for all the support from STV Studios in getting Two Cities up and running. Their continued investment and partnership will allow us to develop and grow."

**Simon Pitts, Chief Executive of STV Group plc** said: "Michael and Stephen have delivered significant creative and commercial success on the back of the standout performance of *Blue Lights* and there is so much more to come. STV's consolidation of Two Cities is clear evidence of the ongoing success of our Studios strategy of taking minority stakes in high potential production companies. We're very proud to be in business with Two Cities and look forward to our continued partnership."

**David Mortimer, MD of STV Studios** added: "Two Cities remains a natural partner for STV Studios, producing high-quality drama across the UK and beyond. Their brilliant police series, *Blue Lights*, truly put them on the map, launching to rave reviews and very strong ratings in 2023. Two Cities has more work lined up for 2024 and beyond, a strong development pipeline and many exciting projects to come. I've really enjoyed working with Michael and Stephen over the last four years, they are two of the very best in the business. I'm sure exciting times lie ahead!"

**STV Group plc Media Contact:** Kirstin Stevenson, Head of Communications | 07803970106 | [kirstin.stevenson@stv.tv](mailto:kirstin.stevenson@stv.tv)

### About Two Cities

Two Cities Television was founded with the ambition to produce both returning, event and prestige dramas that are powerful, complex, and have intriguing stories at their heart. With offices in London and Belfast, and a base in New York, Two Cities prides itself on developing a diverse slate of projects with international, UK, and Irish broadcasters, streamers, and distributors. Two Cities is creatively led by Joint CEO, Michael Jackson and Joint CEO and Creative Director, Stephen Wright. The company is proud to be part of the STV Studios group of production labels.

### About STV Studios

STV Studios is one of the UK's leading producers of scripted and unscripted content and Scotland's biggest production group. Led by David Mortimer, the group has an impressive track record of success across drama, entertainment and factual, working with the world's biggest broadcasters and streamers including Apple TV+, BBC, Channel 4, Channel 5, ITV, Sky and Warner Bros. Discovery. STV Studios was named Production Group of the Year at the prestigious Edinburgh TV Awards in 2023.

In July 2023, STV acquired Greenbird Media's expansive network of independent production companies, significantly increasing the number of creative labels in the STV Studios family.

STV Studios' in-house drama, entertainment and factual teams have produced hundreds of hours of critically-acclaimed, conversation-starting television, including Apple TV+ thriller *Criminal Record* (a co-production with Tod Productions); BAFTA and International Emmy award-winning TV film *Elizabeth Is Missing* (BBC One); nail-biting quiz format *Bridge of Lies* for the BBC in the UK and sold internationally; iconic Saturday night gameshow *Catchphrase* (ITV); and a number of much-loved auction-based series including *The Yorkshire Auction House* for Warner Bros. Discovery and long-running BBC daytime hit, *Antiques Road Trip*.

Recent successes for labels within the STV Studios family include Two Cities TV's gripping police drama *Blue Lights* for BBC

Recent successes for titles within the STV Studios family include two series TV's gripping police drama *See* for BBC One; headline-making Channel 4 comedy chat show *Late Night Lycett* (Rumpus Media); and hit international format *LEGO Masters* (Tuesday's Child), which has aired in 20 territories across the globe.

A number of exciting new productions are coming soon, including Tuesday's Child entertainment event *The Fortune Hotel* for ITV and Primal Media reality series *Alan Must Win* for E4, which is also being adapted for US audiences as part of a development deal with NBCUniversal.

[www.stvstudios.com](http://www.stvstudios.com)

This information is provided by RNS, the news service of the London Stock Exchange. RNS is approved by the Financial Conduct Authority to act as a Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact [ms@seg.com](mailto:ms@seg.com) or visit [www.ms.com](http://www.ms.com).

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

MSCQKDBQABKKCDN