



GRUPPO  MONDADORI

Investor Presentation

Italian Investment Conference

Milan, 21 May 2024

Mondadori Group - Company overview



Mondadori in a nutshell

- ❖ Mondadori Group, founded in 1907, is **Italy's main publishing group** with a **leading position** in all the segments of the Italian market:
 - Trade book publishing
 - Education book publishing
 - Consumer magazines
 - Digital

❖ Arnaldo Mondadori Editore is listed in the **Italian Stock Exchange** since 1982 (from 2016 in the STAR segment)

❖ As of December 31, 2023, Mondadori Group could count on 1,945 Headcounts

Key Figures



> 2,000 new titles published every year



> 100 mn fanbase

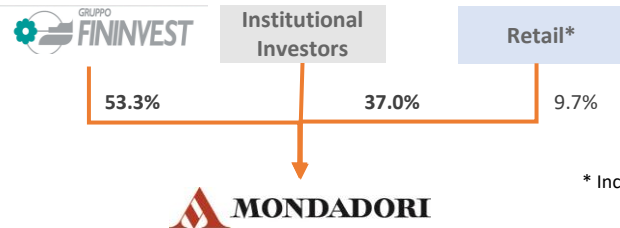


> 500 bookshops in Italy



~10% Digital Revenues

Shareholding Structure



Stock Performance 1 Yr



Average Mkt Cap 2024 €600 mn

Key Financials

€ mn

	C 2019	C 2020	C 2021	C 2022	C 2023
Net Revenues	884.9	743.9	807.3	903.0	904.9
Adj. EBITDA	110.4	98.3	105.7	136.4	152.1
EBIT	62.3	14.8	45.2	72.7	84.2
Net Profit	28.2	4.5	44.2	52.1	62.4
Net Financial Position	-151.3	-97.6	-179.1	-177.4	-158.6

Mondadori Group in a nutshell

Area	2023 Revenue %	Revenue	2023 Adj. EBITDA %	Adj. EBITDA
	<p>64%</p>	<p>611.8 2023, 576.2 2022</p>	<p>81%</p> <p>EBITDA Margin = 20.7%</p>	<p>126.9 2023, 118.5 2022</p>
	<p>21%</p>	<p>199.5 2023, 189.2 2022</p>	<p>9%</p> <p>EBITDA Margin = 7.0%</p>	<p>14.0 2023, 9.1 2022</p>
	<p>15%</p> <p>6.2% Digital 8.6% Print</p>	<p>141.0 2023, 177.8 2022</p>	<p>10%</p> <p>6.8% Digital 3.6% Print</p> <p>EBITDA Margin = 11.6%</p>	<p>16.4 2023, 14.1 2022</p>
	<p>LIBRI 64% RETAIL 21% MEDIA 15%</p>	<p>904.7 2023, 903.0 2022</p>	<p>BOOKS 81% RETAIL 9% MEDIA 10%</p> <p>EBITDA Margin = 16.8%</p>	<p>152.1 2023, 136.3 2022₃</p>

Books > 85%















Books > 90%

6.2% Digital
8.6% Print

6.8% Digital
3.6% Print

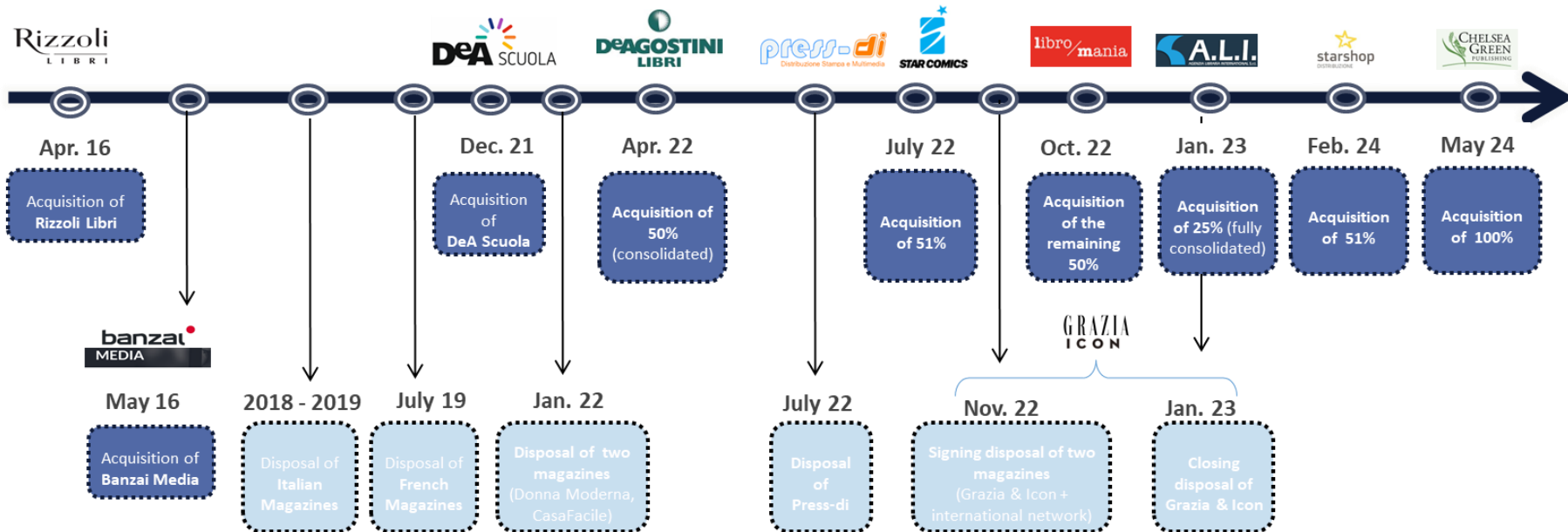
Mondadori Group in a nutshell – Our positioning

MEDIA	Areas	Print	Digital				
 <p>Multimedia publisher, leader in Italy</p>	<p><i>Leadership</i></p> <table border="1"><tr><td>TV</td><td>Food</td></tr><tr><td>Tech & Science</td><td>Health & Wellness</td></tr></table>	TV	Food	Tech & Science	Health & Wellness	<p>12 TITLES</p> <p>8 brands</p>	<p>12 DIGITAL BRANDS</p> <p>+110 Social Accounts +100 Mn Fanpage</p>
TV	Food						
Tech & Science	Health & Wellness						

<p>GenZ</p>   	<p>Food</p> 	<p>TV</p> 
<p>People</p> 	<p>Tech&News</p>  	<p>Design</p>  
<p>Health&Wellness</p> 	<p>And much more...</p>   	

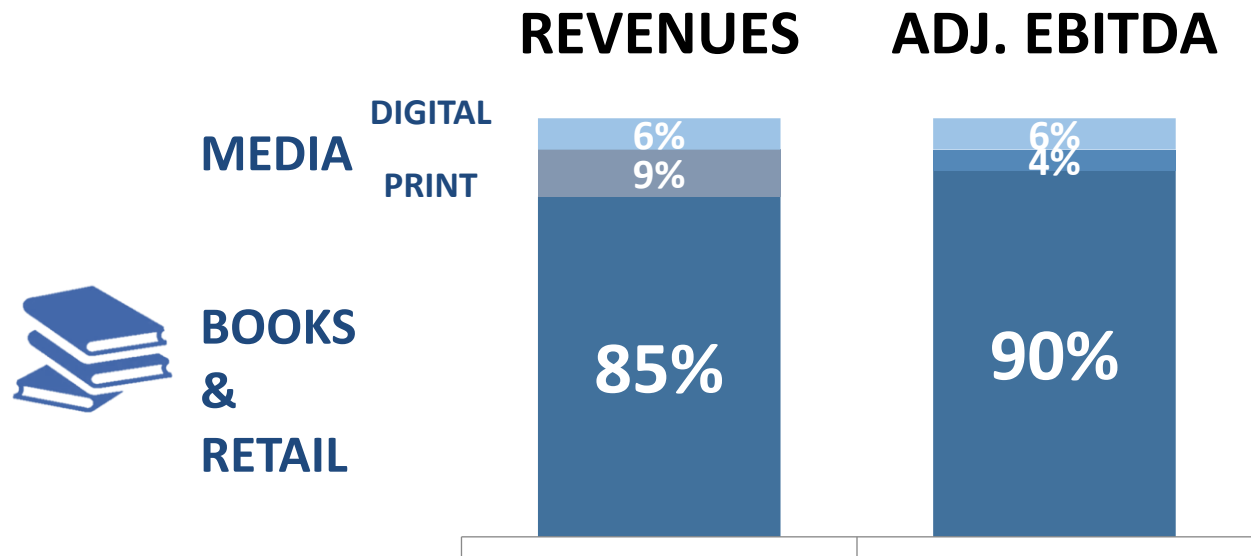
M&A as a driver of Strategic Repositioning

- Core business competitive strengthening
- Disposal of non-core asset



The Group strategic repositioning ...

An almost pure book player

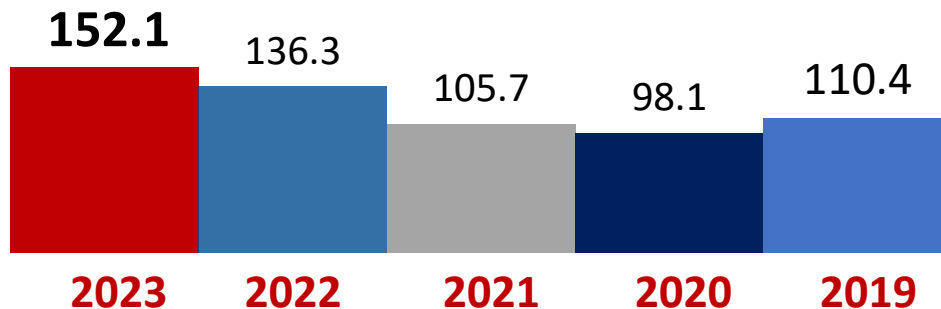


which contributes to 90% of Group's margin

... has allowed the relevant profitability increase

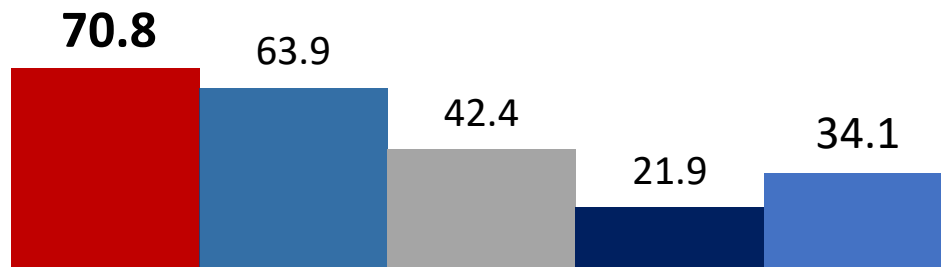
€ mn

Adj. EBITDA



+38% vs 2019

Adj. Net
Profit



Doubled vs
2019

AGENDA

1. 1Q 2024 Highlights

2. 1Q 2024 Results

3. FY 2023 Results

4. Future Outlook

Highlights 1Q24 – Executive Summary



*Improvement of
economic performance*

- Revenue growth by 3.8% vs 1Q23, +1.5% LFL
- Adj. EBITDA growth by 9.3% vs 1Q23
- Rep. EBITDA growth by 22.7% vs 1Q23



*Group financial
structure continues to
strengthen*

Solid cash generation of the business:
Ordinary Cash Flow LTM €69 mn

NFP down by 7% yoy at -205.5 € mn confirming the Group capacity to self-finance the M&A activity and to remunerate Shareholders



*Ongoing
development
focused on the core
business*

Acquisitions finalized:

- 51% of **Star Shop** (consolidated from 02/01): replication in the comics segment of the vertically-integrated business model with which the Mondadori Group already operates in the book segment
- 51% of **Bookrepublic Webnovels**: exploration of innovative ways of reading and entertainment
- 100% of **Chelsea Green Publishing** (consolidated from 05/01): strengthening of international presence in English-speaking markets

Q1

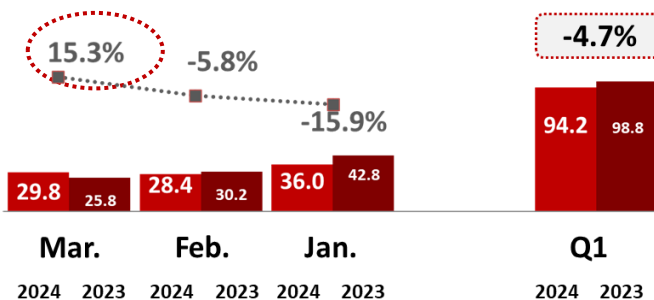
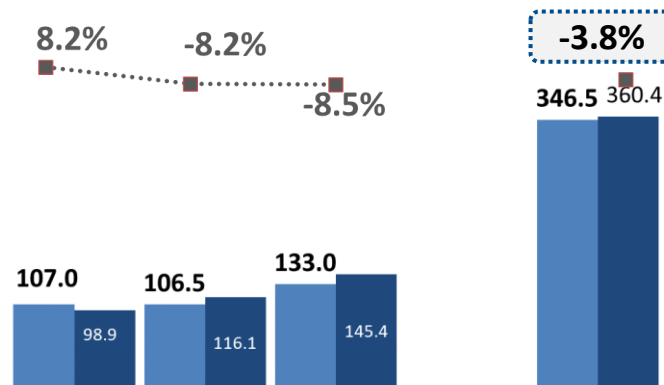
Q2

Trade Book Market – update 1Q 2024

Despite the difficult comparison with 1Q of last year:
3 books in the Top 5

Value data – Sell out
(€ mn)

Market

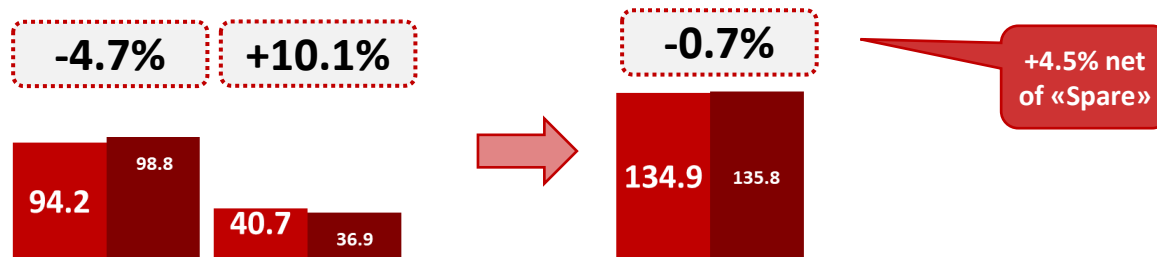
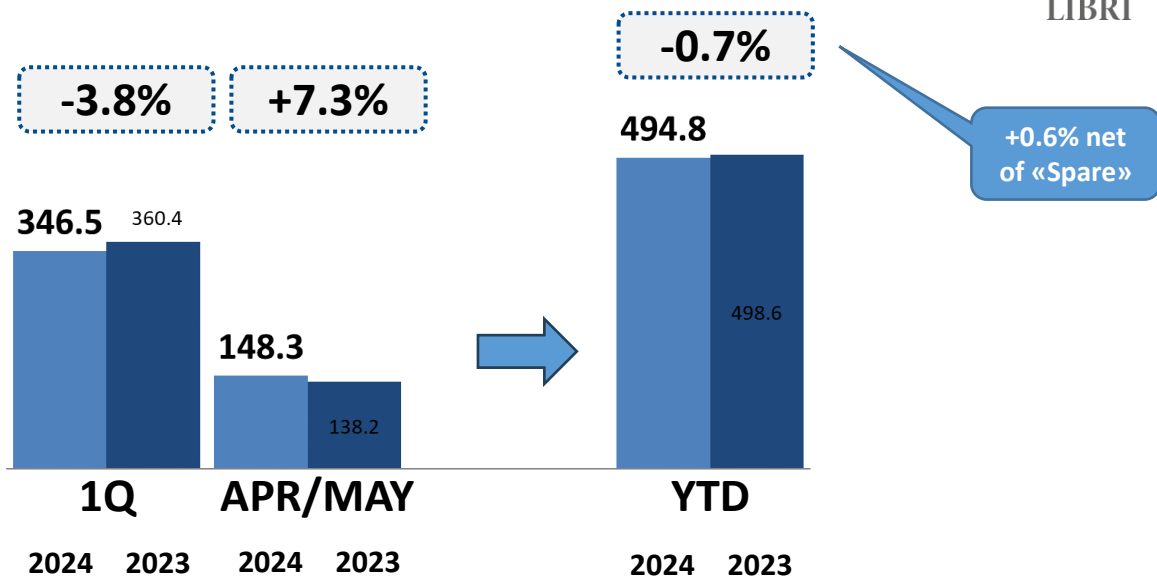


+1.8% net of «Spare»

Trade Book Market – YTD 2024

Value data – Sell out
(€ mn)

Market

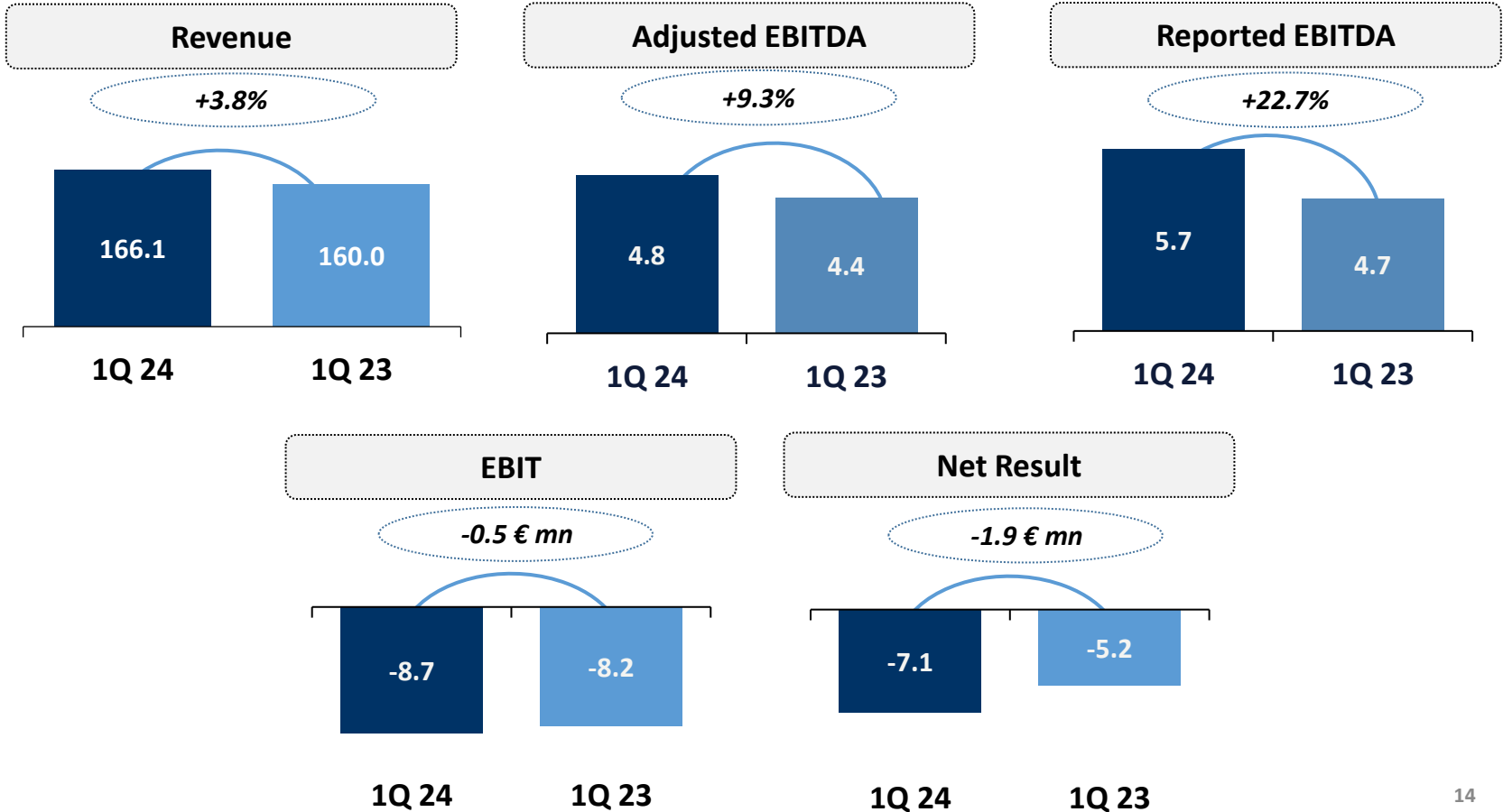


AGENDA

1. 1Q 2024 Highlights
- 2. 1Q 2024 Results**
3. FY 2023 Results
4. Future Outlook

Highlights – 1Q 24

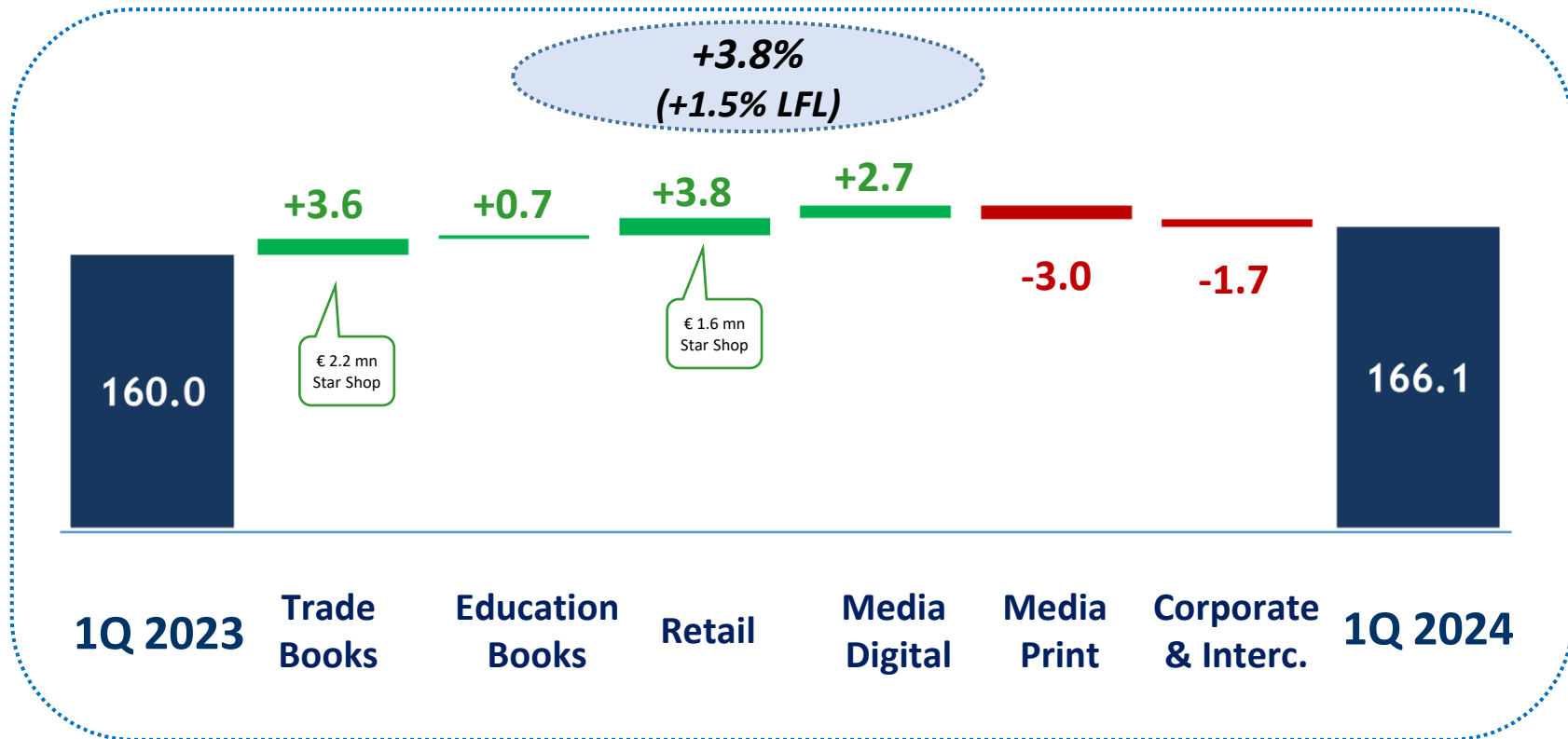
€ mn



Revenue by Business Area – 1Q 24

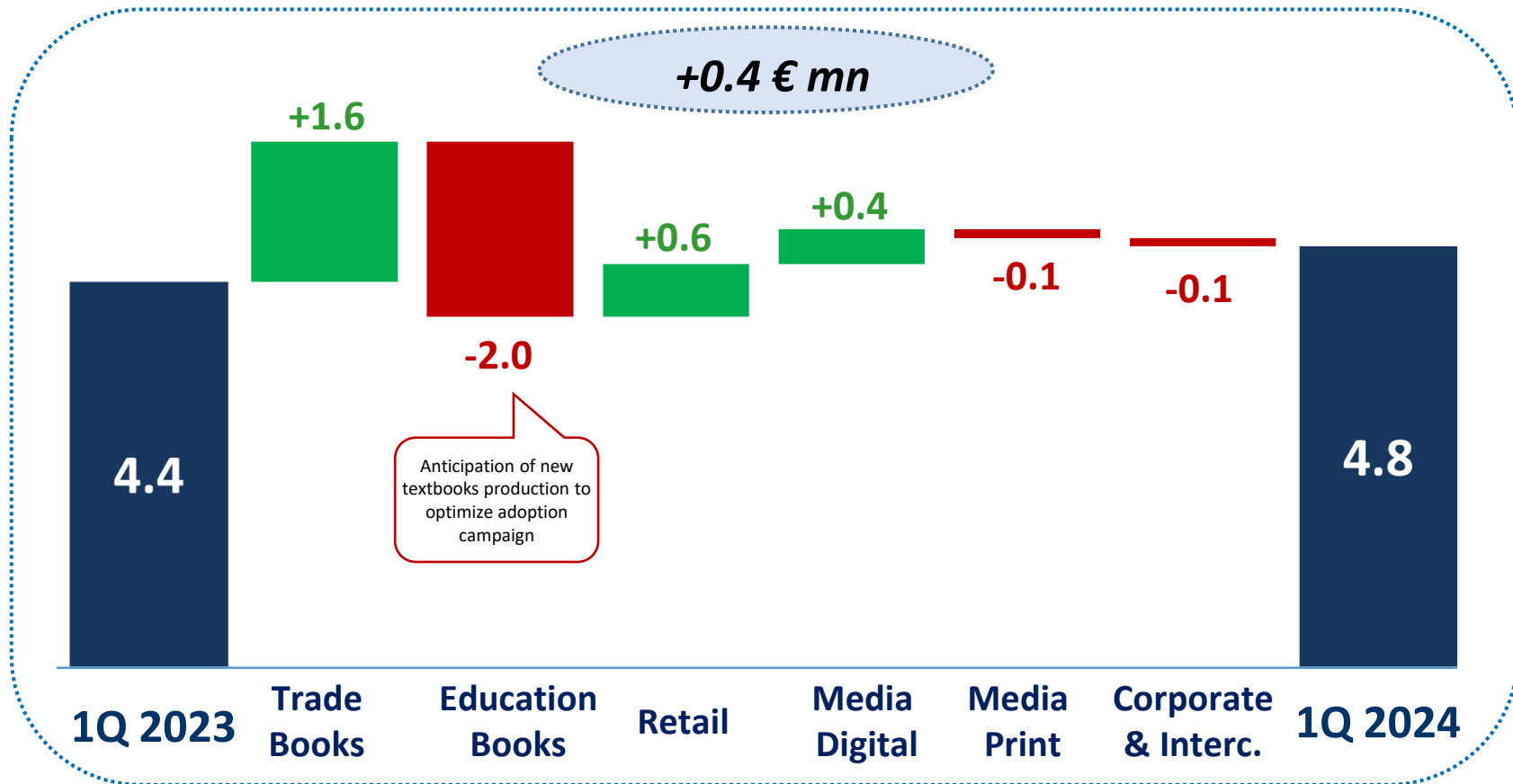
€ mn

All core business areas growing



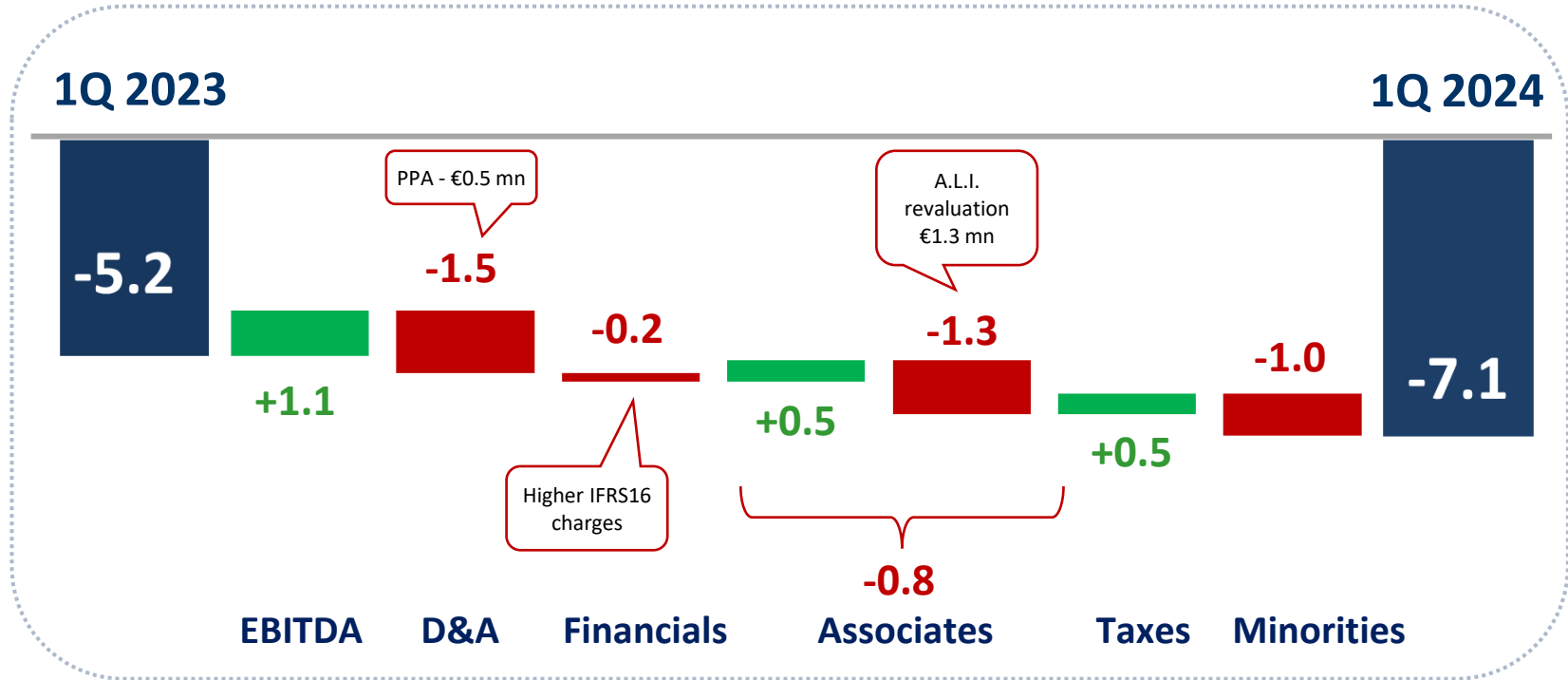
Adjusted EBITDA by Business Area – 1Q 24

€ mn



Net Result - 1Q 24

€ mn

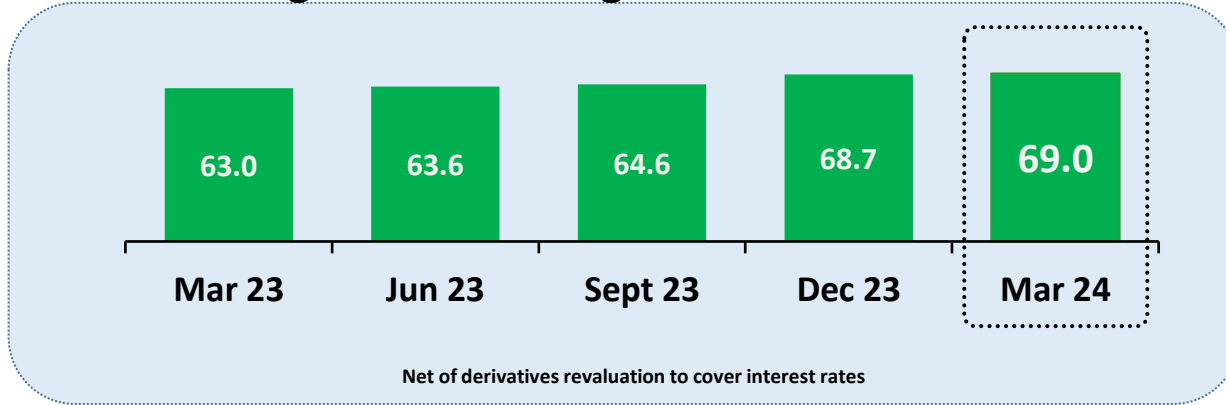


A strengthened financial structure ...

€ mn

Strong business cash generation confirmed

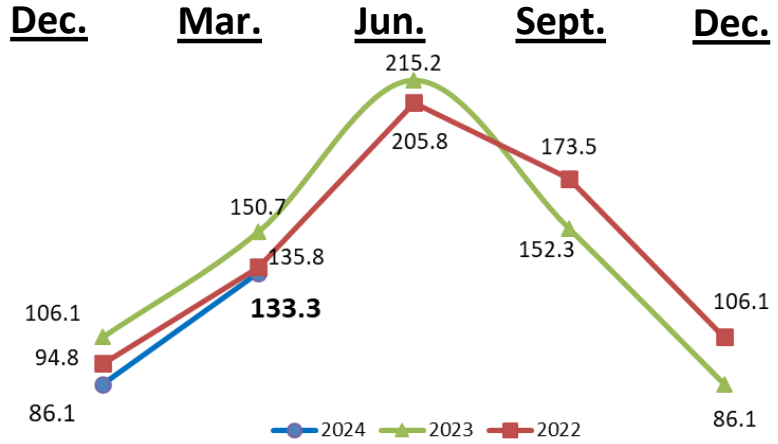
**LTM
Ordinary
Cash Flow**



**Trend
Group NFP
(no IFRS16)**

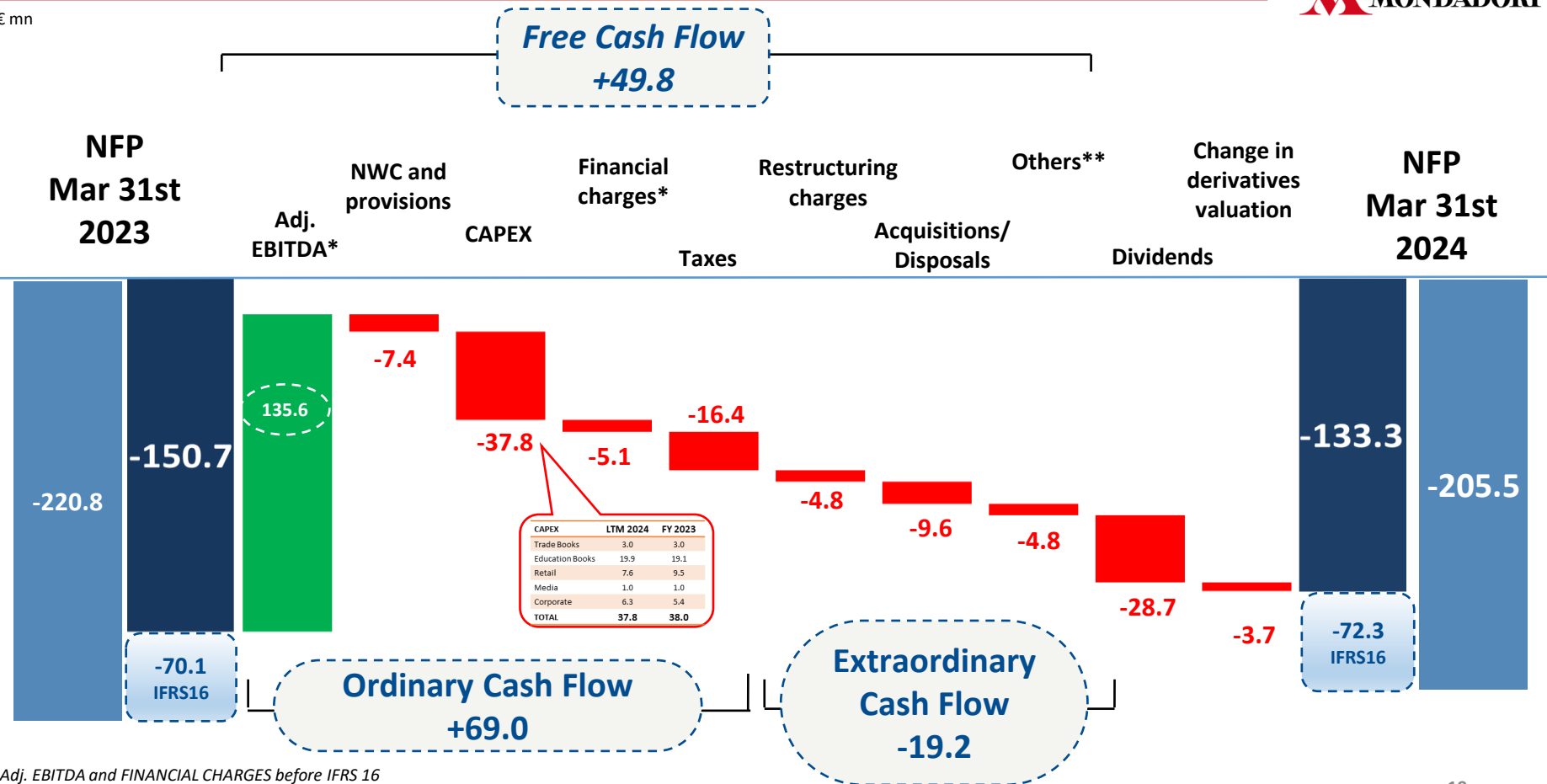
**Net Debt 1Q
Seasonality**

- +41.0 (M&A 1.2)**
- +44.6 (M&A 4.1)**
- +47.2 (M&A 8.0)**



... thanks to a strong cash generation

€ mn



* Adj. EBITDA and FINANCIAL CHARGES before IFRS 16

** Others include cash-out/in related to Extraordinary taxes and Associates charges

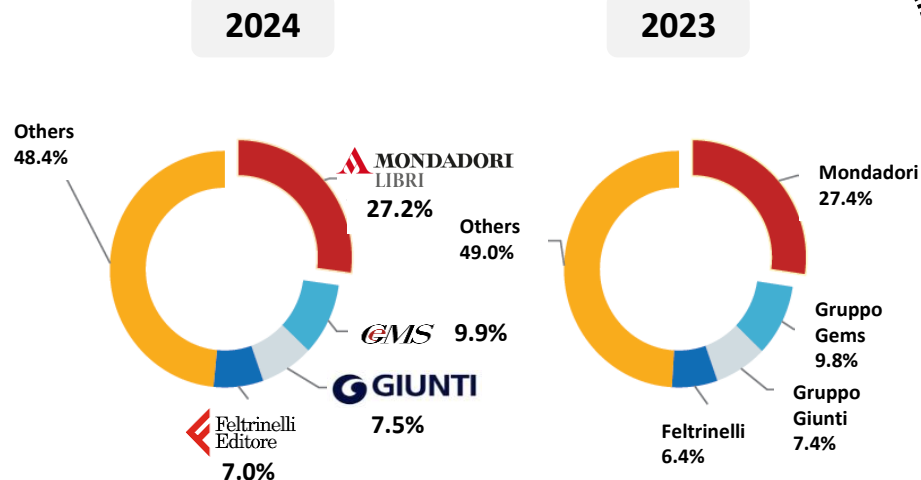
1Q 24 – Books Market Share

2024 Top Ten

3 titles in Top5
6 titles in Top10

#	Title	Author	Publisher
1	L'orizzonte della notte	Carofiglio Gianrico	EINAUDI
2	Tutti i particolari in cronaca	Manzini Antonio	MONDADORI
3	Un animale selvaggio	Dicker Joël	LA NAVE DI TESEO
4	Dare la vita	Murgia Michela	MONDADORI
5	La portalettere	Giannone Francesca	NORD
6	Tra il silenzio e il tuono	Vecchioni Roberto	EINAUDI
7	Cuore nero	Avallone Silvia	RIZZOLI
8	L'educazione delle farfalle	Carrisi Donato	LONGANESI
9	Tutto è qui per te	Volo Fabio	MONDADORI
10	Quando eravamo i padroni del mondo. Roma: l'impero infinito	Cazzullo Aldo	HARPERCOLLINS ITALIA

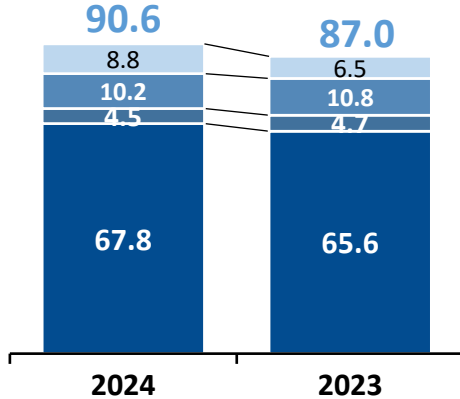
Market Share – Trade



Business 1Q24 – Book and Education

€ mn

Revenues +6.0% (+1.7% LFL)*



Distribution and services (incl.)

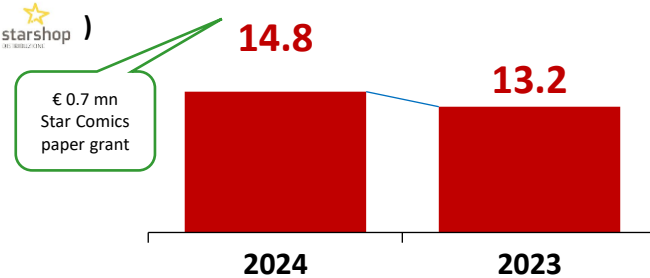
RIP -5.0%

Electa -3.9%

Publishers +3.4%

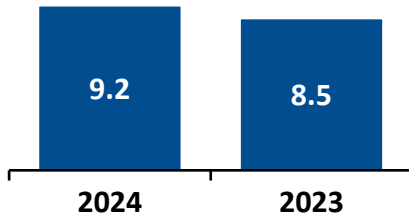
* Net of intercompany

Adj. EBITDA +1.6 € mn

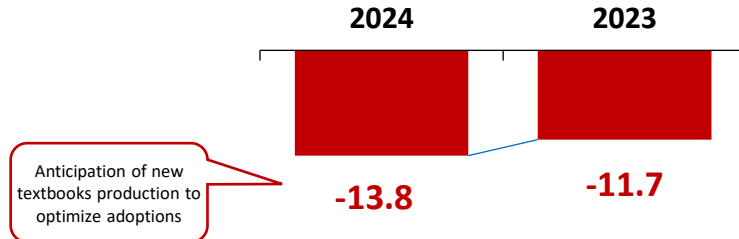


TRADE

Revenues +8.4%



Adj. EBITDA -2.1 € mn



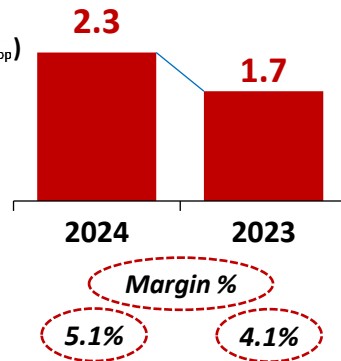
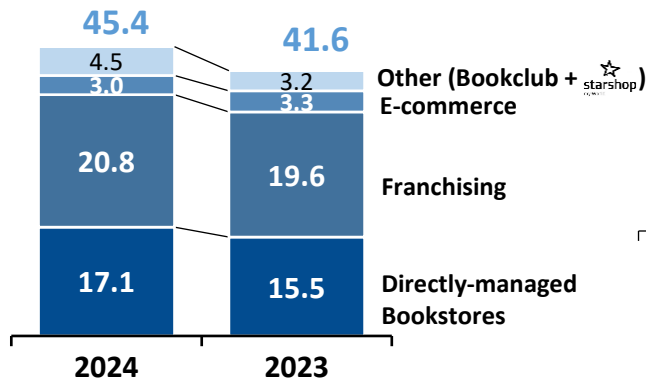
EDUCATION

1Q24 Business – Retail

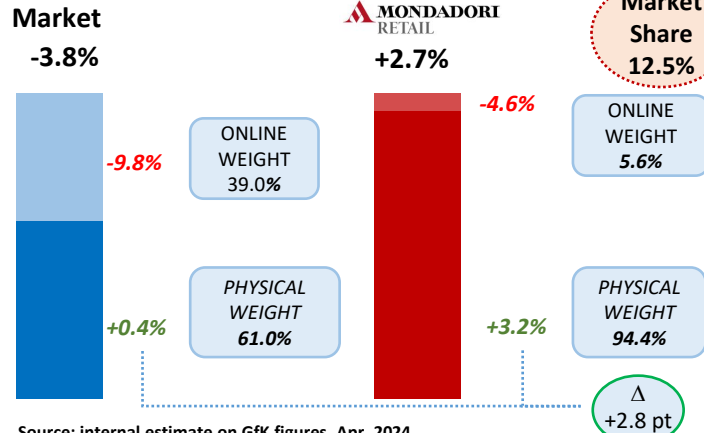
€ mn

Revenue +9.0% (+5.2% LFL)

Adj. EBITDA +0.6 mn



Books Market 1Q 2024



Source: internal estimate on GfK figures, Apr. 2024

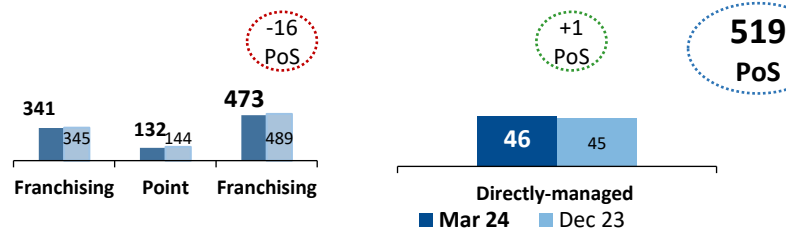
REVENUE

- Books (over 80% of store revenue): +4.9%
- DOS : +10.3%
- Franchising: +6.1%
- Online dropped, in line with the market

Adj. EBITDA

Adjusted EBITDA improved significantly thanks to the growth in revenue, the development of the physical store network and the continued cost containment.

Point of Sale Network: Ongoing razionalization



15 DOS
38 affiliated

Business FY24 – Media

€ mn

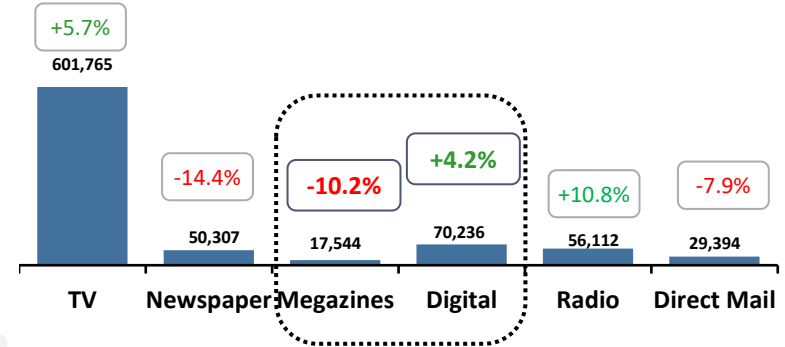
2024 Magaz. Circulations Trend

-5.4%



2024 ADV Market

+4.0%



2024

2023

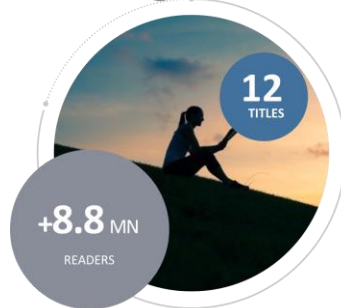
20.4%

20.8%

2024

2023

Magazine



Web



Social



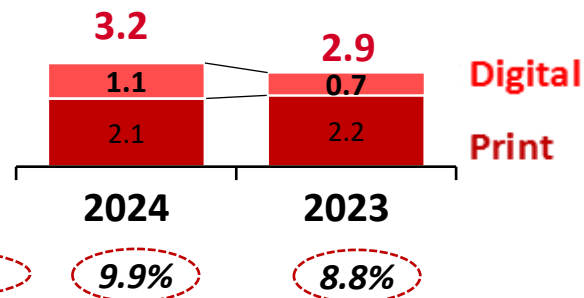
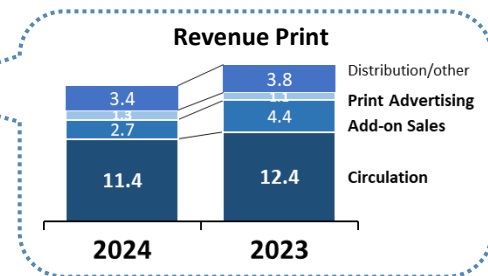
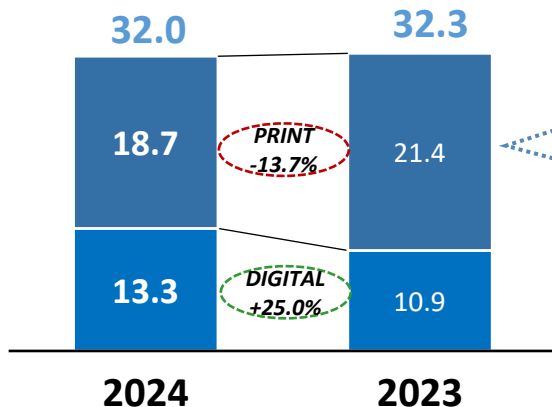
1Q24 Business – Media

€ mn

Revenue -1.0%

42% digital revenue

Adj. EBITDA +0.3€ mn



REVENUE

- **Digital: +25%** thanks to the **increase in ADV revenue** (thanks to MarTech development)
- **Print: -13.7%** due to the reduction of Add-on Sales :
 - **Circulation revenue:** -7.9%, with a better performance of TV magazines (*TV Sorrisi & Canzoni*) -5.0%
 - **Add-on Sales revenue:** -39%, due mainly to the reduction of musical products and Home Video
 - **Others:** -10.6%

Adj. EBITDA

Adj. EBITDA up by 11% thanks to the Digital performance

AGENDA

1. 1Q 2024 Highlights
2. 1Q 2024 Results
- 3. FY 2023 Results**
4. Future Outlook

Another year of profitable growth and core business development




Fullfillment of
2023 guidance
(in the high-end of the
range)




Excellent Operational
Results

+12% Adj. EBITDA	+20% Net Profit
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Balance sheet
structure reinforced

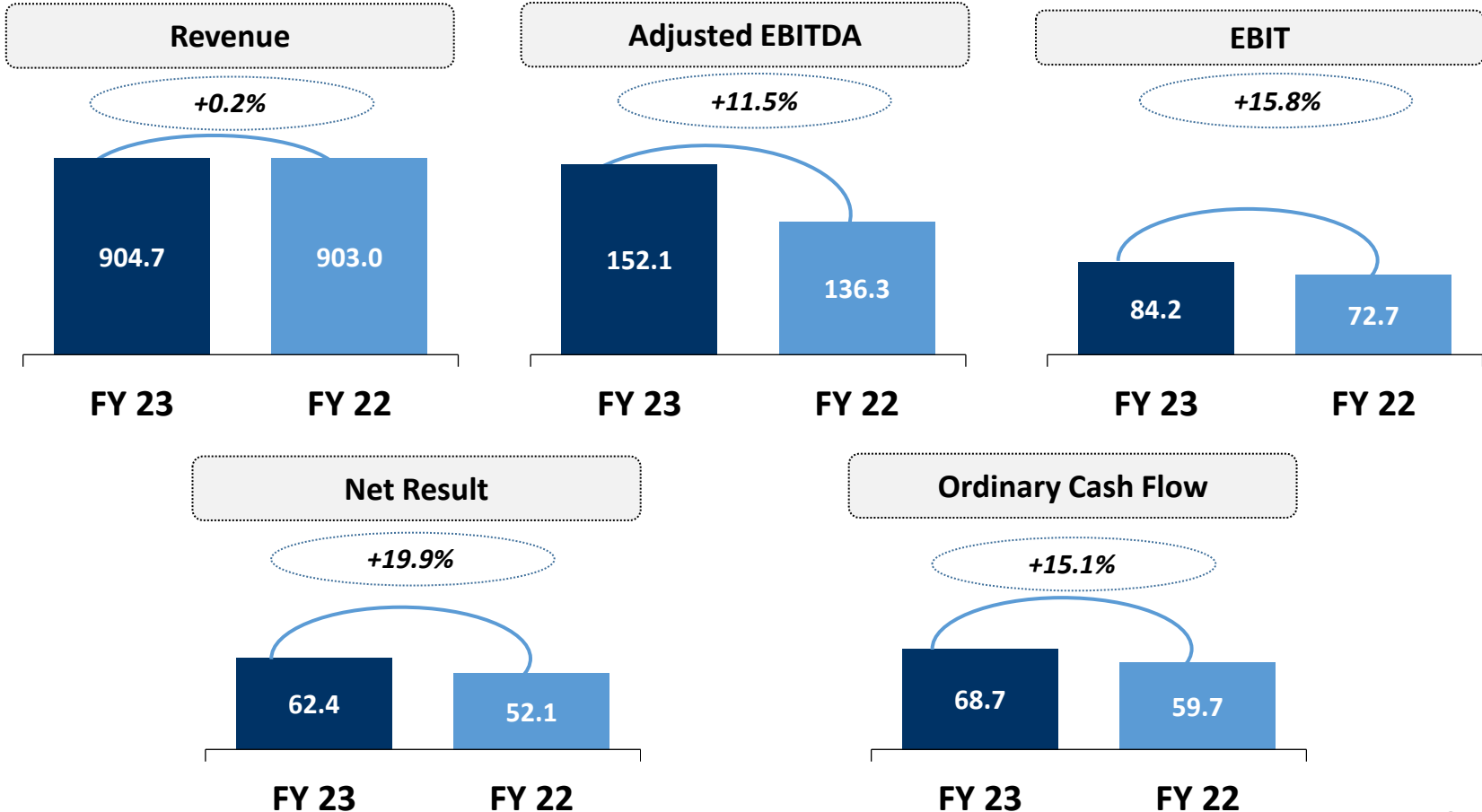
+15%
Ordinary Cash Flow



DPS
€ 12 cents
+9%

Highlights – FY23

€ mn



Highlights FY23 – Results vs Guidance

Group results beat expectations

GOALS

REVENUE

Low single-digit growth

Adj. EBITDA

High single/low double-digit growth
(margin 16-17%)

Net Result

+20%

Ord. Cash Flow

Up to +15%
(€ 65-70 mn)



NFP/Adj. EBITDA
IFRS16

= 1.0x

RESULTS

+0.2% (1.1% LFL)

+11.5%
(margin 16.8%)

+20%

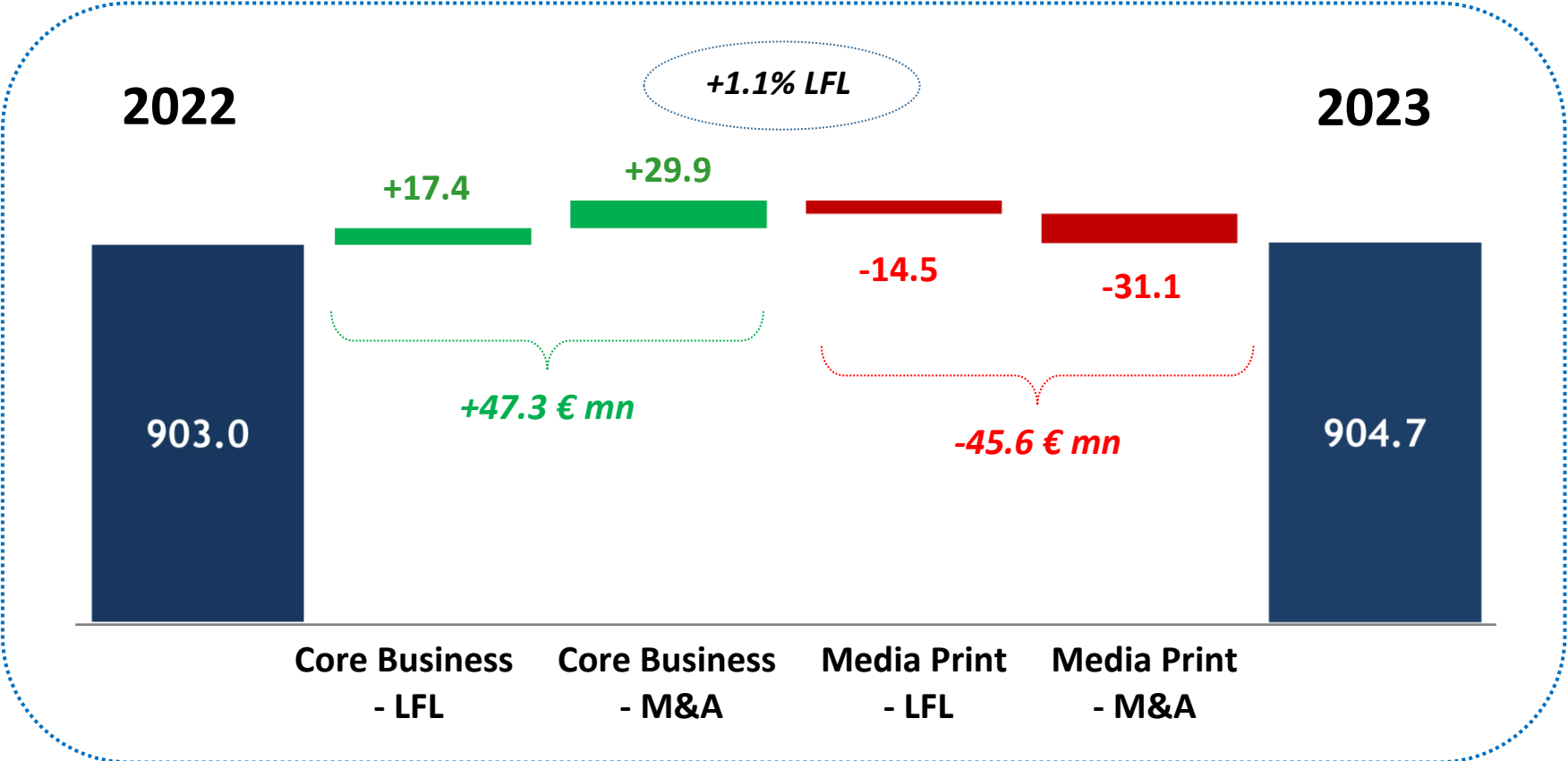
+15% (€ 68.7 mn)



= 1.0x

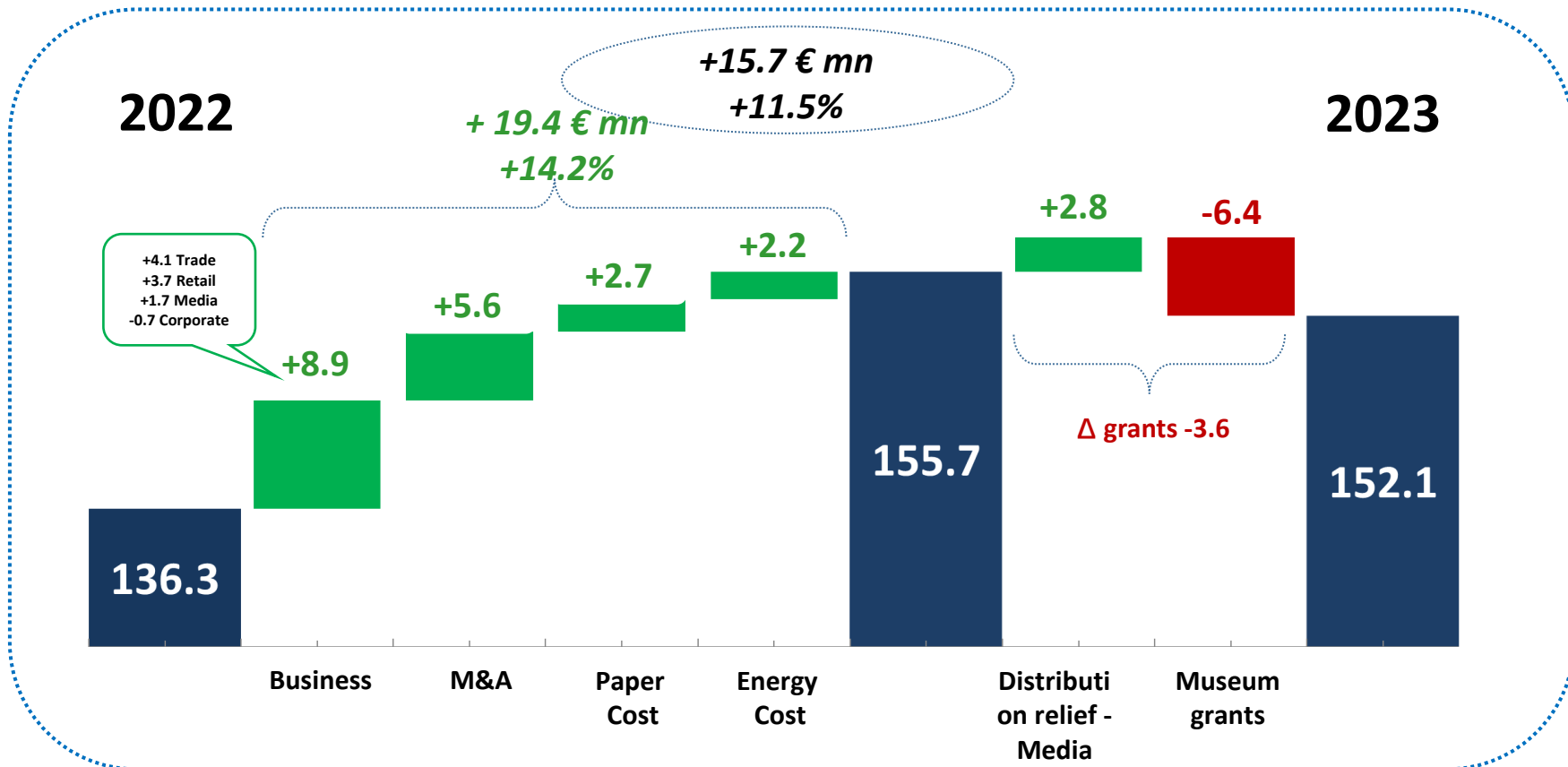
Revenue – FY23

€ mn



Adjusted EBITDA – FY23

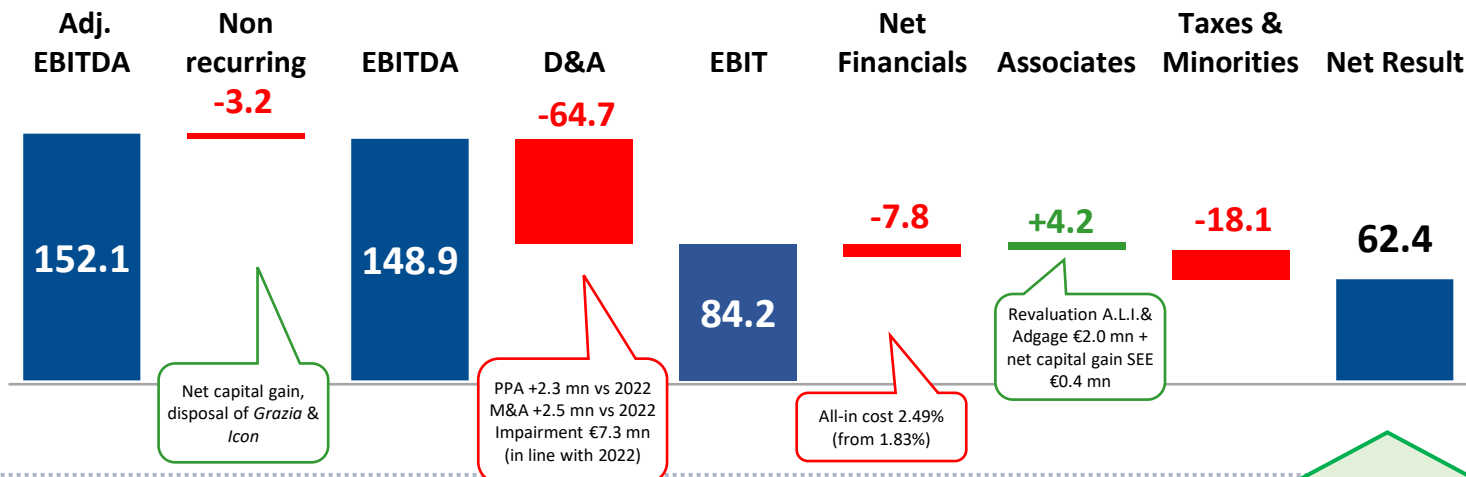
€ mn



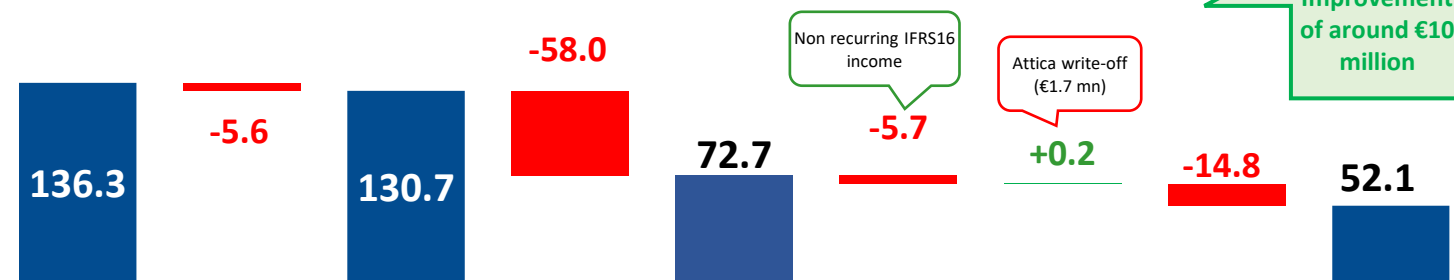
From EBITDA to Net Result FY23

€ mn

2023



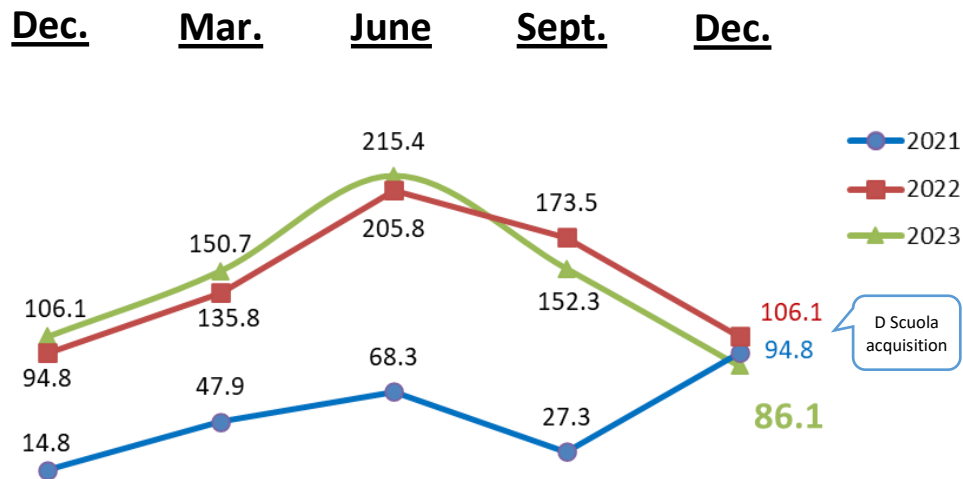
2022



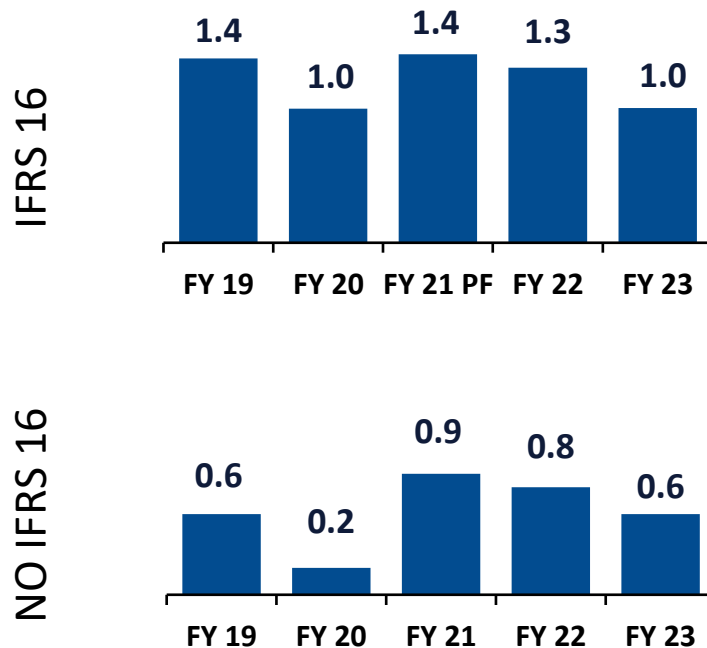
A strengthened financial structure ...

€ mn

Net Debt Trend (no IFRS16)

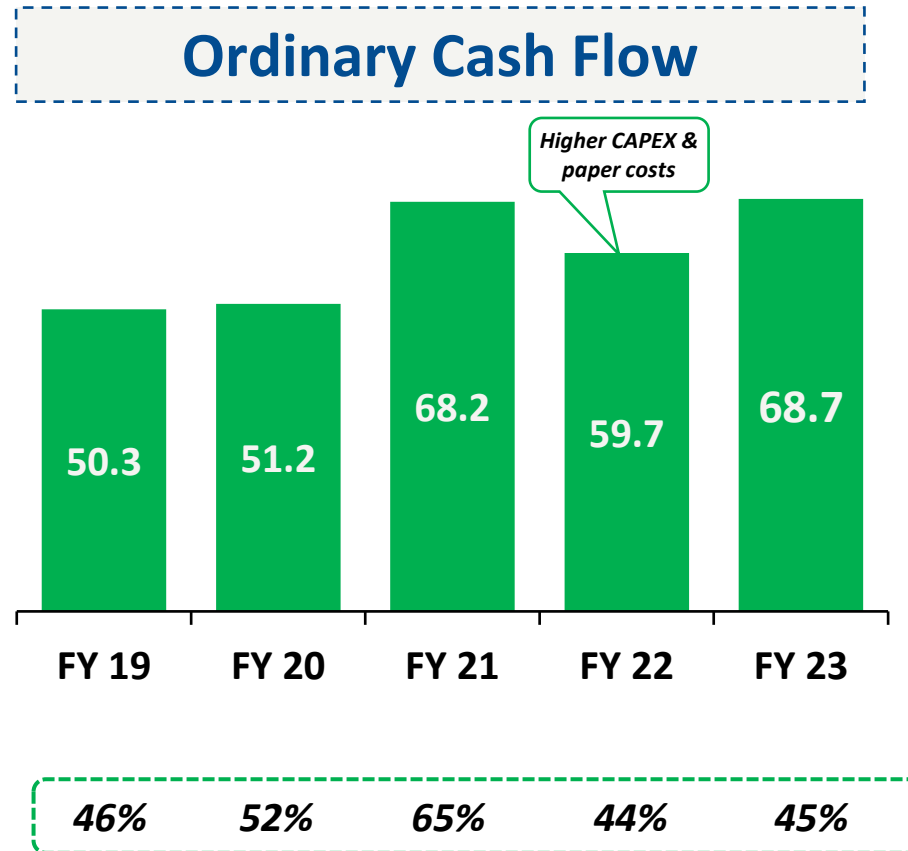


Net Debt / Adj. EBITDA



...thanks to a even more strong cash generation

€ mn

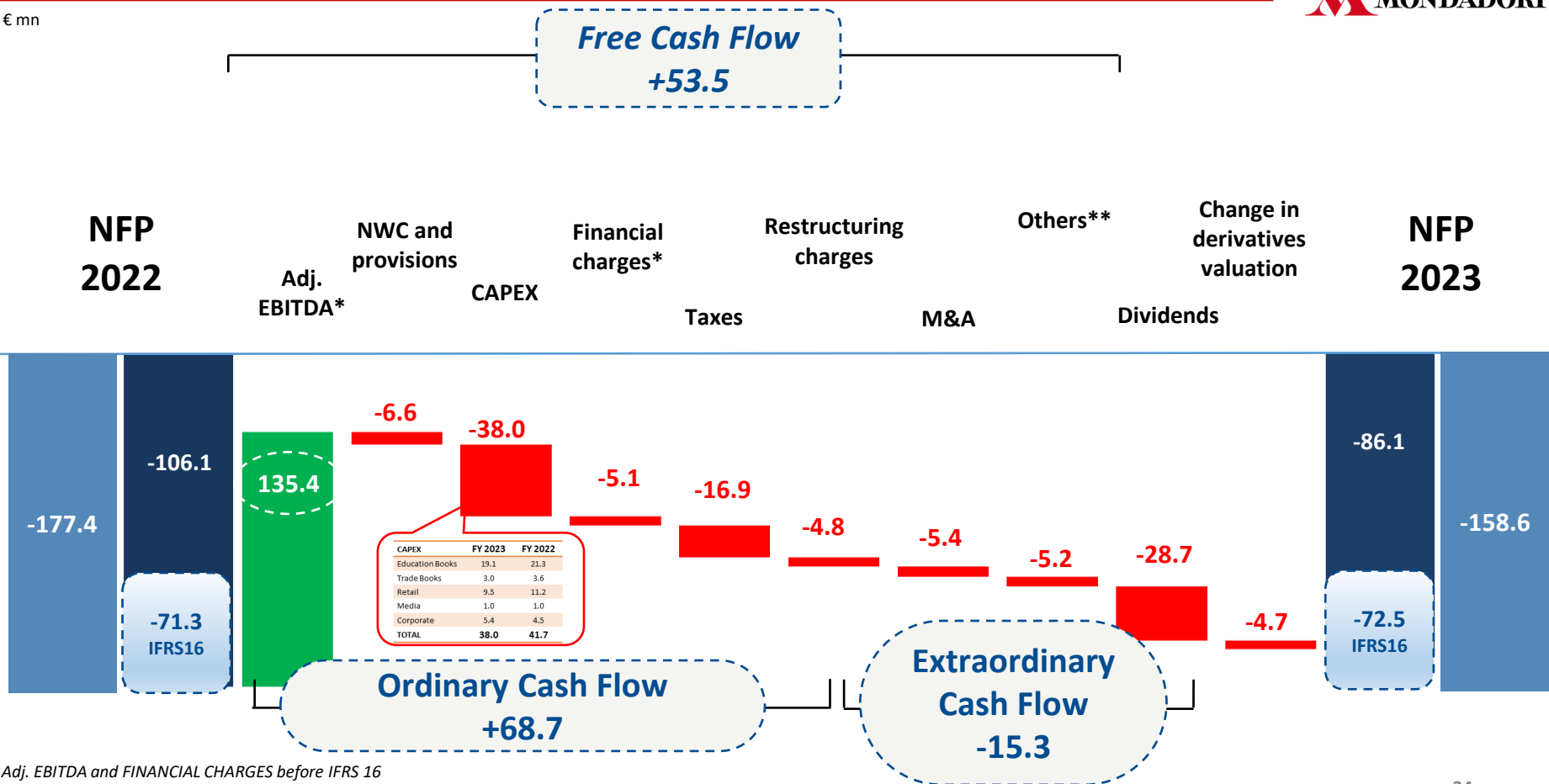


*Cash
Conversion**

* OCF / Adj. EBITDA

FY23 Cash Flow

€ mn



* Adj. EBITDA and FINANCIAL CHARGES before IFRS 16

** Others include cash-out/in related to Extraordinary taxes and Associates charges

Dividend Policy 2023

Growing Shareholder Remuneration Policy:

the Board of Directors has proposed the payout of a **dividend of €12 cents**

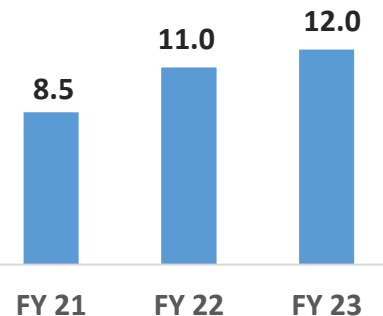
(total cash-out = €31 million)*

Pay-out
ratio = 50%

+9% vs 2022

Dividend
Yield = ~6%
at
31/12/2023

CAGR +19%



Payment Date:

50% 22 May, 2024

50% 20 November, 2024

* Net of treasury shares at 31 December 2023

Highlights FY23 – ESG in Mondadori

E

DISSEMINATION OF AN ENVIRONMENTAL CULTURE AND MITIGATION OF IMPACTS ON ECOSYSTEMS



ENVIRONMENT

Extension of the **energy supply** from **renewable sources** to sites (**Segrate**) and Retail stores (**Mondadori Duomo** and **Turin**).

Azioni di **efficientamento energetico**, attraverso un miglioramento della gestione degli impianti elettrici e meccanici nel sito di Segrate e nell'ambito delle iniziative di ristrutturazione/aperture di **librerie dirette**.
Ottenimento **certificazione LEED (gold)** per Mondadori Duomo.

Finalisation of the "**Book environmental footprint**" project: **Life-Cycle Assessment (LCA)** study for measuring environmental impacts and establishing data-based objectives for reducing emissions and achieving continuous improvement along the entire Book value chain.

Maintenance of the commitment to purchase **≈100% of paper from certified PEFC/FSC sources** for Mondadori Group products with extension to newly acquired companies.

Extension to **100% of the School proposition of insights and fact sheets dedicated to environmental culture** of the entire school offer and promotion of such content in the **Trade proposition**

GOVERNANCE

PROMOTING SUSTAINABLE BUSINESS SUCCESS



Strengthening of the set of procedures and coverage of the areas of **Privacy**, Data Management and **Cyber Security**.

Strengthening of the procedures aiming to **protect intellectual property/copyright**.

Strengthening of **Stakeholder Engagement** through the gradual expansion of engagement initiatives.

Strengthening of **internal control** and **risk management** activities in the **ESG** area.

S

ENHANCING PEOPLE, CONTENT AND PLACES FOR EDUCATION AND CULTURE



SOCIAL

Development and implementation of a training plan specifically for D&I with bi-annually seminars for all Mondadori Group people.

Launch of the "**Care**" project for all Group employees and families, with particular focus on the "**Parenthood**" project to promote more inclusive models of access to maternity/paternity leave, eliminate existing biases and facilitate the return to work, enhancing acquired skills.

Review of internal procedures governing **recruitment** with the introduction of blind CVs and governing **career development**, with particular attention to D&I matters.

Implementation of a **training plan** accessible to **all Group** people regarding **sustainability** matters.

Expansion of **ESG training** activities for the Group's **Education Books** people and for **teachers**.

A growing number of initiatives/services to **promote reading**.

15% LTI 2024-2026

ESG Index

- Gender Balance 20%
- Equal Pay 20%
- D&I Program 40%
- Environment 20%

TARGET 2026

Increase weight of Directors women	Up to 35%
Pay gap reduction	-3% vs 2025 (after -13% 2021-25)
Gender Equality Certification	Audit & maintenance
Extension of the energy supply from renewable sources to all offices & DOS	90%



Markets –Trade Book 2023

Value data – Sell out
(€ mn)

Digital Market
(7% of the market)



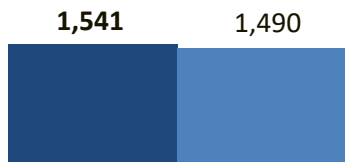
+5%

+12.0% Audiobook

+2.5% Ebook

Source: AIE, December 2023

Physical Market



+3.4%
(Q4: +5.7%)

+0.9%
volume effect

FY
2023 2022

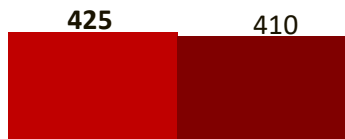
Digital



+15%

-0.3%
volume effect

Physical



+3.7%
(Q4: +6.4%)

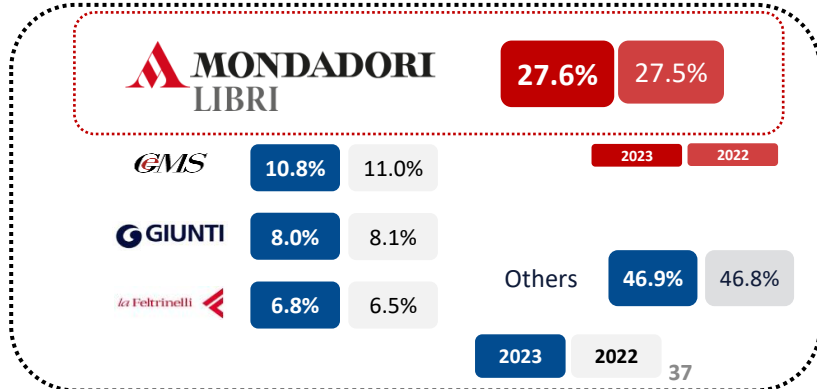
FY
2023 2022

Source: GfK, December 2023

Top Ten 2023



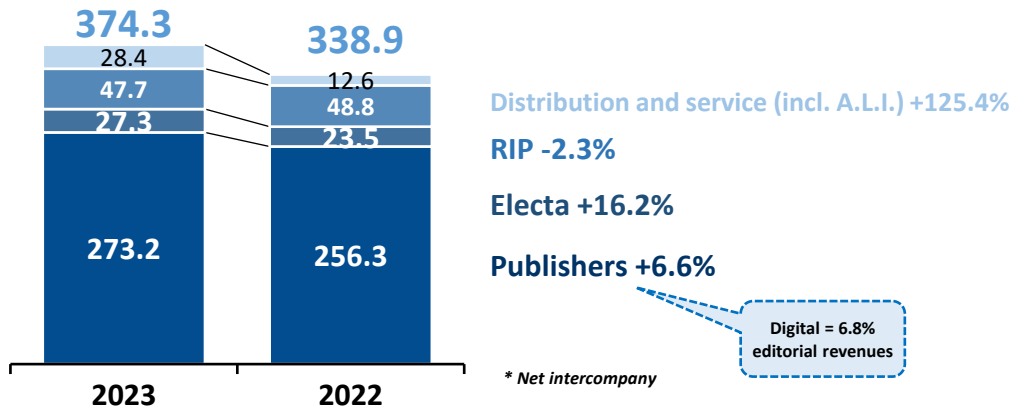
Market Share- Trade



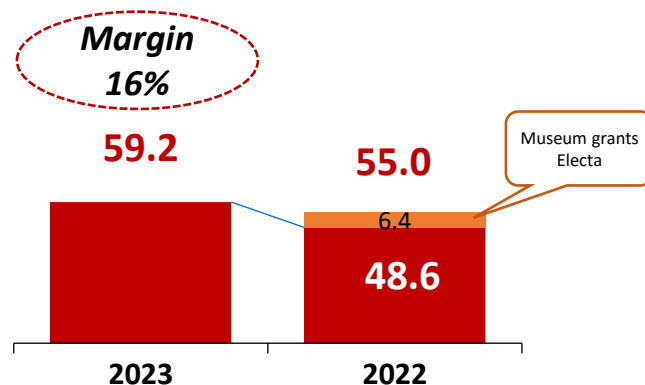
Business FY23 – Trade Book

€ mn

Revenues* +10.4% (+1.6% LFL)



Adj. EBITDA net grants
+10.6 € mn (+22%)



REVENUES

+10.4% (+1.6% LFL) due to a **growth across all business areas:**

- **+6.6% editorial revenues** (+1% LFL) thanks to the quality of the editorial plan
E-book/Audiobook: 6.8% of editorial revenues, up of 12.6% vs 2022
- **+16.2% Electa** thanks to museum activities
- **-2.3% Rizzoli International Publications** due to a negative exchange rate Euro/Dollar (stable at the same exchange rate)
- Significant increase in third party publisher distribution services, thanks to A.L.I. consolidation

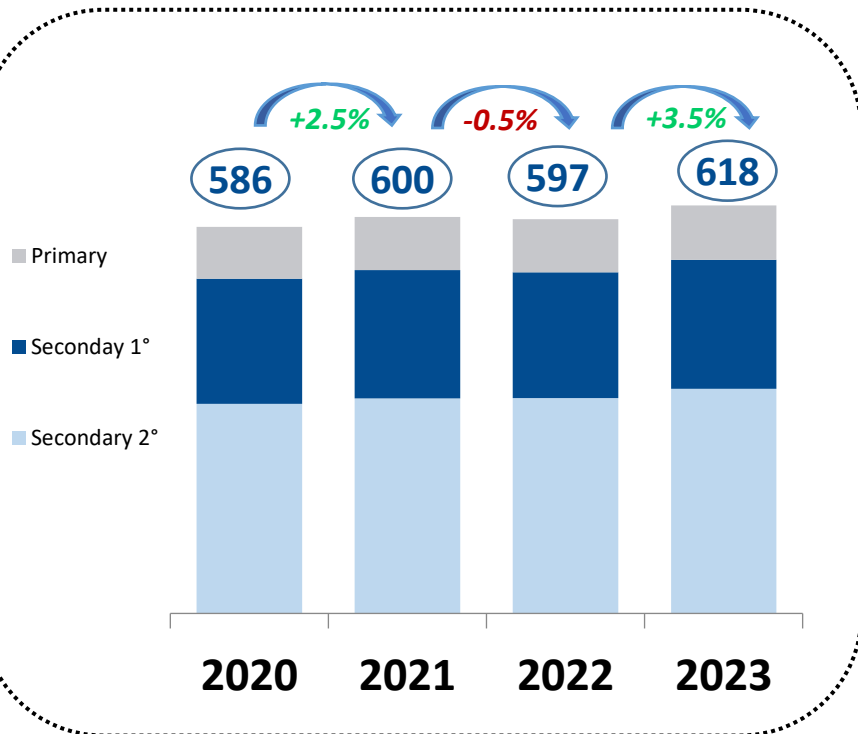
Adj. EBITDA

Adj. EBITDA +7.5% growth; +22% net of 2022 museum grants, thanks to the top-line growth and the consolidation of new companies, despite the negative impact of rising paper costs.

Markets – Education Book 2023

€ mn

Trend 2020-2023



Source: internal estimate on Databank, 2023

Student Trend in Italy (yoy)

Var. Average Price (yoy)

Secondary

-0.9%

+3.04%

Primary

-1.9%

+4.30%

Total

-1.2%

Source: Ministero Istruzione 2023

Market Share 2023

Mondadori Group

32.0%

32.2%

ZANICHELLI

24.8%

24.4%

LA SCUOLA SEI

8.7%

9.0%

s a n o m a

13.6%

13.7%

Others

20.9%

20.7%

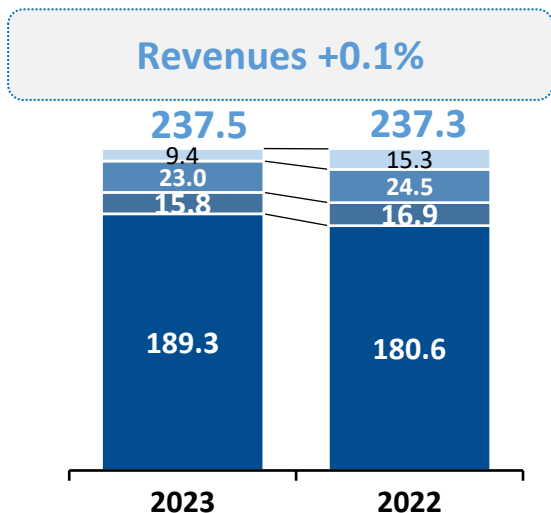
2023

2022

Source: ESAIE 2023

Business FY23 – Education Book

€ mn

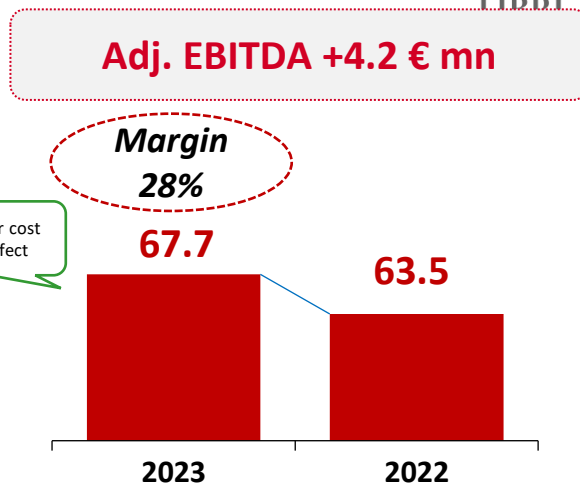


Other

Third Publishers -6.1%

Primary -6.5%

Secondary +4.8%



€4 mn paper cost positive effect

REVENUES

Stable revenues thanks to:

- **+5% secondary school revenue growth** thanks to Mondadori Education and D Scuola performances
- **Primary school revenues** decreases because of higher volatility and lower profitability
- **Third publisher revenues** decreases as expected

Adj. EBITDA

Adj. EBITDA growth of 6.7%, thanks to:

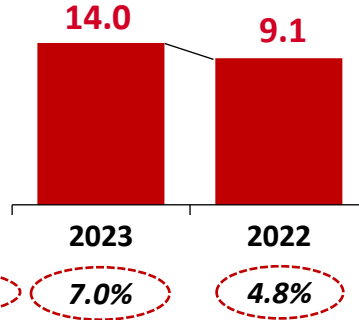
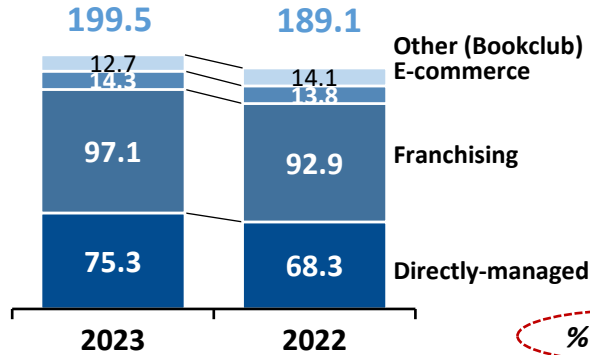
- **Positive revenues mix** (higher revenues in secondary school and lower revenues of third publishers)
- **Reduction of operating costs** (less incidence of cost of product – especially paper cost- and promotional costs)
- Full realization of **D Scuola synergies**

Business FY23 – Retail

€ mn

Revenues +5.4%

Adj. EBITDA +4.9€ mn



REVENUES

- Books: revenues up by 6%
- Directly-managed: sales up by 10%
- Franchising (+4.5%) continues its growth
- Online up by 3% thanks to the positive trend in Education

Adj. EBITDA

- Adjusted EBITDA increases by over 50% thanks to :
- Performance of Book product
 - Development of physical store network
 - €1.2 million decrease in utility costs

Positive Net Income (€1.5 mn) for the first time in 10 years

Book Market FY2023

Book = 84% of total Store Revenues

Market +3.4%



+2.0%

+4.3%

MONDADORI RETAIL

+5.6%



+6.1%

-2.6%

ONLINE WEIGHT 4.6%

PHYSICAL WEIGHT 95.4%

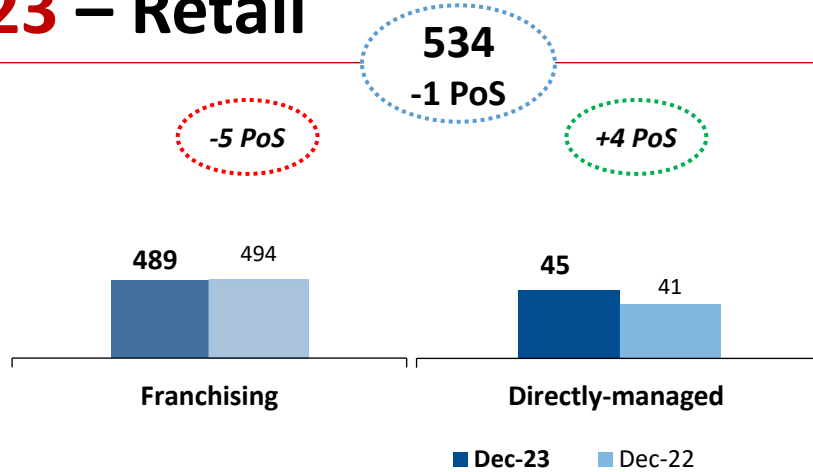
Δ +1.7pt

Mkt Share 12.8% (from 12.5% 2022)

Business FY23 – Retail

Point of Sale Network

- Selective development of directly-managed store
- Franchising rationalization



DIRECTLY-MANAGED Optimization of M2

-36% average labour cost for shop

-28% average rent for shop

	2023	2022	2021	2020	2019	Var. 23/19
Total PoS	45	41	39	34	35	+10 PoS
Total M2	17,552	18,699	18,499	17,200	19,781	
Average M2	390	456	474	506	565	-31%

Business FY23 – Media

€ mn

2023 Magaz. Circulations Trend



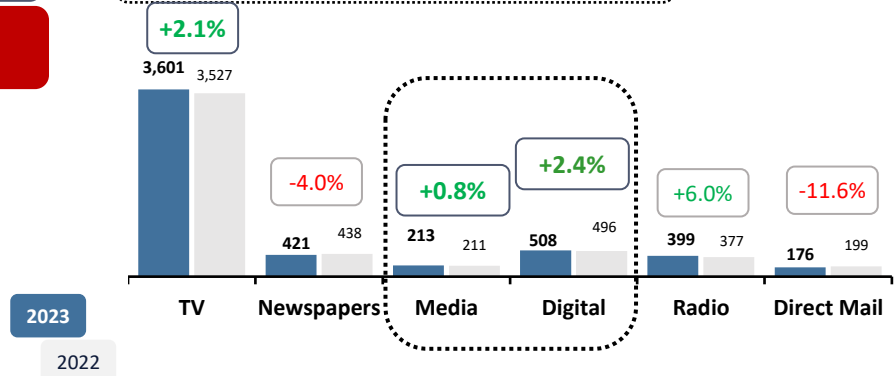
-8.1%

AME
-5.9%

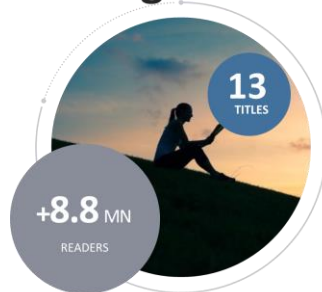


2023 ADV Market

+1.9%



Magazine



Web



Social



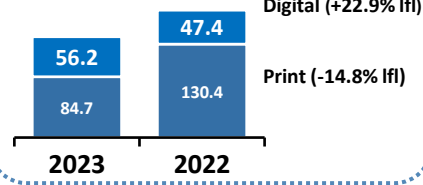
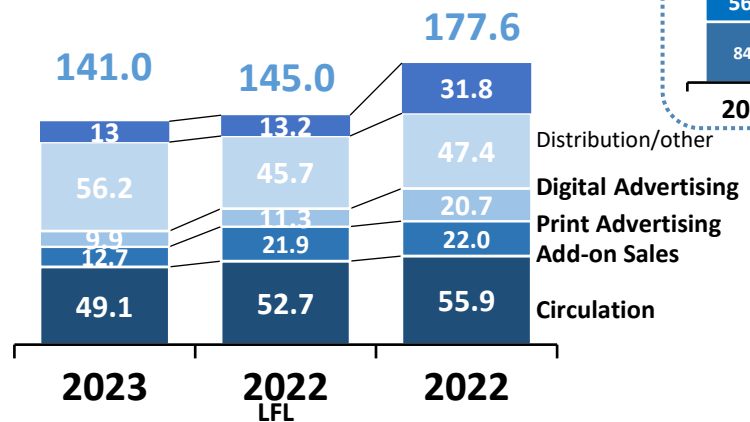
Business FY23 – Media

€ mn

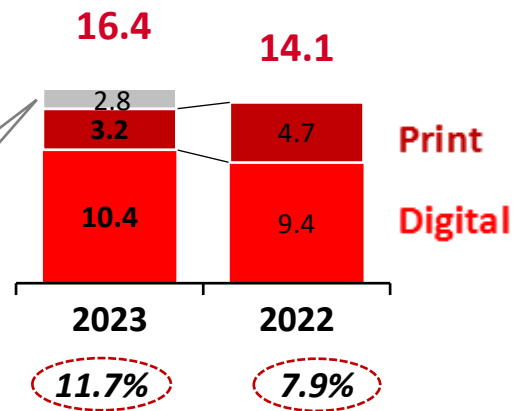
Revenues -20.6%, -2.7% lfl

40% digital revenues

Adj. EBITDA +2.3€ mn



Contribution of distribution activities



Margin %

11.7%

7.9%

REVENUES LFL

- **ADV revenue** increased by 16% LFL; +23% increase of adv digital thanks to MarTech performance and new initiatives
- **Circulation revenue:** -6.8% LFL, with a better performance of TV magazines (-5.9%)
- **Add-on Sales revenue:** -42% LFL, due mainly to the reduction of musical products and Home Video
- **Others:** subscriptions stability

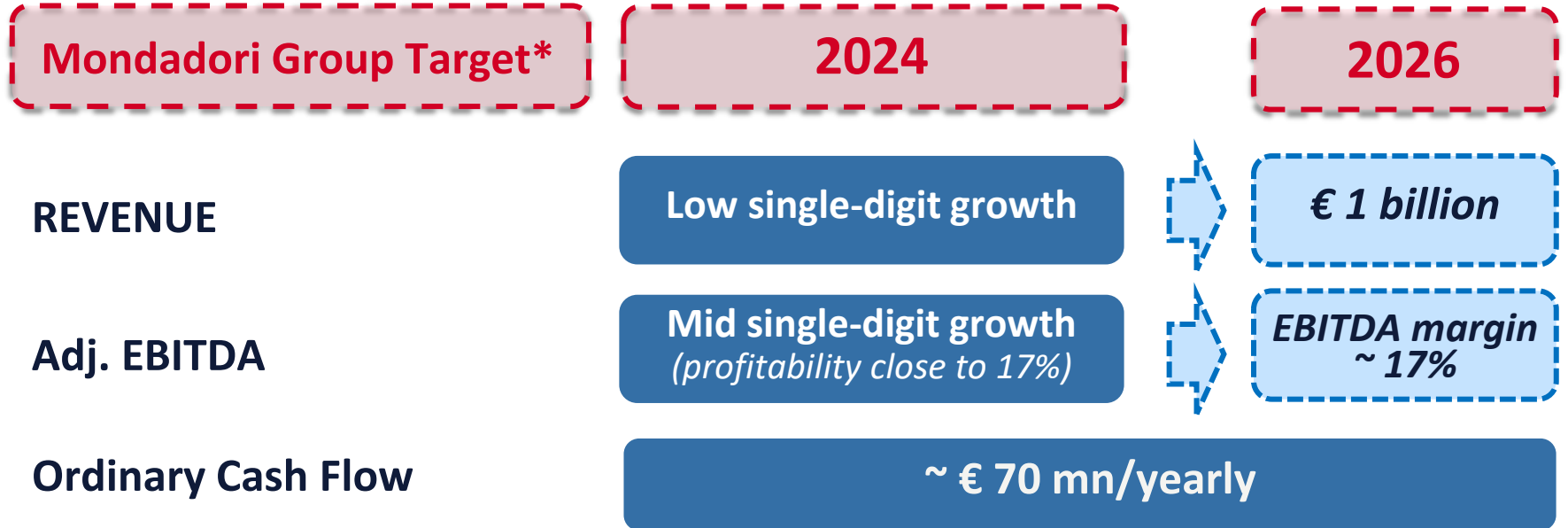
Adj. EBITDA

- **Adj. EBITDA up by 16%**
 - **Print**, despite the decrease in add-on sales margin, due to:
 - Grant for magazines distribution activity (€2.8 million)
 - Rationalization of activities and containment of operating costs
 - **Digital** thanks to higher revenues and new initiatives despite the disposal of printed magazines

AGENDA

1. 1Q 2024 Highlights
2. 1Q 2024 Results
3. FY 2023 Results
- 4. Future Outlook**

Outlook – Guidance FY 24-26



Outlook – Guidance FY 24-26

Mondadori Group Target

2024

2026

SHAREHOLDERS'
REMUNERATION

Dividend Policy >

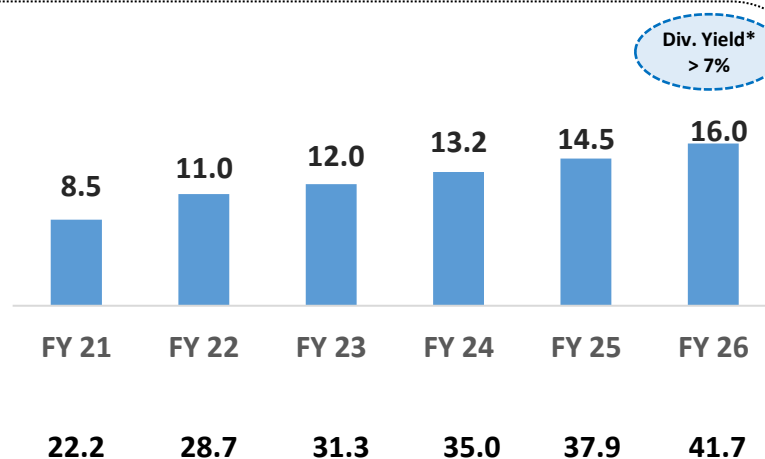
50% Ordinary Cash Flow per share

Previous year DPS +10%

2021-26 CAGR: +13.5%

Floor DPS (€ Cents)

Total Dividends (€ mn)

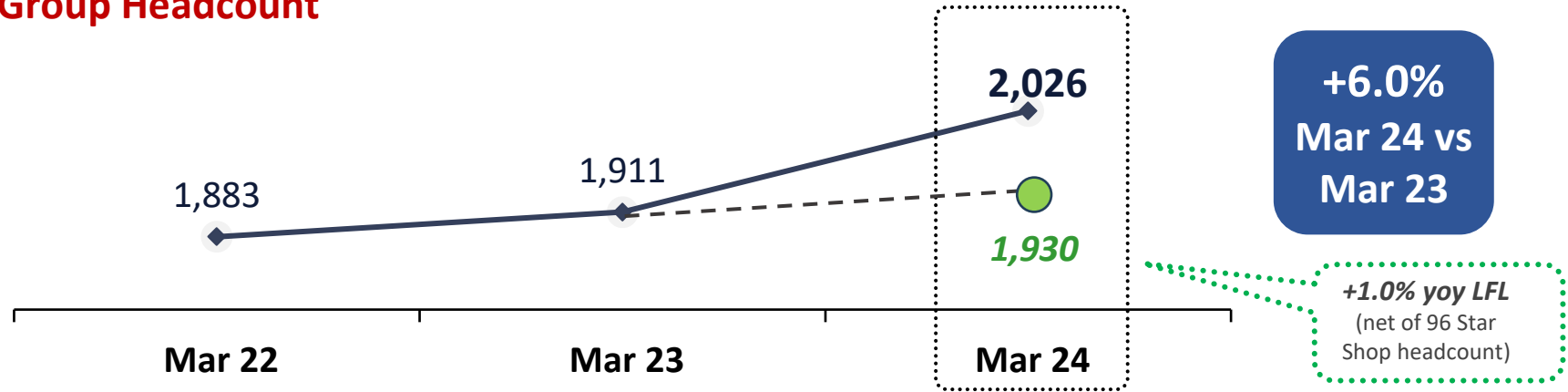




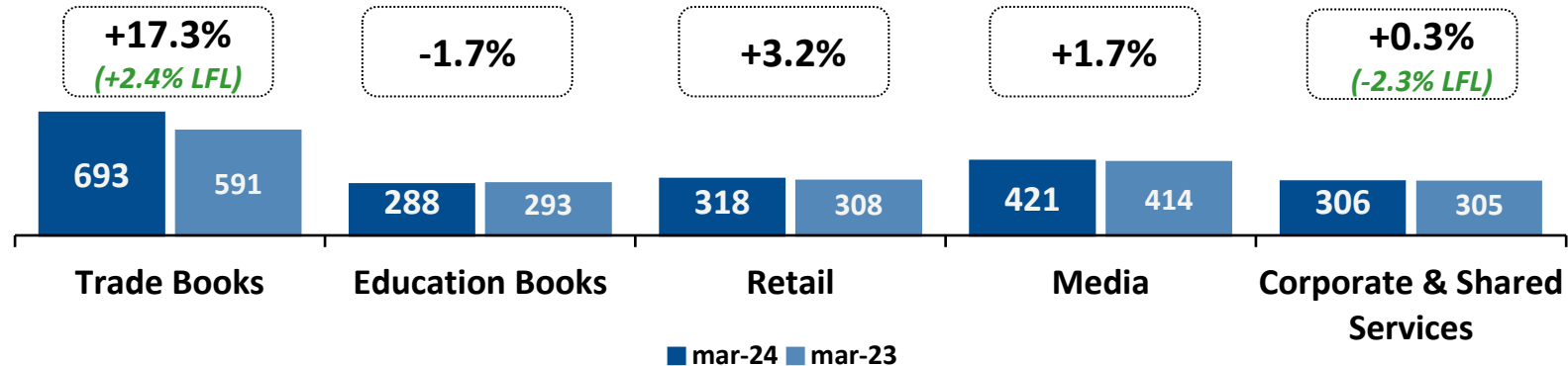
Back-up

Headcount Evolution 1Q24

Group Headcount



Headcount by BU



1Q 24 Revenue and Adj. EBITDA by Business Area

REVENUE by Business Area

(Euro/millions)	Q1 2024	Q1 2023	Chg. %
Trade Books	90.6	87.0	4.2 %
Education Books	9.2	8.5	8.4 %
Retail	45.4	41.6	9.0 %
Media	32.0	32.3	(1.0)%
Corporate & Shared Services	10.8	10.4	3.9 %
Intercompany	(21.9)	(19.8)	10.3 %
Total Consolidated Revenues	166.1	160.0	3.8 %

Starting from 1 February 2024, the revenues deriving from Star Shop's distribution activities are included in the Trade Books area while the revenues from retail activities (direct and franchised stores) are accounted for in the Retail area.

Adj. EBITDA by Business Area

(Euro/millions)	Q1 2024	Q1 2023	Chg.
Trade Books	14.8	13.2	1.6
Education Books	(13.8)	(11.7)	-2.1
Retail	2.3	1.7	0.6
Media	3.2	2.9	0.3
Corporate & Shared Services	(1.3)	(1.0)	-0.4
Intercompany	(0.4)	(0.7)	0.3
Total Adj. EBITDA	4.8	4.4	0.4

Profit&Loss

1Q2024

(Euro/millions)	3M 2024		3M 2023		Chg. %
Revenue	166.1		160.0		3.8%
Industrial product cost	56.9	34.2%	56.2	35.1%	1.2%
Variable product costs	22.6	13.6%	21.0	13.1%	7.7%
Other variable costs	29.8	17.9%	29.0	18.1%	2.7%
Structural costs	15.4	9.3%	14.4	9.0%	6.7%
Extended labour cost	37.8	22.8%	36.0	22.5%	5.0%
Other expense (income)	(1.2)	(0.7%)	(1.1)	(0.7%)	n.s.
Adjusted EBITDA	4.8	2.9%	4.4	2.8%	9.3%
Restructuring costs	—	0.0%	0.2	0.1%	n.s.
Extraordinary expense (income)	(1.0)	(0.6%)	(0.5)	(0.3%)	n.s.
EBITDA	5.7	3.5%	4.7	2.9%	22.7%
Amortization and depreciation	10.7	6.4%	9.2	5.8%	16.3%
Amortization and depreciation IFRS 16	3.7	2.2%	3.7	2.3%	0.4%
EBIT	(8.7)	(5.2%)	(8.2)	(5.1%)	n.s.
Financial expense (income)	0.8	0.5%	0.8	0.5%	5.3%
Financial expense IFRS 16	0.6	0.4%	0.4	0.2%	58.6%
Associates (income)	0.1	0.0%	(0.6)	(0.4%)	n.s.
EBT	(10.2)	(6.1%)	(8.8)	(5.5%)	n.s.
Tax expense (income)	(4.1)	(2.5%)	(3.6)	(2.3%)	n.s.
Minorities	1.0	0.6%	—	0.0%	n.s.
Group net result	(7.1)	(4.3)%	(5.2)	(3.2)%	n.s.

The *Extended Labour Cost* item includes costs relating to collaborations and temporary work.

Balance Sheet

1Q2024

(Euro/millions)	March 31, 2024	March 31, 2023	Chg. %
Trade receivables	134.2	128.5	4.5 %
Inventory	162.6	160.7	1.2 %
Trade payables	226.0	224.5	0.7 %
Other assets (liabilities)	(24.7)	(21.1)	n.s.
Net working capital continuing operations	46.1	43.6	5.9 %
Discontinued or discontinuing assets (liabilities)	—	—	n.s.
Net Working Capital	46.1	43.6	5.9 %
Intangible assets	387.7	388.8	(0.3)%
Property, plant and equipment	35.8	30.7	16.6 %
Investments	15.0	16.6	(9.2)%
Net fixed assets with no rights of use IFRS 16	438.5	436.1	0.6 %
Assets from right of use IFRS 16	68.4	67.3	1.7 %
Net fixed assets with rights of use IFRS 16	506.9	503.3	0.7 %
Provisions for risks	38.3	42.9	(10.6)%
Post-employment benefits	29.1	28.7	1.3 %
Provisions	67.4	71.6	(5.8)%
Net invested capital	485.7	475.3	2.2 %
Share capital	68.0	68.0	— %
Reserves	218.6	190.8	14.6 %
Profit (loss) for the period	(7.1)	(5.2)	n.s.
Group equity	279.5	253.6	10.2 %
Non-controlling interests' equity	0.6	0.9	(35.6)%
Equity	280.1	254.5	10.1 %
Net financial position no IFRS 16	133.3	150.7	(11.5)%
Net financial position IFRS 16	72.3	70.1	3.0 %
Net financial position	205.5	220.8	(6.9)%
Sources	485.7	475.3	2.2 %

4Q-FY23 - Revenue and Adj. EBITDA by Business Area

€ mn

REVENUE by Business Area

(Euro/millions)	Q4 2023	Q4 2022	Chg. %	2023	2022	Chg. %
Trade Books	112.0	109.3	2.5 %	374.3	338.9	10.4 %
Education Books	22.0	23.6	(6.8)%	237.5	237.3	0.1 %
Retail	66.1	63.2	4.5 %	199.5	189.2	5.4 %
Media	39.5	42.5	(7.1)%	141.0	177.8	(20.7)%
Corporate & Shared Services	11.4	11.9	(4.2)%	43.0	41.5	3.4 %
Intercompany	(26.1)	(25.7)	1.7 %	(90.5)	(81.8)	10.7 %
Total Consolidated Revenues	224.8	224.8	— %	904.7	903.0	0.2 %

Adj. EBITDA by Business Area

(Euro/millions)	Q4 2023	Q4 2022	Chg.	2023	2022	Chg.
Trade Books	18.2	15.3	2.9	59.2	55.0	4.1
Education Books	(6.2)	(4.7)	(1.5)	67.7	63.5	4.2
Retail	5.7	5.0	0.7	14.0	9.1	4.9
Media	6.2	4.8	1.4	16.4	14.1	2.3
Corporate & Shared Services	(2.0)	(1.4)	(0.5)	(5.5)	(5.4)	-0.1
Intercompany	0.8	1.9	(1.0)	0.3	0.0	0.3
Total Adj. EBITDA	22.8	20.8	1.9	152.1	136.3	15.7

FY23 P&L

(Euro/millions)	2023		2022		Chg. %
Revenue	904.7		903.0		0.2 %
Industrial product cost	289.1	32.0 %	295.8	32.8 %	(2.3)%
Variable product costs	107.9	11.9 %	111.8	12.4 %	(3.5)%
Other variable costs	156.0	17.2 %	165.2	18.3 %	(5.6)%
Structural costs	62.4	6.9 %	60.0	6.6 %	3.9 %
Extended labour cost	143.6	15.9 %	142.3	15.8 %	1.0 %
Other expense (income)	(6.3)	(0.7)%	(8.4)	(0.9)%	n.s.
Adjusted EBITDA	152.1	16.8 %	136.3	15.1 %	11.5 %
Restructuring costs	6.5	0.7 %	3.7	0.4 %	72.9 %
Extraordinary expense (income)	(3.3)	(0.4)%	1.9	0.2 %	n.s.
EBITDA	148.9	16.5 %	130.7	14.5 %	13.9 %
Amortization and depreciation	42.4	4.7 %	36.7	4.1 %	15.6 %
Amortization and depreciation IFRS 16	15.0	1.7 %	14.1	1.6 %	6.1 %
EBIT	84.2	9.3 %	72.7	8.1 %	15.8 %
Financial expense (income)	5.7	0.6 %	5.2	0.6 %	10.2 %
Financial expense IFRS 16	2.1	0.2 %	0.5	0.1 %	350.0 %
Associates	(4.2)	(0.5)%	0.2	—	n.s.
EBT	80.5	8.9 %	66.9	7.4 %	20.4 %
Tax expense (income)	17.9	2.0 %	15.3	1.7 %	17.0 %
Minorities	0.2	—	(0.5)	(0.1)%	n.s.
Group net result	62.4	6.9 %	52.1	5.8 %	19.9 %

4Q23 P&L

(Euro/millions)	Q4 2023		Q4 2022		Chg. %
Revenue	224.8		224.8		— %
Industrial product cost	80.3	35.7 %	84.8	37.7 %	(5.3)%
Variable product costs	28.8	12.8 %	29.7	13.2 %	(2.9)%
Other variable costs	39.3	17.5 %	36.0	16.0 %	9.0 %
Structural costs	18.5	8.2 %	17.0	7.6 %	9.0 %
Extended labour cost	38.2	17.0 %	36.9	16.4 %	3.6 %
Other expense (income)	(3.1)	(1.4)%	(0.4)	(0.2)%	n.s.
Adjusted EBITDA	22.8	10.1 %	20.8	9.3 %	9.3 %
Restructuring costs	5.2	2.3 %	2.7	1.2 %	91.6 %
Extraordinary expense (income)	0.2	0.1 %	1.9	0.8 %	n.s.
EBITDA	17.4	7.7 %	16.3	7.2 %	6.9 %
Amortization and depreciation	12.5	5.6 %	10.6	4.7 %	17.9 %
Amortization and depreciation IFRS 16	3.8	1.7 %	3.7	1.7 %	3.4 %
EBIT	(6.3)	(2.8)%	(5.3)	(2.3)%	n.s.
Financial expense (income)	1.1	0.5 %	2.4	1.1 %	(55.4)%
Financial expense IFRS 16	0.6	0.3 %	0.5	0.2 %	33.2 %
Associates	(1.3)	(0.6)%	0.8	0.4 %	n.s.
EBT	(6.6)	(2.9)%	(8.9)	(4.0)%	n.s.
Tax expense (income)	(2.6)	(1.2)%	(2.3)	(1.0)%	n.s.
Minorities	(0.1)	(0.1)%	(0.4)	(0.2)%	n.s.
Group net result	(3.9)	(1.7)%	(6.2)	(2.8)%	n.s.

FY23 Financial Statement

(Euro/millions)	December 31, 2023	December 31, 2022	Chg. %
Trade receivables	164.4	161.2	2.0 %
Inventory	149.9	151.4	(0.9)%
Trade payables	257.1	252.7	1.7 %
Other assets (liabilities)	(43.7)	(45.7)	n.s.
Net working capital continuing operations	13.6	14.2	(4.6)%
Discontinued or discontinuing assets (liabilities)	1.7	(0.4)	n.s.
Net Working Capital	15.3	13.9	10.0 %
Intangible assets	385.1	372.3	3.4 %
Property, plant and equipment	34.7	24.1	43.9 %
Investments	13.6	29.7	(54.3)%
Net fixed assets with no rights of use IFRS 16	433.4	426.2	1.7 %
Assets from right of use IFRS 16	68.8	68.5	0.5 %
Net fixed assets with rights of use IFRS 16	502.2	494.6	1.5 %
Provisions for risks	40.8	41.9	(2.6)%
Post-employment benefits	29.2	28.3	3.0 %
Provisions	70.0	70.3	(0.3)%
Net invested capital	447.4	438.2	2.1 %
Share capital	68.0	68.0	— %
Reserves	157.7	139.5	13.0 %
Profit (loss) for the period	62.4	52.1	19.9 %
Group equity	288.1	259.6	11.0 %
Non-controlling interests' equity	0.8	1.3	(40.2)%
Equity	288.8	260.8	10.7 %
Net financial position no IFRS 16	86.1	106.1	(18.9)%
Net financial position IFRS 16	72.5	71.3	1.7 %
Net financial position	158.6	177.4	(10.6)%
Sources	447.4	438.2	2.1 %

- ▶ **EBITDA** is equal to net results before interest, tax, depreciation and amortization.
- ▶ **Adjusted EBITDA** is EBITDA, as explained above, net of income and expenses of a non-ordinary nature such as
 - (i) income and expenses from restructuring, reorganization and business combinations;
 - (ii) clearly identified income and expenses not directly related to the ordinary course of business;
 - (iii) as well as any income and expenses from nonrecurring events and transactions as set out in Consob communication DEM6064293 of 28/07/2006.
- ▶ **EBIT** net result for the period before income tax, and other income and expenses.
- ▶ **Adjusted EBIT** is EBIT, as explained above, net of income and expenses of a non-ordinary nature, amortization derived from Purchase Price Allocation and depreciation/impairment
- ▶ **EBT** net result for the period before income tax.
- ▶ **Adjusted Net Result** is the net result before income and expenses of a non-ordinary nature, amortization derived from Purchase Price Allocation and depreciation/impairment, net of related fiscal effects and gross of non-recurring fiscal income and expenses
- ▶ **Net Invested Capital** is equal to the algebraic sum of Fixed Capital, which includes non-current assets and non-current liabilities (net of non-current financial liabilities included in the Net Financial Position) and Net Working Capital, which includes current assets (net of cash and cash equivalents and current financial assets included in the Net Financial Position), and current liabilities (net of current financial liabilities included in the Net Financial Position).
- ▶ **Ordinary Cash Flow** is cash flow from operations as explained above, net of financial expenses, taxes paid in the period, and income/expenses from investments in associates.
- ▶ **Non ord. Cash Flow** cash flow generated/used in transactions that are not considered ordinary, such as company restructuring and reorganization, share capital transactions and acquisitions/disposals
- ▶ **Free Cash Flow** the sum of cash flow from ordinary and non-ordinary operations in the reporting period (excluding payment of dividends, if any).

Financial Reporting 2024

31 July 2024

Consolidated results first half 2024

13 November 2024

Consolidated results third quarter 2024





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<https://www.linkedin.com/company/gruppomondadori>



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