GRUPPO MONDADORI

PRESS RELEASE

Board of Directors approves results as at 31 December 2024

MONDADORI GROUP: REVENUE AND ADJUSTED EBITDA GROWTH

- **<u>Consolidated revenue</u> € 934.7 million, +3.3% vs. 2023**
- **<u>Adjusted EBITDA</u> € 157.6 million, +3.6% vs. 2023. Profitability at 16.9%**
- **<u>Group net profit</u> positive at € 60.2 million, (€ 62.4 million in 2023), mainly due to higher tax expenses and a larger share of profit attributable to minority interests**
- **<u>Ordinary cash flow</u> € 71.3 million, up by 4% vs. 2023, confirming the Group's strong ability to generate resources for acquisitions and higher shareholder return**
- **<u>Net financial position</u> (gross of IFRS 16) € -91.8 million; IFRS 16 NFP € -173 million**
- **<u>Proposed distribution of a dividend</u> of € 0.14 per share (for a total of € 36.5 million), up by 17% vs. 2023**

OUTLOOK FY 2025

- **Low single-digit growth expected in Revenue and Adjusted EBITDA**
- **Margins stable at around 17%**
- **Ordinary cash flow substantially in line with forecasts for 2024-2026**
- **Growing shareholder remuneration policy confirmed**
- **The Group's Net Financial Debt (IFRS 16) is expected to come in, at end FY 2025, as 1.0x adjusted EBITDA (vs. 1.1x at end 2024)**

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Segrate, 12 March 2025 - Today, the meeting of the Board of Directors of Arnoldo Mondadori Editore S.p.A., chaired by Marina Berlusconi, reviewed and approved the draft Parent Company and Group consolidated financial statements at 31 December 2024 presented by Chief Executive Officer Antonio Porro.

"2024 was a year of growth, during which our Group made significant strides in advancing our core businesses, with a particular focus on further strengthening our presence in book publishing," said **Antonio Porro, Chief Executive Officer and General Manager of the Mondadori Group**.
"Our economic and financial profile highlights the increasing importance of books, which now account for 85% of our consolidated revenue and nearly 90% of our overall margins, demonstrating the ability to sustain high profitability. Lastly, our strong economic performance and solid cash generation position us to expect continued growth in the upcoming financial year, ensuring the creation of long-term value for our stakeholders," Porro concluded.

GROUP PERFORMANCE AT 31 DECEMBER 2024

In 2024, **consolidated revenue** totalled **€ 934.7 million**, **up by 3.3%** versus € 904.7 million in 2023.
Like-for-like, due to the inclusion of *Star Shop Distribuzione* (from 1 February), *Chelsea Green Publishing* (from 1 May) and *Fatto in casa da Benedetta* (from 1 October 2024), the **revenue remained largely stable**.

Adjusted EBITDA was **€ 157.6 million**, showed an **increase of 3.6%** on the € 152.1 million recorded for 2023, mainly thanks to the Trade Books, Retail and Media areas. Overall, **profitability** stood at **16.9%, stable** compared to 2023.

Group **EBITDA** was **€ 155 million**, **an improvement of almost € 6.1 million** on the € 148.9 million recorded for 2023.

The Mondadori Group's **EBIT**, which was positive at **€ 92 million**, showed a **significant increase of 9.3%**, reaching € 7.9 million compared to 2023, a year that had been adversely affected by write-downs totalling € 7.3 million. This improvement in the result was achieved despite the fact that higher depreciation and amortisation of € 5 million was recognised during the year, mainly due to the higher investments made and the purely accounting effects of the Purchase Price Allocation (PPA) process.
Neutralising extraordinary items, impairment write-downs and amortisation resulting from the price allocation of the companies acquired in the last five years (PPA), **Adjusted EBIT** for the financial year 2024 would stand at € 103.7 million, up by about 2% from € 102 million in the previous year 2023.

Consolidated results before tax were positive at **€ 84.1 million**, up by about € 4 million from € 80.5 million in 2023. The higher result was achieved in spite of the lower contribution (around € 4 million) of associates and higher financial expenses (€ 0.5 million).

The **Group's net profit** for the year ending 31 December 2024, after minority interests, was **positive by € 60.2 million**, a decrease of approximately € 2 million compared to € 62.4 million in 2023. This decline was primarily due to around € 4 million in higher tax expenses and an increased share of the result attributable to minority interests (€ 2.1 million). The 2023 result had benefited from the recognition of income that was either not taxable or subject to reduced taxation, such as capital gains, as well as contributions in the Media sector.
Adjusted Net Profit, after neutralising all non-recurring items previously mentioned, would amount to **€ 68.8 million**, down by around 3% on the previous year.

The **Net Financial Position gross of IFRS 16** as of 31 December 2024, stood at **€ -91.8 million** (net debt), a slight increase from € -86.1 million as of 31 December 2023. **The strong cash generation of the business enabled the financing of the acquisitions** of *Star Shop Distribuzione*, *Chelsea Green Publishing* and *Fatto in casa da Benedetta*, as well as **the increased remuneration of shareholders, without significantly raising the Group's financial exposure**.

Net Financial Position gross of IFRS 16 at 31 December 2024 stood at **€ -173 million** (net debt), up by approximately € 14 million from € -158.6 million at 31 December 2023, due to an IFRS 16 debt component of € -81.2 million, up by approximately € 10 million due to the renovation and development of the network of directly-managed book stores in the Retail area in addition to the acquisitions finalised in 2024 in the Trade Books area.

The **cash flow from ordinary activities** (i.e. after cash-out for financial expenses and taxes) in the financial year 2024 is **more than € 71 million, an increase of around 4%** compared to 2023.

At 31 December 2024, **extraordinary cash flow** was negative by approximately € 42 million**,** mainly due to cash-out related to net balance of acquisitions and disposals for around € 26 million, restructuring costs of around € 6 million and the costs relating to the renovation of the Segrate headquarters.
As a result, the **Free Cash Flow at 31 December 2024** was positive by € 29.1 million.

Finally, the Group recognised **dividends to its shareholders of € 31.3 million** in the year under review, equivalent to a pay-out of 50% of the 2023 net profit and an increase of about 9% compared to the previous year.

As at 31 December 2024, the **Mondadori Group employed** 2,133 people, an increase of 9.7% (+183) compared to 31 December 2023, as a result of the changes in the consolidation scope.

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PERFORMANCE OF BUSINESS AREAS

TRADE BOOKS AREA

In 2024, the **book market** saw an uneven trend: the substantial stability of the first nine months of the year (-0.5%) was followed by a slowdown in the last quarter, which caused the market to show a -1.5% drop in value for the entire year.
The replacement of the "18App" with the Culture and Merit Cards and the state's failure to provide libraries with € 30 million in funding for the purchase of books are among the main reasons for the decline in the Trade market in 2024 (a total of approximately € 63 million).
In this context, the **Mondadori Group's publishing houses** recorded a **2.1% fall in sell-out** in financial year 2024, due to a publishing plan that was overall less rich in bestsellers than in 2023, the year in which the Group had published "*Spare"* and Ken Follett's *'The Armour of Light'* .

In 2024, the Mondadori Group nevertheless maintained its **national leadership** with a **market share of 27.5%** thanks to the high editorial quality of its catalogue.
The Group also won the **78th Strega Prize** with "***L'età fragile***" by Donatella Di Pietrantonio, published by Einaudi.

Revenue for the financial year 2024 totalled **€ 396.8 million**, showing an increase over the previous year of about **6%** (-0.5% on a like-for-like basis, despite the termination of the Colosseum concession).

Adjusted EBITDA of the Trade Books area for came to **€ 62 million**, with a **margin growth of around 4.7% (€ 2.8 million)**, due to the **improved profitability of the publishing houses, as a result in particular of the increase in digital revenue and lesser incidence of industrial costs** (paper, first and foremost), which more than offset the decline in the margin recorded for museum activities. Changes in the consolidation scope during the year also contributed to this increase.

EDUCATION BOOKS AREA

In 2024, the Italian **Scholastic** market (primary and secondary schools) is estimated to have recorded a **decrease,** compared to the previous year, of about **2%,** settling at a total value of about € 606 million, due to the **downsizing of the sold/adopted ratio, which negatively affected revenue dynamics**.

The Mondadori Group's educational publishing houses achieved a **market share (adoption) of 31.8%**[1], essentially **stable** compared to the previous year, confirming their **leadership in the primary and secondary** school segments, with growth in the secondary school segment and a fall in the primary segment, characterised by greater volatility and lower profitability.

In the financial year 2024, school business activities recorded total **revenue of € 233.3 million**, down slightly (1.8%) from € 237.5 million in 2023.

Adjusted EBITDA in the Education Books segment amounted to **€ 65 million**, down from € 67.7 million in 2023, mainly due to the increase in logistics and transport costs resulting from the change in the contractual conditions applied by providers, in addition to revenue dynamics.
The **profitability** achieved by the area, of around 28% in 2024, was nevertheless **substantially stable** thanks to the lower incidence of industrial and promotional costs as well as the careful management of all discretionary and structural costs.

RETAIL AREA

In 2024 the Retail area **grew by 2%**, **outperforming the reference market for the fourth year in a row**. As a result, **Mondadori Retail's market share in the Book product grew to 13.1%**, driven by an **excellent performance in direct shops and franchising**, whose market share in the physical channel was close to 20%.

[1] Source: AIE, 2024 (adopted first-year sections)

The transformation process launched over the past years has made for an **improvement in operating and management performance, as shown by the income statement of 2024.**

Total **revenue** (book and extra-book) amounted to **€ 215.5 million**, **an increase of € 16 million (+8%**) compared to the previous year; at an **organic level** (i.e. net of revenue from comic shops and Star Shop Distribuzione's e-commerce) the growth was 2.9%.
The increase in revenue on an organic level would have been even more significant (+3.8%) without the negative impact of the temporary closures (due to renovation needs) of the Bookstores in Marcianise (CE) and Nola (NA).

An analysis of the **sales by channel** reveals:
- **further growth in revenue of direct bookstores** (**+7.2%** on the previous year);
- **the continuous improvement of franchisee bookstores** (+2.3% vs 2023);
- a slight decline in the **on-line** channel (-3.4% compared to the previous year);
- the positive impact of revenue deriving from the management (direct and franchised) of ***Star Shop Distribuzione*** **comic book stores and e-commerce website**;
- the structural decline in revenues of Bookclub.

The Retail area presented an **Adjusted EBITDA** of **€ 16.7 million** in the financial year 2024, and shows **a significant growth of 19%** compared to 2023 **(+ € 2.7 million**). This result confirms progression and constant improvement in performance seen for several years now.
Adjusted EBITDA also suffered the negative impact (€ 0.7 million) of the restoration projects of two bookstores, without which **Adjusted EBITDA growth would have been around 24% (€ +3.4 million)** compared with the previous year.

MEDIA AREA
In FY 2024, **revenue** in the Media area amounted to **€ 147.3 million**, and posted **an increase of over 4%** since the previous year, stemming from the **strong growth in the Digital component, which continues to more than offset the structural downturn of the component linked to traditional activities.**

In particular:
- the **digital business**, which accounts for approximately 46% of the area's total revenue, has shown growth in advertising revenue of 20.3%, resulting in particular from the positive performance of the *MarTech* segment and the excellent results of the social agency and *Webboh* activities launched in early 2023;
- the **traditional print business** declined by 7.5%, mainly due to the structural drop in add-on sales and readership during the quarter under review.

Adjusted EBITDA for the Media area came to **€ 20.2 million** in FY 2024, showing **an increase of approximately 23%** compared with 2023, mainly due to the digital business segment.
The **EBITDA margin** recorded an **increase of 2 percentage points, from 11.7% to 13.7%**.

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OUTLOOK FOR THE YEAR

The economic performance and cash generation capacity, also demonstrated in 2024, point to a further improvement in results for the next year.
From a strategic point of view, the Group intends to continue to **strengthen and consolidate its integrated and diversified leadership position in the core businesses of book and digital publishing,** and to expand its **Retail** network in order to increase coverage throughout the country.

In particular:
- in the **Trade Books** area, the Group will pursue the strengthening of its editorial positioning, emphasising the identity and specialisation of the various publishing houses in the various segments, through innovative plans that also include the expansion of the digital offer.
- In the **Education Books** area, it will continue to focus on the most profitable segments of the textbook market and **consolidating its domestic leadership**, strengthening and renewing its editorial offer and taking full advantage of the **digital convergence** process (through the new single digital platform for all three publishing houses).
- in the **Retail** area, on the one hand, the **selective development of the network of shops** will continue, both **direct** - through the opening of around ten new sales outlets - and in **franchising**; on the other, the activity of optimising the sales area and **maximising the efficiency of the network**, which is essential to increase the profitability of the area and emphasise its effectiveness in conveying the Group's editorial proposal to the market, while maintaining a close watch on relevant consumer targets and new market trends.
- Meanwhile, in the media sector, the Group will keep strengthening its competitive position by enhancing digital skills and offerings, with a particular focus on consolidating initiatives in influencer marketing, food and MarTech.

The Mondadori Group will also continue to play an active role in the field of **Artificial Intelligence**, in its areas of competence, through the second **PLAI** start-up acceleration programme.

Income Statement

The Group's economic and financial targets below refer to the current scope.

Given the above and the reference context, it is reasonable to expect **low-single digit growth in both revenue and Adjusted EBITDA for the 2025 financial year**, consistent with the 2024-2026 scenario projected last year. **Margins** are expected to remain stable at around **17%**, supported by targeted pricing strategies for Book products and ongoing efficiency improvements across all business areas. This is despite rising costs, particularly in labour (due to the new National Collective Agreement) and logistics services. It is also worth noting that the terms and conditions for logistics services are being renegotiated for 2026 and beyond.

Cash Flow and Net Financial Position

The Group is expected **to maintain its strong cash generation capacity**, with an average **annual Ordinary Cash Flow** of around **€ 70 million**, in line with the 2024-2026 forecast. For the 2025 financial year, the timing of the Trade Books area publishing plan, where the best-selling titles were released in the first half of 2024 and are scheduled for the second half of 2025, may result in some receipts being delayed from 2025 to 2026. As a result, there could be a slight shortfall compared to the target, but this will lead to a corresponding benefit in the early months of the following year.

The **Group's Net Financial Debt** (IFRS 16) is expected to come in, at end FY 2025, as 1.0x adjusted EBITDA (from 1.1x at end 2024)

The Group's significant cash generation will continue to be allocated **to maximising the company's value creation**, through an active **investment policy in its core** and adjacent businesses aimed at seizing opportunities to strengthen the Group's leadership, expand geographically and/or broaden its publishing offering and/or enhance its presence within the book value chain.
This development strategy will be accompanied by the **well-established and increasing shareholder remuneration policy**, through the confirmation of a **Dividend Policy** that provides for the annual distribution of **50% of the Ordinary Cash Flow per share or the Dividend per Share of the previous year increased by 10%, whichever is the greater**.

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PERFORMANCE OF ARNOLDO MONDADORI EDITORE S.P.A.

The Parent Company's income statement at 31 December 2024 recorded the same net profit as in the consolidated financial statements of **€ 60.2 million** (€ 62.4 million in 2023), due to the fact that the Company has chosen to use the equity method to measure its investments in the separate financial statements.

Revenues, which consist of the costs of central structures charged back to the subsidiaries, amounting to **€ 46 million**, **increased by about 7%** compared to the previous year, due to higher charges (related to IT services, administrative services and occupied space).

Adjusted EBITDA for 2024 (€ -5.9 million) was essentially stable compared to the previous year, despite higher IT fees as well as costs related to the start-up of the PLAI project.

FY2024 presents a **reported EBITDA** of € -7.5 million, unchanged from FY2023 (€ -7.5 million), also due to lower restructuring costs (partly related to the early retirement plan in FY2023).

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DIVIDEND DISTRIBUTION PROPOSAL OF € 0.14 PER ORDINARY SHARE

Based on the results of FY2024, the Board of Directors will propose to the next Annual General Meeting of Shareholders, scheduled for 16 April 2025, the payment of a dividend of **€ 0.14 per share to shareholders. This represents a 17% increase, amounting to a total of € 36.5 million.**
This amount corresponds to a payout of 60% of the 2024 net profit and a dividend yield of almost 7% compared to the share price on 31 December 2024.

In compliance with the provisions of the "Regulations for markets organised and managed by Borsa Italiana S.p.A." and line with the previous year, the dividend will be paid in two equal tranches:

- unit amount of € 0.07 for each ordinary share (net of treasury shares) outstanding at the record date stated below, from 21 May 2025 (payment date), with ex-dividend date no. 25 on 19 May 2025 (ex date) and with the date of entitlement to payment of the dividend, pursuant to Article 83-terdecies of the TUF (record date), on 20 May 2025;

- unit amount of € 0.07 for each ordinary share (net of treasury shares) outstanding at the record date stated below, from 26 November 2025 (payment date), with ex-dividend date no. 26 on 24 November 2025 (ex date) and with the date of entitlement to payment of the dividend, pursuant to Article 83-terdecies of the TUF (record date), on 25 November 2025.

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SIGNIFICANT EVENTS AFTER YEAR-END 2024

On **10 January 2025**, Mondadori Libri S.p.A. finalised the acquisition of a further 25% stake in **A.L.I. S.r.l.** - **Agenzia Libraria International**, which operates in the distribution of books. As a result of this operation, Mondadori Libri S.p.A. has brought its former 75% stake held in the company to 100%.
The increase in the A.L.I. stake came following the exercise of the call option set forth in the contract signed and announced on 11 May 2022, at the time of the acquisition of an initial 50% stake in the share capital, which envisaged the right, for Mondadori Libri, to acquire the remaining 50%. This is thanks to a deferred purchase commitment and a put & call agreement, each accounting for 25% of the A.L.I. S.r.l. capital; the former was implemented and disclosed in January 2023.
The provisional price, paid in cash, is € 12.2 million, determined on the basis of the average 2023-2024 EBITDA as well as the positive net financial position (cash) of the scope covered by the transaction, which at 31 December 2024 amounted to € 27 million. This provisional price may be adjusted following the approval of the financial statements as at 31 December 2024.

On **3 March 2025** the Mondadori Group completed, through its subsidiary Mondadori Libri S.p.A., the acquisition of a further 24.5% stake in **Edizioni Star Comics** S.r.l., Italy's leading comic book publisher. As a result of this operation, Mondadori Libri S.p.A. has now brought its stake in the publishing house to 75.5%, from the former 51%. The increase in the stake in Edizioni Star Comics was carried out through the exercise of the call option envisaged by the agreement signed and disclosed to the market on 6 June 2022, which gave the Mondadori Group the right to acquire the remaining 49% stake in the company in two tranches of 24.5% each, exercisable in 2025 and 2028. The provisional purchase price, paid fully in cash today, is € 5 million, determined on the basis of the average EBITDA for the three-year period 2022-2024 as well as the net financial position over the twelve months prior to the closing date (amounting to € 2.5 million). This provisional price may be adjusted following the approval of the 2024 financial statements.

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PROPOSED RENEWAL OF THE AUTHORIZATION TO PURCHASE AND DISPOSE OF TREASURY SHARES

Following expiry of the previous authorization resolved upon by the Shareholders' Meeting on 24 April 2024, with the approval of the financial statements at 31 December 2024, the Board of Directors will propose to the next Shareholders' Meeting, scheduled for 16 April 2025, the renewal of the authorization to purchase and dispose of treasury shares with the aim of retaining the applicability of law provisions in the matter of any additional buyback plans and, consequently, of seizing any investment and operational opportunities involving treasury shares.

Below are the main elements of the Board of Directors' proposal, which are consistent with those of the expired authorization.

- **Motivations**

The motivations underlying the request for the authorization to purchase and sell treasury shares refer to the opportunity to attribute to the Board of Directors the power to:
- use the Treasury Shares purchased or already in the Company portfolio as compensation for the acquisition of interests within the framework of the Company's investments;
- use the treasury shares purchased or already held in portfolio against the exercise of option rights, including conversion rights, deriving from financial instruments issued by the Company, its subsidiaries or third parties and to use the treasury shares for lending, exchange or transfer transactions or to support extraordinary transactions on the Company's capital or financing transactions that imply the transfer or sale of treasury shares;
- undertake any investments, directly or through intermediaries, including for the purpose of containing abnormal movements in share prices, stabilizing share trading and prices, supporting the liquidity of the share on the market, in order to foster the regular conduct of trading beyond normal fluctuations related to market performance, without prejudice in any case to compliance with applicable statutory provisions;
- rely on investment or divestment opportunities, if considered strategic by the Board of Directors, also in relation to available liquidity;
- dispose of treasury shares to service share-based incentive plans set up pursuant to Article 114-bis of the TUF, and plans for the free allocation of shares to employees or members of the governing bodies of the Company or to Shareholders.

- **Duration**

The authorization to purchase treasury shares runs from the date of any resolution approving the proposal by the Shareholders' Meeting, until the Shareholders' Meeting called to approve the financial statements at 31 December 2025 and, in any case, for a period no more than 18 months after that date. The authorization to dispose of treasury shares is requested for an unlimited period, given the absence of time limits pursuant to current regulations and the opportunity to allow the Board of Directors to make use of the maximum flexibility, also in terms of time, to carry out any disposal of shares.

- **Maximum number of purchasable treasury shares**

The authorisation would allow the purchase, on one or more occasions and in one or more tranches, of a maximum number of ordinary shares with a nominal unitary value of € 0.26, which - considering the treasury shares already held by the Company and the shares that may possibly be acquired by subsidiaries - shall not exceed a total of 10% of the share capital.
Pursuant to article 2357(1) of the Italian Civil Code, the purchase transactions will be carried out within the limits of the distributable profits and available reserves resulting from the last regularly approved financial statements at the time of each potential purchase transaction. The authorisation would include the right to subsequently dispose of the treasury shares acquired, in whole or in part, on one or more occasions and even before having exhausted the maximum number of purchasable shares.

- **Criteria for purchasing treasury shares and indication of the minimum and maximum purchasing cap**

Purchases would be made in accordance with articles 132 of the TUF, 144-bis(1)(b) and d-ter) of the Issuers' Regulation, and thus:
(i) on regulated markets or multilateral trading systems, according to the operating criteria established in the organisation and management regulations of the same markets, which do not allow the direct matching of purchase trading proposals with predetermined sales trading proposals, as well as in compliance with any other legislation in force, including European ones.
(ii) by the methods established by the market practices permitted by Consob, pursuant to the combined provisions of article 180(1)(c) of the TUF and article 13 of Regulation (EU) no. 596 of 16 April 2014 ("Permitted Market Practices").
Additionally, share purchase transactions may also be carried out in the manner envisaged in Article 3 of EU Delegated Regulation no. 2016/1052 in order to benefit, if the conditions are met, from the exemption under Article 5, paragraph 1, of EU Regulation no. 596/2014 on market abuse with regard to inside information and market manipulation.
The disposal of treasury shares may be made, on one or more occasions and even before having terminated the maximum number of purchasable treasury shares, either by selling them on regulated markets or according to other trading methods in compliance with the law, including EU law, in force and with the Admitted Market Practices, if applicable. The authorisation proposal provides that purchases are made at a unit price, compliant with any regulatory requirements, including European ones, or permitted market practices in force at the time, where applicable, without prejudice to the fact that the minimum and maximum purchase price will be set at a unit price no lower than the official stock market price of the Mondadori stock on the day prior to the day on which the purchase transaction is carried out, decreased by 20%, and no higher than the official stock market price on the day before the day on which the purchase transaction will be carried out, increased by 10%. In any event - except for any different price and volume determinations resulting from the application of the conditions set forth in the Admitted Market Practices - such price shall be identified in accordance with the trading conditions set forth in Delegated Regulation (EU) no. 1052 of 8 March 2016 and, specifically:
- no shares may be purchased at a price higher than the higher between the price of the last independent trade and the price of the highest current independent bid on the trading venue where the purchase is carried out; and
- in terms of volumes, daily purchase amounts will not exceed 25% of the daily average volume of Mondadori shares traded as recorded in the 20 trading days before the dates of purchase or in the month prior to the month of the disclosure required by Art. 2, paragraph 1, of Regulation (EU) no. 1052/2016.

In terms of consideration, sales transactions or other acts of disposition of treasury shares shall be carried out:
- if executed in cash, at a price no lower than 10% of the reference price recorded on the MTA - Euronext Milan - organized and managed by Borsa Italiana S.p.A. in the trading session prior to each single transaction;
- if executed as part of any extraordinary transactions in accordance with financial terms to be determined by the Board of Directors on the basis of the nature and characteristics of the transaction, also taking account of the market performance of Mondadori shares;

- if executed to service the Performance Share Plans in compliance with the terms and conditions set out in the resolutions of the Shareholders' Meeting that establish the Plans and the related regulations.

To date, Arnoldo Mondadori Editore S.p.A. holds a total of no. 1,268,471 treasury shares, equal to 0.485% of the share capital.

For further information on the proposed authorization for the purchase and disposal of treasury shares, reference should be made to the Directors' Explanatory Report, which will be published within the time limits and in the manner prescribed by applicable regulations.

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ALLOCATION OF SHARES UNDER THE 2022-2024 PERFORMANCE SHARE PLAN: INFORMATION PURSUANT TO ART. 84-BIS, PARAGRAPH 5 CONSOB REGULATION NO. 11971/1999

The Board of Directors, based on the final assessment of the achievement of the Performance Targets underlying the Plan, and having heard the Remuneration and Appointments Committee, resolved to allocate, on 15 May 2025, a total of 507,774 Arnoldo Mondadori Editore S.p.A. shares to a total of 13 beneficiaries, implementing the provisions of the "2022-2024 Performance Share Plan" adopted by the Shareholders' Meeting on 28 April 2022 (the "2022-2024 Plan").

Mention should be made that the 2022-2024 Plan grants its beneficiaries the right to receive, free of charge, shares in the Company held as treasury shares provided that, at the end of a reference period of three financial years, the performance targets set in the same Plan have been achieved.
The beneficiaries of the 2022-2024 Plan are the Chief Executive Officer, the CFO and 11 managers identified by name by the Chief Executive Officer, as delegated by the Board of Directors.
The characteristics of the Plan are explained in detail in the Directors' Report to the Shareholders' Meeting of 28 April 2022 and in the information document drawn up pursuant to article 84-bis of CONSOB Regulation no. 11971/1999 available at www.gruppomondadori.it, Governance section, to which reference should be made.
Attached is the information required by Schedule 7 of Annex 3A to CONSOB Regulation no. 11971/1999 to account for the allocation of shares in the context of the 2022-2024 Plan.

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PROPOSAL TO THE SHAREHOLDERS' MEETING TO ADOPT A PERFORMANCE SHARE PLAN RELATED TO THE THREE-YEAR PERIOD 2025-2027

The Board resolved, on a proposal from the Remuneration and Appointments Committee, and continuing to apply the performance share instrument for the medium-long term remuneration of executive directors and strategic executives, as per Legislative Decree 58 of 24 February 1998, art. 114-bis, to submit for approval by the Shareholders' Meeting, convened for 16 April 2025, the establishment of a Performance Share Plan for the three-year period 2025-2027, reserved for the Chief Executive Officer, the CFO - Executive Director and a number of Company Managers who have an employment and/or directorship relationship with the Company or with its subsidiaries on the date of allocation of the shares.
With the adoption of the Plan, the Company aims to encourage Management to improve medium to long-term performance, in terms of both industrial performance and growth in the value of the Company.
The Plan envisages the assignment to the beneficiaries of rights to the free allocation of company shares, subject to the achievement of specific performance targets set and measured at the end of the three-year performance period.
These targets are structured to include both shareholder remuneration indicators and management indicators functional to raising the share value, ensuring maximum alignment of Management remuneration and the creation of value for the Company, as well as indicators of a non-operating/financial nature linked to ESG issues.

For details on the proposed adoption of the 2025-2027 Performance Share Plan, the beneficiaries and the characteristics of said Plan, reference should be made to the Information Document approved by the Board of Directors, pursuant to Article 84-bis and annex 3A of the Issuer Regulation, and to the Explanatory Report of the Board of Directors, which will be published within the time limits and in the manner prescribed by applicable regulations.

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PROPOSAL TO THE SHAREHOLDERS' MEETING TO ADOPT A SHORT-TERM INCENTIVE PLAN (MBO) 2025

On a proposal from the Remuneration and Appointments Committee, the Board resolved to submit the adoption of a Short-Term Incentive Plan (MBO) for the year 2025 to the Ordinary Shareholders' Meeting for approval, pursuant to Article 114-*bis* of Legislative Decree no. 58 of 24 February 1998.
The Plan, which is reserved for the same beneficiaries as the 2025-2027 Performance Share Plan, governs the determination, subject to the achievement of specific individual and Group performance objectives, of the annual Variable Remuneration (MBO) for the year 2025. In particular, the Plan envisages a voluntary mechanism for the conversion into Mondadori shares of a percentage component equal to 15% or 30% of the Variable Remuneration itself, as well as the disbursement of an additional "bonus" component in shares, equal to the number of shares resulting from the conversion.

Any allocation of the total component in shares would take place at the end of a 24-month deferral period with respect to the MBO vesting date.

For details on the proposed adoption of the 2025 Short-term Incentive Plan (MBO), the beneficiaries and the characteristics of said Plan, reference should be made to the Information Document approved by the Board of Directors, pursuant to Article 84-bis and annex 3A of the Issuer Regulation, and to the Explanatory Report of the Board of Directors, which will be published within the time limits and in the manner prescribed by applicable regulations.

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SUPPLEMENTATION OF THE BOARD OF STATUTORY AUDITORS

As previously disclosed, on 21 December 2024, Ezio Simonelli resigned from his position as Standing Auditor. Consequently, pursuant to Article 2401 of the Italian Civil Code, the alternate auditor Emilio Gatto—who was on the same list submitted by the majority shareholder Fininvest S.p.A. at the Shareholders' Meeting on 24 April—has taken over as Standing Auditor until the "next Shareholders' Meeting."
The Shareholders' Meeting on 16 April 2025 will be called to resolve on the integration of the Board of Statutory Auditors through the appointment of one Standing Auditor and one Alternate Auditor.
It should be noted that, in accordance with the bylaws regarding the appointment by the Shareholders' Meeting of Standing and/or Alternate Auditors for the integration of the Board of Statutory Auditors, as well as the replacement of auditors elected from the majority list, the appointments will be made by relative majority vote with no list constraints.

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2024 SUSTAINABILITY REPORT PURSUANT TO LEGISLATIVE DECREE 125/2024

In accordance with the requirements of Legislative Decree 125/2024, which implemented the Corporate Sustainability Reporting Directive (CSRD) in Italy, the Directors' Report on Mondadori Group Operations in 2024 includes Sustainability Reporting. The introduction of the CSRD represents a significant regulatory development aimed at enhancing the quality, consistency, reliability, and comparability of sustainability reporting by companies operating within the European Union.

For the 2024 financial year, the contents of the Group's Report were determined based on the results of a double materiality analysis (Impact Materiality and Financial Materiality), conducted in accordance with the new European Sustainability Reporting Standards (ESRS). This analysis enabled the identification of significant impacts, risks and opportunities, providing a comprehensive view of the company's environmental, social and governance performance, as well as outlining its commitment to long-term value creation for all stakeholders. In 2024, continuing the approach from previous years, stakeholder engagement to assess material impacts was carried out through the involvement of employees, teachers and customers from our bookstores.

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SUSTAINABILITY PLAN

The new 2025-2027 three-year Sustainability Plan enhances Mondadori Group's central role as a publisher, placing particular emphasis on social sustainability, alongside environmental and governance aspects. The results of the double materiality assessment are structured around three sustainability pillars, which are strongly connected to the company's identity and business strategy and are further broken down into goals, actions and targets.
The three identified pillars are:

- quality and social value of the publishing offer, through the promotion of reading and content accessibility;
- efficiency and environmental responsibility across the supply chain;
- empowerment and inclusion of people, through policies promoting diversity, social well-being, and human rights along the value chain.

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The results for the year ended 31 December 2024, approved on today's date by the Board of Directors, will be presented by the Mondadori Group Management to the financial community in a presentation scheduled today at 3:30 PM. The corresponding documentation will be available on 1Info (www.1info.it), at www.borsaitaliana.it and at www.gruppomondadori.it (Investors section). Journalists will be able to follow the proceedings of the presentation via webcast, by dialling +39028020927 and via web https://www.c-meeting.com/web3/join/MKRA9NDNUBPJNA.

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The Financial Reporting Manager - Alessandro Franzosi - hereby declares, pursuant to Article 154 bis, paragraph 2, of the Consolidated Finance Law, that the accounting information contained herein corresponds to the Company's records, books and accounting entries.

Annexes:

1. *Consolidated Statements of Financial Position*
2. *Consolidated Income Statement*
3. *Consolidated income statement - fourth quarter*
4. *Group cash flow*
5. *Arnoldo Mondadori Editore S.p.A. Statements of financial position*
6. *Arnoldo Mondadori Editore S.p.A. income statement*
7. *Arnoldo Mondadori Editore S.p.A. statement of cash flows*
8. *Glossary of terms and alternative performance measures used*
9. *Information pursuant to Schedule 7 of Annex 3a to CONSOB Regulation no. 11971/1999.*

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1. Consolidated Statements of Financial Position

(Euro/millions)	31/12/2024	31/12/2023	Change %
Trade receivables	175.1	164.4	6.5 %
Inventory	156.6	149.9	4.5 %
Trade payables	273.1	257.1	6.3 %
Other assets/ (liabilities)	(46.2)	(43.7)	n.s.
Net working capital from continuing operations	**12.5**	**13.6**	**(8.0) %**
Discontinued or discontinuing assets (liabilities)	—	1.7	n.s.
Net working capital	**12.5**	**15.3**	**(18.2)%**
Intangible assets	399.9	385.1	3.9 %
Property, plant and equipment	44.1	34.7	27.0 %
Investments	15.4	13.6	13.0 %
Net fixed assets with no rights of use IFRS16	**459.4**	**433.4**	**6.0 %**
Assets from rights of use IFRS16	76.4	68.8	11.2%
Net fixed assets with rights of use IFRS16	**535.9**	**502.2**	**6.7 %**
Provision for risks	29.0	40.8	(28.9)%
Post-employment benefits	29.3	29.2	0.3 %
Provisions	**58.3**	**70.0**	**(16.7)%**
Net invested capital	**490.0**	**447.4**	**9.5 %**
Share Capital	68.0	68.0	— %
Reserves	187.9	157.7	19.1%
Profit (loss) for the year	60.2	62.4	n.s.
Group shareholders' equity	**316.1**	**288.1**	**9.7 %**
Minority shareholders' equity	1.0	0.8	34.4 %
Equity	**317.1**	**288.8**	**9.8 %**
Net financial position excluding IFRS16	91.8	86.1	6.6 %
Net Financial Position IFRS 16	81.2	72.5	12.0 %
Net financial position	**173.0**	**158.6**	**9.1 %**
Sources	**490.0**	**447.4**	**9.5 %**

2. Consolidated Income Statement

(Euro/millions)	2024		2023		Change %
Revenue	**934.7**		**904.7**		***3.3%***
Industrial product cost	299.8	32.1%	289.1	32.0%	*3.7%*
Variable product costs	110.3	11.8%	107.9	11.9%	*2.2%*
Other variable costs	157.5	16.9%	156.0	17.2%	*1.0%*
Structural costs	67.1	7.2%	62.4	6.9%	*7.5%*
Extended labour cost	149.3	16.0%	143.6	15.9%	*4.0%*
Other expense (income)	(6.9)	(0.7%)	(6.3)	(0.7%)	*n.s.*
Adjusted EBITDA	**157.6**	**16.9%**	**152.1**	**16.8%**	***3.6%***
Restructuring	2.4	0.3%	6.5	0.7%	*n.s.*
Extraordinary expense (income)	0.2	0.0%	(3.3)	(0.4%)	*n.s.*
EBITDA	**155.0**	**16.6%**	**148.9**	**16.5%**	***4.1%***
Depreciation and amortisation	46.5	5.0%	42.4	4.7%	*9.6%*
Impairment and Write-Downs	0.5	0.1%	7.3	0.8%	*(93.1%)*
Depreciation and amortisation IFRS 16	15.9	1.7%	15.0	1.7%	*6.3%*
EBIT	**92.0**	**9.8%**	**84.2**	**9.3%**	***9.3%***
Financial expense (income)	5.8	0.6%	5.7	0.6%	*1.7%*
Financial expense IFRS16	2.5	0.3%	2.1	0.2%	*19.1%*
Expense (income) from investments	(0.4)	0.0%	(4.2)	(0.5%)	*n.s.*
EBT	**84.1**	**9.0%**	**80.5**	**8.9%**	***4.5%***
Tax expense (income)	21.7	2.3%	17.9	2.0%	*n.s.*
Minorities	2.2	0.2%	0.2	0.0%	*n.s.*
Group's net profit	**60.2**	**6.4%**	**62.4**	**6.9%**	***(3.5%)***

3. Consolidated income statement - fourth quarter

(Euro/millions)	Q4 2024		Q4 2023		Change %
Revenue	**228.9**		**224.8**		***1.8%***
Industrial product cost	84.8	37.1%	80.3	35.7%	*5.7%*
Variable product costs	27.9	12.2%	28.8	12.8%	*(3.4%)*
Other variable costs	36.0	15.7%	39.3	17.5%	*(8.3%)*
Structural costs	18.1	7.9%	18.5	8.2%	*(2.3%)*
Extended labour cost	40.2	17.6%	38.2	17.0%	*5.3%*
Other expense (income)	(2.4)	(1.1%)	(3.1)	(1.4%)	*n.s.*
Adjusted EBITDA	**24.3**	**10.6%**	**22.8**	**10.1%**	***6.6%***
Restructuring	1.9	0.8%	5.2	2.3%	*(64.2%)*
Extraordinary expense (income)	1.6	0.7%	0.2	0.1%	*n.s.*
EBITDA	**20.8**	**9.1%**	**17.4**	**7.7%**	***19.4%***
Depreciation and amortisation	12.4	5.4%	12.5	5.6%	*(1.3%)*
Impairment and Write-Downs	0.5	0.2%	7.3	3.2%	*(93.1%)*
Depreciation and amortisation IFRS 16	4.2	1.8%	3.8	1.7%	*8.2%*
EBIT	**3.7**	**1.6%**	**(6.3)**	**(2.8%)**	***(159.4%)***
Financial expense (income)	1.6	0.7%	1.1	0.5%	*53.1%*
Financial expense IFRS16	0.5	0.2%	0.6	0.3%	*(19.2%)*
Expense (income) from investments	(0.1)	0.0%	(1.3)	(0.6%)	*n.s.*
EBT	**1.7**	**0.7%**	**(6.6)**	**(2.9%)**	***n.s.***
Tax expense (income)	0.1	0.0%	(2.6)	(1.2%)	*n.s.*
Minorities	0.7	0.3%	(0.1)	(0.1%)	*n.s.*
Group's net profit	**0.9**	**0.4%**	**(3.9)**	**(1.7%)**	***n.s.***

4. Group cash flow

(Euro/millions)	31/12/2024	31/12/2023
Initial NFP IFRS 16	**(158.6)**	**(177.4)**
Financial liabilities application of IFRS 16	(72.5)	(71.3)
Initial NFP NO IFRS 16	**(86.1)**	**(106.1)**
Adjusted EBITDA (NO IFRS 16)	139.4	135.4
Delta Ccn and funds	(3.5)	(6.6)
CAPEX NO IFRS16	(44.0)	(38.0)
Cash flow from operations	**92.0**	**90.7**
Financial income (expense) no IFRS16	(4.6)	(5.1)
Tax	(16.1)	(16.9)
Cash flow from ordinary operations	**71.3**	**68.7**
Restructuring	(6.1)	(4.8)
Share capital increase/dividends non controlling interests and associates	(0.8)	0.8
Purchase/disposal	(25.7)	(5.4)
Other income and expenditure	(9.5)	(6.0)
Cash flow from extraordinary operations	**(42.2)**	**(15.3)**
Free cash flow	**29.1**	**53.5**
Shareholder dividends	(31.3)	(28.7)
Tot. cash flow	**(2.2)**	**24.8**
Change in Valuation of Derivatives	(3.5)	(4.7)
Net financial position excluding IFRS16	**(91.7)**	**(86.1)**
IFRS 16 effects in the period	(8.6)	(1.2)
Final net financial position	**(173.0)**	**(158.6)**

5. Arnoldo Mondadori Editore S.p.A. Statements of financial position

(Euro/millions)	2024	2023	% Chg.
Intangible assets	**8.5**	**6.0**	**41.7 %**
Investment property	—	—	— %
Land and building	—	—	— %
Plant and equipment	0.6	0.7	(14.3)%
Other fixed assets	7.6	4.3	76.7 %
Property, plant and equipment	**8.2**	**5.0**	**64.0 %**
Rights-of Use-Assets	**22.8**	**23.5**	**(3.0)%**
Subsidiaries	689.6	676.9	1.9 %
Investments in joint ventures and associates	7.8	7.3	6.8 %
Other investments	0.1	0.1	— %
Total investments	**697.4**	**684.3**	**1.9 %**
Non-current financial assets	2.9	6.2	(53.2)%
Deferred tax assets	1.3	1.4	(7.1)%
Other non-current assets	1.0	1.4	(28.6)%
Total non-current assets	**742.0**	**727.8**	**2.0 %**
Tax receivables	14.1	11.7	20.5 %
Other current assets	3.2	3.9	(17.9)%
Inventory	—	—	— %
Trade receivables	13.0	11.8	10.2 %
Other current financial assets	29.2	25.2	15.9 %
Cash and cash equivalents	101.2	39.1	158.8 %
Total current assets	**160.8**	**91.8**	**75.2 %**
Assets held for sale or transferred	—	—	— %
Total Assets	**902.8**	**819.6**	**10.2 %**

(Euro/millions)	2024	2023	% Chg.
Share Capital	68.0	68.0	— %
Treasury shares	(1.5)	(2.4)	(37.5)%
Other reserves and profit/loss carried forward	189.4	160.1	18.3 %
Profit (Loss) for the year	60.2	62.4	(3.5)%
Total Equity	**316.1**	**288.1**	**9.7 %**
Provisions	3.8	4.1	(7.3)%
Post-employment benefits	1.5	1.8	(16.7)%
Non-current financial liabilities	130.7	69.8	87.2 %
Financial liabilities IFRS 16	19.5	19.5	— %
Deferred tax liabilities	2.9	3.5	(17.1)%
Other non-current liabilities	—	—	— %
Total non-current liabilities	**158.4**	**98.7**	**60.5 %**
Income tax payables	—	—	— %
Other current liabilities	11.8	12.5	(5.6)%
Trade payables	16.9	17.5	(3.4)%
Payables to banks and other financial liabilities	395.6	398.2	(0.7)%
Financial liabilities IFRS 16	4.1	4.6	(10.9)%
Total current liabilities	**428.4**	**432.8**	**(1.0)%**
Liabilities held for sale or transferred	—	—	— %
Total liabilities	**902.8**	**819.6**	**10.2 %**

6. Arnoldo Mondadori Editore S.p.A. income statement

(Euro/millions)	2024		2023		% Chg.
Revenue	**46.0**		**43.1**		***6.7 %***
Industrial product cost	0.1	0.2 %	0.1	0.2 %	*— %*
Variable product costs	—	— %	0.1	0.2 %	*n.s.*
Other variable costs	0.1	0.2 %	0.1	0.2 %	*— %*
Structural costs	29.6	64.3 %	26.4	61.3 %	*12.1%*
Extended labour cost	22.6	49.1 %	22.1	51.3 %	*2.3 %*
Other expense (income)	(0.5)	(1.0)%	(0.1)	(0.2)%	*n.s.*
Adjusted EBITDA	**(5.9)**	**(12.9)%**	**(5.6)**	**(13.0)%**	***n.s.***
Restructuring	0.9	2.0 %	1.5	3.5 %	*(40.0)%*
Extraordinary expense (income)	0.7	1.5 %	0.4	0.9 %	*75.0 %*
EBITDA	**(7.5)**	**(16.4)%**	**(7.5)**	**(17.4)%**	***n.s.***
Depreciation and amortisation	3.2	7.0 %	4.3	10.0 %	*(25.6)%*
Impairments and write-downs	—	— %	—	— %	*n.s.*
Depreciation and amortisation IFRS 16	5.3	11.5%	5.6	13.0 %	*(5.4)%*
EBIT	**(16.0)**	**(34.9)%**	**(17.4)**	**(40.4)%**	***n.s.***
Financial expense (income)	7.4	16.1%	5.0	11.6%	*48.0 %*
Financial expense IFRS16	0.9	2.0 %	0.8	1.9 %	*12.5 %*
Expense (income) from investments	(81.1)	n.s.	(83.0)	n.s.	*n.s.*
EBT	**56.8**	**123.4 %**	**59.8**	**138.7 %**	***(5.1)%***
Tax expense (income)	(3.4)	(7.4)%	(2.6)	(6.0)%	*n.s.*
Net result for the period	**60.2**	**130.8 %**	**62.4**	**144.8 %**	***(3.6)%***

7. Arnoldo Mondadori Editore S.p.A. statement of cash flows

(Euro/millions)	2024	2023	% Chg.
Net profit	60.2	62.4	(3.5)%
Adjustments			
Depreciation and amortisation, and write-downs	8.5	9.9	(14.1)%
Income tax for the period	(3.4)	(2.6)	30.8 %
Stock Options	0.6	0.7	(14.3)%
Provisions and post-employment benefits	(0.7)	0.3	n.s.
Gains (losses) from disposal of intangible assets, property plant and equipment and investments	—	(1.2)	n.s.
(Income)/expense from securities valuation	—	—	n.s.
(Income)/expense from measurement of investments at equity	(81.1)	(81.9)	(1.0)%
Net financial expense (income) on loans, leases and derivative transactions	9.1	8.9	2.2 %
Other non-monetary adjustments to discontinued operations	—	—	— %
Cash flow generated from operations	**(6.7)**	**(3.5)**	**91.4%**
(Increase) decrease in trade receivables	(1.2)	1.9	n.s.
(Increase) decrease in inventory	—	—	— %
Increase (decrease) in trade payables	0.2	(1.8)	n.s.
(Payment) cash in from income tax	2.8	2.9	(3.4)%
Increase (decrease) in provisions and post-employment benefits	—	(0.1)	n.s.
Net change in other assets/liabilities	(1.1)	(2.9)	(62.1)%
Net change in discontinued operations	—	—	— %
Net change in contribution	—	—	— %
Cash flow generated from (absorbed by) operations	**(6.0)**	**(3.5)**	**71.4%**
Price collected (paid) net of cash transferred/acquired	—	—	— %
(Purchase) disposal of intangible assets	(4.0)	(3.0)	33.3 %
(Purchase) disposal of property, plant and equipment	(5.8)	(1.5)	286.7 %
(Purchase) disposal of investments	(0.4)	(3.8)	(89.5)%
(Purchase) disposal of discontinued operations	—	—	— %
Income from investments - dividends	70.6	69.1	2.2 %
(Purchase) disposal of securities	—	—	n.s.
(Purchase) disposal from contribution	—	—	— %
Cash flow generated from (absorbed by) investing activities	**60.3**	**60.8**	**(0.8)%**
Increase (decrease) in payables to banks for loans	57.5	(15.8)	n.s.
Change in other financial assets - Intercompany	(4.6)	1.0	n.s.
Change in other financial liabilities - Intercompany	0.7	(13.6)	n.s.
(Purchase) disposal of treasury shares	(0.5)	(1.2)	(58.3)%
Net change in other financial assets/liabilities	(11.3)	17.4	n.s.
Dividends payment	(31.3)	(28.7)	9.1%
Cash in of net financial income (payment of net financial expense) on loans and transactions in derivatives	(2.7)	(2.7)	— %
Cash flow generated from (absorbed by) discontinued operations	—	—	— %
(Purchase) disposal from contribution	—	—	— %
Cash flow generated from (absorbed by) financing activities	**7.8**	**(43.6)**	**n.s.**
Increase (decrease) in cash and cash equivalents	**62.1**	**13.8**	**350.0 %**
Increase (decrease) in cash from contribution		**—**	**— %**
Cash and cash equivalents at beginning of the period	**39.1**	**25.3**	**54.5 %**
Cash and cash equivalents end of period	**101.2**	**39.1**	**158.8%**

8. Glossary of terms and alternative performance measures used

This document, in addition to the statements and conventional financial measures required by IFRS, presents a number of reclassified statements and alternative performance measures, in order to provide a better understanding of the operating and financial performance of the Group. These statements and measures should not be considered as a replacement of those required by IFRS. With regard to these figures, in accordance with the recommendations contained in CONSOB Communication no. 6064293 of 28 July 2006, and in CONSOB Communication no. 0092543 of 3 December 2015, as well as with the 2015/1415 ESMA guidelines on alternative performance measures ("Non-GAAP Measures"), explanations are given on the criteria adopted in their preparation and the relevant notes to the items appearing in the mandatory statements.
Specifically, the alternative measures used include:
Gross Operating Profit (EBITDA): net profit for the period before income tax, other financial income and expense, amortisation, depreciation and write-downs of fixed assets. The Group also provides information on the percentage of EBITDA on net sales. EBITDA measured by the Group allows operating results to be compared with those of other companies, net of any effects from financial and tax items, and of depreciation and amortization, which may vary from company to company for reasons unrelated to general operating performance.
Adjusted gross operating profit (adjusted EBITDA): gross operating profit as explained above, net of income and expense of a non-ordinary nature such as:
income and expense from restructuring, reorganization and business combinations;
• clearly identified income and expense not directly related to the ordinary course of business;
• any income and expense from non-ordinary events and transactions as set out in CONSOB Communication DEM6064293 of 28/07/2006.

(Euro/thousands)	2024	2023
Gross Operating Profit - EBITDA (as shown in the financial statements)	**154,969**	**148,896**
Restructuring costs under "Cost of personnel"	2,406	6,450
Expenses related to acquisition and sale of companies and business units, sundry expense (income) and cost of services	203	(3,261)
Adjusted Gross Operating Profit - Adjusted EBITDA (as shown in the Directors' Report on Operations)	**157,579**	**152,085**

With reference to adjusted EBITDA in 2023, the following items were excluded from EBITDA:
• restructuring costs for a total amount of € 6.5 million, included in "Cost of personnel" in the income statement;
• income of a non-ordinary nature for a total of € 3.3 million, included in "Sundry expense (income)" and "Cost of services".
With reference to adjusted EBITDA in 2024, the following items were excluded from EBITDA:
• restructuring costs for a total amount of € 2.4 million, included in "Cost of personnel" in the income statement;
• expense of a non-ordinary nature for a total of € 0.2 million, included in "Sundry expense (income)" and "Cost of services".
Operating result (EBIT): net profit for the period before income tax, and other financial income and expense.
Adjusted operating profit (EBIT Adjusted): this is represented by the operating result, as defined above, excluding income and expense of non-ordinary nature, as defined previously, depreciation and amortisation deriving from the Purchase Price Allocation of companies acquired in the last five years, and the write-downs of intangible assets.
Operating profit (EBT): EBT or consolidated result before tax is the net profit for the period before income tax.
Net Profit adjusted: this is the net profit excluding income and expense of non-ordinary nature, amortisation and depreciation deriving from the purchase price allocation of companies acquired in the last five years and write-downs of intangible assets net of the related tax effect and gross of any non-recurring tax expense/income.

Net invested capital: 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 funds 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).
Cash flow from operations: adjusted EBITDA, as explained above, plus or minus the decrease/(increase) in working capital in the period, minus capital expenditure (CAPEX/Investment).
Cash flow from ordinary operations: cash flow from operations as explained above, net of financial expense, tax paid in the period, and income/expense from investments in associates.
Cash flow from non-ordinary operations: 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).
Total Cash Flow: the sum of cash flow from ordinary and non-ordinary operations in the reporting period (including payment of dividends, if any).

9. Information pursuant to Schedule 7 of Annex 3a to CONSOB Regulation no. 11971/1999.

Remuneration plans based on financial instruments

Name or category	Position (to be shown only for persons appearing by name)	BOX 1 (financial instruments other than stock options)						
		Section 2 Newly-assigned instruments based on the decision of the body responsible for implementing the shareholders' resolution						
		Date of shareholders' resolution	Type of financial instruments	Number of financial instruments assigned by the BoD (a)	Date of assignment (b)	Purchase price of instruments, if applicable	Market price at assignment (c)	Vesting period
Antonio Porro	Chief Executive Officer of Arnoldo Mondadori Editore S.p.A.	28.04.2022	Arnoldo Mondadori Editore S.p.A. shares	96,565	12.3.2025	N.S.	2,03	1.1.2022 – 31.12.2024
Alessandro Edoardo Franzosi	CFO and Director of Arnoldo Mondadori Editore S.p.A.	28.04.2022	Arnoldo Mondadori Editore S.p.A. shares	72,424	12.3.2025	N.S.	2,03	1.1.2022 – 31.12.2024
Key management personnel of Arnoldo Mondadori Editore S.p.A.	Executives	28.04.2022	Shares Arnoldo Mondadori Editore S.p.A.	240,609	12.3.2025	N.S.	2,03	1.1.2022 – 31.12.2024
Other employees of Arnoldo Mondadori Editore S.p.A. and its subsidiaries	Executives	28.04.2022	Shares Arnoldo Mondadori Editore S.p.A.	98,176	12.3.2025	N.S.	2,03	1.1.2022 – 31.12.2024

(a) The number of shares refers to the allocations approved by the Board of Directors on 12 March 2025.
(b) The shares were granted by the Board of Directors meeting held on 12 March 2025, with effect from 15 May 2025; the Remuneration and Appointments Committee expressed its proposal on 03 March 2025.
(c) Price on 11 March 2025.