INTERIM MANAGEMENT REPORT 31 MARCH 2025

GRUPPO MONDADORI

ARNOLDO MONDADORI EDITORE S.p.A.

Share Capital Euro 67,979,168.40

Registered Office in Milan
Administrative Offices in Segrate (Milan)

CONTENTS

COMPOSITION OF CORPORATE BODIES

CORPORATE OFFICES AND SUPERVISORY BODIES

Board of Directors*

CHAIRMAN
Marina Berlusconi

CEO
Antonio Porro

DIRECTORS
Pier Silvio Berlusconi
Elena Biffi**
Pietro Bracco**
Francesco Currò
Alessandro Franzosi
Paola Elisabetta Galbiati**
Danilo Pellegrino
Riccardo Perotta**
Cristina Rossello
Marina Rubini**

Board of Statutory Auditors*

CHAIRMAN
Sara Fornasiero

STANDING AUDITORS
Francesca Meneghel
Emilio Gatto***

ALTERNATE AUDITORS

Mario Civetta
Annalisa Firmani

* The Board of Directors and the Board of Statutory Auditors currently in office were appointed by the Shareholders' Meeting of 24 April 2024

*** Independent Director

*** Emilio Gatto took over as Standing Auditor of Arnoldo Mondadori Editore S.p.A. on 21 December 2024 to replace Ezio Simonelli, who resigned on that same date.

MONDADORI GROUP STRUCTURE

ARNOLDO MONDADORI EDITORE S.P.A.

Trade Books

- Mondadori Libri S.p.A. 100%
  - A.L.I. S.r.l. - Agenzia Libraria International 100%
    - Il Castello S.r.l. 100%
  - Bookrepublic Webnovels S.r.l. 52,2%
  - De Agostini Libri S.r.l. 50%
  - Edizioni Star Comics S.r.l. 75,5%
  - Electa S.p.A. 100%
    - Abscondita S.r.l. 100%
    - SE Studio Editoriale S.r.l. 100%
  - Giulio Einaudi editore S.p.A. 100%
    - Edizioni EL S.r.l. 50%
  - Grafiche Bovini S.r.l. 100%
  - Libromania S.r.l. 100%
  - Rizzoli International Publications Inc. 100%
    - Chelsea Green Publishing Co. Inc. 100%
    - Rizzoli Bookstores Inc. 100%
  - Star Shop Distribuzione S.r.l. 51%

Education Books

- Mondadori Education S.p.A. 100%
  - D Scuola S.p.A. 100%
  - Rizzoli Education S.p.A. 99,99%

Retail

- Mondadori Retail S.p.A. 100%

Media

- Mondadori Media S.p.A. 100%
  - AdKaora S.r.l. 100%
    - Hej! S.r.l. 100%
    - Digital Advertising & Engagement S.L. 100%
  - Direct Channel S.p.A. 100
    - Mondadori Seec (Beijing) Advertising Co. Ltd 50%
  - Fatto in casa da Benedetta S.r.l. 51%
  - Press-di S.r.l. 20%
  - Zenzero S.r.l. 73%
- Attica Publications S.p.A. 41,98%

Other activities

- Mondadori Plai S.r.l. 100%

Key terms: Subsidiary Companies (light grey) · Associates (dark grey)

Associates: Mondadori Seec (Beijing) Advertising Co. Ltd, Press-di S.r.l., Attica Publications S.p.A., Edizioni EL S.r.l.

As at 31 March 2025

MONDADORI GROUP
ORGANIZATION CHART

Marina Berlusconi*
Chairman

Antonio Porro*
Chief Executive Officer

Alessandro Franzosi*
Group Chief Financial Officer

Daniele Sacco
Head of Human Resources and Organisation, Legal and Corporate Affairs

Federico Angrisano
Communication and Media Relations Director

Francesca Rigolio
Chief Sustainability Officer

Enrico Selva Coddè
Vice Chairman and Chief Executive Officer of Mondadori Libri S.p.A.

Gian Luca Pulvirenti
Chief Executive Officer of Mondadori Education S.p.A.

Carmine Perna
Chief Executive Officer of Mondadori Retail S.p.A.

Carlo Mandelli
Chief Executive Officer of the Magazine Area of Mondadori Media S.p.A. and Group Strategic Development Manager

Andrea Santagata
Chief Executive Officer of the Digital and MarTech Area of Mondadori Media S.p.A. and Group Chief Innovation Officer

At 31 March 2025

* Members of the Board of Directors

Directors’ Report on Operations at 31 March 2025

Mondadori Group's highlights in the first quarter of 2025

(Euro/millions) **Income Statement**	**3M 2025**	**3M 2024**	***% Chg.***
Revenue	**164.4**	**166.1**	**(1.0%)**
Adjusted EBITDA*	**1.8**	**4.8**	**(62.6%)**
EBITDA	**1.3**	**5.7**	**(76.7%)**
EBIT	**(13.9)**	**(8.7)**	**n.s.**
Adjusted EBIT*	***(11.4)***	***(7.7)***	***n.s.***
Group's net profit	**(13.0)**	**(7.1)**	**n.s.**
Adjusted Net Profit**	***(11.2)***	***(6.4)***	***n.s.***
Business Areas			
Revenue	**164.4**	**166.1**	***(1.0%)***
Trade Books	86.7	90.6	*(4.4%)*
Education Books	8.7	9.2	*(5.6%)*
Retail	47.1	45.4	*3.7%*
Media	33.6	32.0	*5.0%*
Corporate & Shared Services	11.7	10.8	*8.8%*
Intercompany	(23.3)	(21.9)	*6.6%*
Adjusted EBITDA	**1.8**	**4.8**	***(62.6%)***
Trade Books	9.6	14.8	*(35.3%)*
Education Books	(13.2)	(13.8)	*n.s.*
Retail	2.3	2.3	*(2.8%)*
Media	5.4	3.2	*72.2%*
Corporate & Shared Services	(1.8)	(1.3)	*n.s.*
Intercompany	(0.5)	(0.4)	*n.s.*
Balance Sheet			
Group Equity	**301.2**	**279.5**	***7.7%***
Net Invested Capital	**515.0**	**485.7**	***6.0%***
Net Financial Position no IFRS 16	**134.1**	**133.3**	***0.6%***
Net Financial Position IFRS 16	**212.8**	**205.5**	***3.5%***
Operating and Financial Indicators			
Adj. EBITDA on Revenue (%)	**1.1%**	**2.9%**	
Net result on Revenue (%)	**(7.9%)**	**(4.3%)**	
Human resources			
End-of-year headcount	**2,150**	**2,026**	***6.1%***

Changes in this report were calculated on amounts expressed in Euro thousands

* Gross operating profit before income and expenses of a non-ordinary nature

** EBIT excluding non-ordinary income and expense, depreciation and amortisation deriving from the purchase price allocation of the companies acquired in the last five years and the impairment of intangible assets.

*** Adjusted Net Profit is calculated excluding income and expenses of a non-ordinary nature, depreciation and amortisation deriving from the purchase price allocation of the companies acquired in the last five years and the impairment of intangible assets net of the related tax effect. Any non-recurring tax expense/income is also excluded.

MARKET HIGHLIGHTS AND MAIN ECONOMIC INDICATORS OF THE MONDADORI GROUP

FY 2025 started with a weaker book market (-3.4% in value) compared with 2024 due to multiple factors including, in particular, unfavourable calendar effects whereby the Easter holidays ended up in the second quarter, the criteria for the award of the Culture and Merit Cards (ex APP18) were changed, partly impacting an efficient distribution of the relevant funds and a smaller number of new publications in general.

These market dynamics negatively affected the revenues of the Group's publishing houses in the **Trade Books** area, which in any case successfully confirmed their domestic **leadership** position with a **market share** of **26.2%**.

Despite the negative context of the book market, the **Retail** area recorded excellent performance in the quarter under review, highlighting **comprehensive growth in revenues of 3.7% and organic growth of approximately 1.5%**, which made it possible, thanks to the excellent results booked by physical stores, to take the **Book market share** to **12.8%** (up 0.5% compared with March 2024); growth would have been 3.8% excluding the negative impact of the temporary closure linked to the restyling project of the Rizzoli Milan book store, only recently reopened to the public.

As for the **Education books** area, it is noted that the results for the first quarter are irrelevant, as the business unit only accounts for the costs of the operating structure and the development of textbooks sold during the adoption campaign, which is completed at the end of May.

Revenue in the **Media** area in the first quarter of FY 2025 **increased significantly, by 5%** compared to the previous year, stemming from the **strong growth (+19%) in the Digital component, which more than offset the structural downturn recorded by traditional activities**.

At a consolidated level, during the first quarter of FY 2025, the Group confirmed its capacity to guarantee solid cash generation with **LTM cash flow from ordinary operations of € 68 million**.

These results, **in line with the relevant Group provisions**, allow us, as better detailed below, to confirm **the outlook for FY 2025**.

CONSOLIDATED FINANCIAL HIGHLIGHTS IN THE FIRST QUARTER OF 2025

(Euro/millions)	3M 2025		3M 2024		Change %
Revenue	**164.4**		**166.1**		***(1.0***
Industrial product cost	61.5	*37.4%*	56.9	*34.2%*	*8.1%*
Variable product costs	21.0	*12.8%*	22.6	*13.6%*	*(7.3%)*
Other variable costs	29.1	*17.7%*	29.8	*17.9%*	*(2.5%)*
Structural costs	16.6	*10.1%*	15.4	*9.3%*	*7.5%*
Extended labour cost	38.6	*23.5%*	37.8	*22.8%*	*2.2%*
Other expense (income)	(4.2)	*(2.5%)*	(1.2)	*(0.7%)*	*n.s.*
Adjusted EBITDA	**1.8**	***1.1%***	**4.8**	***2.9%***	***(62.***
Restructuring	0.2	*0.1%*	—	*0.0%*	*n.s.*
Extraordinary expense (income)	0.3	*0.2%*	(1.0)	*(0.6%)*	*n.s.*
EBITDA	**1.3**	***0.8%***	**5.7**	***3.5%***	***(76.***
Depreciation and amortisation	11.6	*7.1%*	10.7	*6.4%*	*8.4%*
Depreciation and amortisation IFRS	3.6	*2.2%*	3.7	*2.2%*	*(2.5%)*
EBIT	**(13.9)**	***(8.5%)***	**(8.7)**	***(5.2%)***	***n.s.***
Financial expense (income)	1.2	*0.8%*	0.8	*0.5%*	*47.9%*
Financial expense IFRS16	0.8	*0.5%*	0.6	*0.4%*	*28.8%*
Expense (income) from investments	0.5	*0.3%*	0.1	*0.0%*	*n.s.*
EBT	**(16.4)**	***(10.0%)***	**(10.2)**	***(6.1%)***	***n.s.***
Tax expense (income)	(3.5)	*(2.1%)*	(4.1)	*(2.5%)*	*n.s.*
Minorities	—	*0.0%*	1.0	*0.6%*	*n.s.*
Group's net profit	**(13.0)**	***(7.9%)***	**(7.1)**	***(4.3%)***	***n.s.***

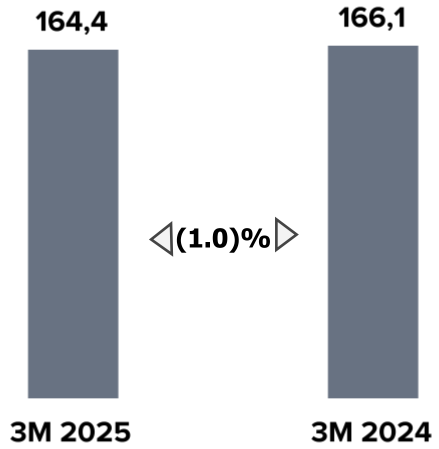
Cost of personnel includes costs for collaborations and temporary employment.

ALTERNATIVE PERFORMANCE MEASURES

This document, in addition to the conventional statements and 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, the definition of which is explained in the section "Glossary of terms and alternative performance measures used".

INCOME STATEMENT

REVENUE



Consolidated revenue for the first quarter of FY 2025 amounted to € **164.4** million (€ 166.1 million during the same period of 2024), showing a slight downturn, **of 1.0%** over the previous year. Like-for-like, due to the inclusion of Star Shop (for one month), Chelsea Green Publishing (from 1 May 2024) and Fatto in Casa da Benedetta (1 October 2024), the revenue declined by 3.5%.

In the **Trade Books** area, revenues recorded a **decline of 4.4%**, or a reduction of 6% on a like-for-like basis (net of the consolidation of Chelsea Green Publishing and the distribution activities of Star Shop) and net of the impact of the end of the concession covering the Roman archaeological area of the Coliseum. During the quarter under review, this performance suffered the absence of a commercial transaction (implemented in Q1 2024 on the *Star Comics* brand), as well as a different monthly scheduling of the publishing plan of New items and a slowing of supplies of *Mondadori* brand catalogue titles, which came amidst a negative context of the start of the year of the Italian Book market.

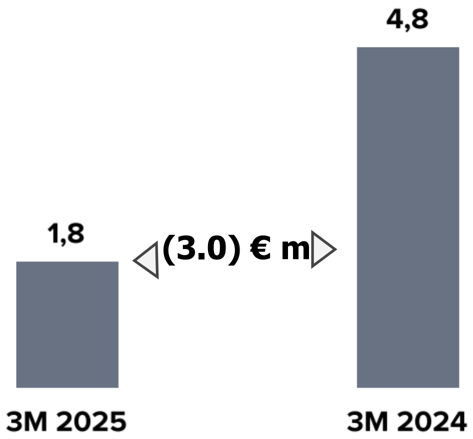
In the **Education Books** area, during the first three months of 2025, the school textbooks business recorded comprehensive revenues of € 8.7 million, down 5.7% on the previous year (€ 9.2 million); this performance is not suggestive of the whole year trend, mainly due to the restocking dynamics of management customers.

In the period under review, the **Retail** area recorded **growth of 3.7%** compared with the previous year; net of revenues from Star Shop's retail business, growth came to **1.5%**, despite the weakness of the **Book product** due to the reference market trend during the quarter and despite the negative impact (estimated as approximately € 1 million) of the temporary closure for complete renewal of the Rizzoli Milan book store, net of which **growth would have come to 3.8%**.

The **Media** area presented revenues of € 33.6 million, **up by 5%** compared with the same quarter of the previous year, thanks to the **significant increase of the digital component, which has more than offset the structural downturn recorded by the traditional businesses:** the **digital businesses**, which account for **approximately 47%** of the area's total **revenues**, have shown in fact, during the FY 2025, **comprehensive growth of 19%** (approximately +14% like-for-like), deriving in particular from the positive performance of the MarTech segment (+22%) and excellent results of the social agency business.

REVENUE by Business Area (Euro/millions)	**3M 2025**	**3M 2024**	***Change %***
Trade Books	86.7	90.6	*(4.4%)*
Education Books	8.7	9.2	*(5.6%)*
Retail	47.1	45.4	*3.7%*
Media	33.6	32.0	*5.0%*
Corporate & Shared Services	11.7	10.8	*8.8%*
Total aggregated revenue	**187.7**	**188.0**	***(0.1%)***
Intercompany	*(23.3)*	*(21.9)*	*6.6%*
Total consolidated revenue	**164.4**	**166.1**	***(1.0%)***

EBITDA



Adjusted EBITDA for the first quarter of FY 2025, equal to **€ 1.8 million**, recorded a decline of € 3 million compared with the € 4.8 million of the same period of 2024, due to the Trade Books area.

More specifically, the various business segments achieved the following results:

- the **Trade Books** area showed an adjusted EBITDA of € 9.6 million, down approximately € 5 million due to the lesser margins deriving from the decline in period revenues, both in connection with paper and digital products, and the end of the Electa museum activities under the Coliseum concession; in addition, as already pointed out for the revenue trend, the quarter's margins also reflect the failure of the publisher *Star Comics* to operate commercially, implemented in Q1 2024;

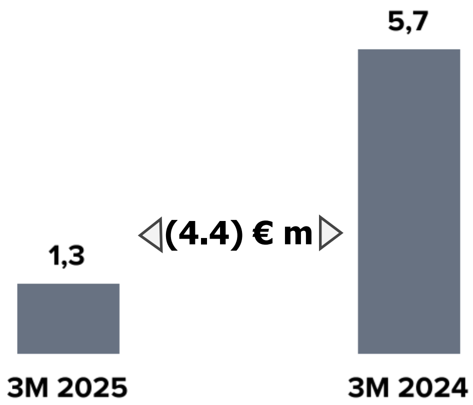
- during the first quarter of FY 2024, the **Education Books** area recorded a negative € 13.2 million, showing an **improvement** compared with the € (13.8) million recorded in the same period of 2024, due to the lesser operating costs and structural costs; it is recalled that this negative result is not significant as rather it is due to the clarified seasonal nature of the business;

- during the quarter under review, the **Retail** area recorded a result of € 2.3 million, highlighting, despite the negative impact deriving from the three months of closure of the Rizzoli Milan book store, essential stability compared with the same period of 2024 (€ 2.3 million), which confirms the constant improvement in performance seen for several years now;

- during the period under review, the **Media** area recorded € 5.4 million, up € 2.3 million, making for approximately **72% growth** compared with the previous year, mainly due to the traditional activities segment (€ +1.7 million), which benefited from greater income deriving from government grants and the constant optimisation of the cost structure;

- the Corporate & Shared Services area recorded a negative margin of € 1.8 million, worse than the € -1.3 million in the first quarter of 2024, as a result of the higher costs linked to certain innovation projects, including that relating to the launch of PLAI, the Mondadori Group's accelerator in the field of Generative Artificial Intelligence and the migration to the cloud of all the Group's information systems;

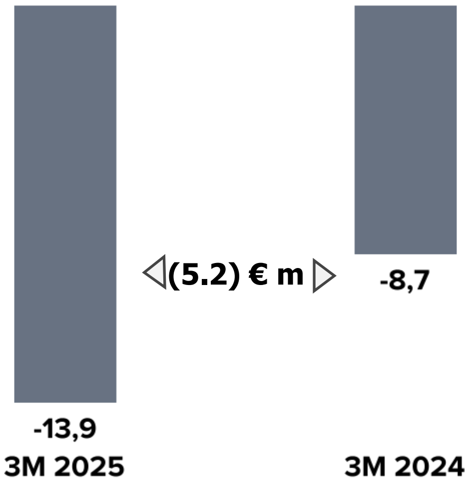
Adj. EBITDA by business area (Euro/millions)	**3M 2025**	**3M 2024**	***Change***
Trade Books	9.6	14.8	*(5.2)*
Education Books	(13.2)	(13.8)	*0.5*
Retail	2.3	2.3	*(0.1)*
Media	5.4	3.2	*2.3*
Corporate & Shared Services	(1.8)	(1.3)	*(0.5)*
Intercompany	(0.5)	(0.4)	*(0.1)*
Total ADJUSTED EBITDA	**1.8**	**4.8**	***(3.0)***



The Group's **reported EBITDA** for the first three months of FY 2024 amounted to **€ 1.3 million**, showing a decrease of € 4.4 million compared to the same quarter of the previous year, which had benefited, in addition to the dynamics of the management components described above, from lower restructuring costs and the release of some provisions for risks in the Media area, allocated against contingent liabilities that did not materialise.

EBITDA by Business Area (Euro/millions)	**3M 2025**	**3M 2024**	***Change***
Trade Books	9.2	14.7	*(5.6)*
Education Books	(13.2)	(13.8)	*0.5*
Retail	2.2	2.3	*(0.1)*
Media	5.4	4.1	*1.3*
Corporate & Shared Services	(1.9)	(1.3)	*(0.5)*
Intercompany	(0.4)	(0.4)	*0.0*
Total EBITDA	**1.3**	**5.7**	***(4.4)***

EBIT

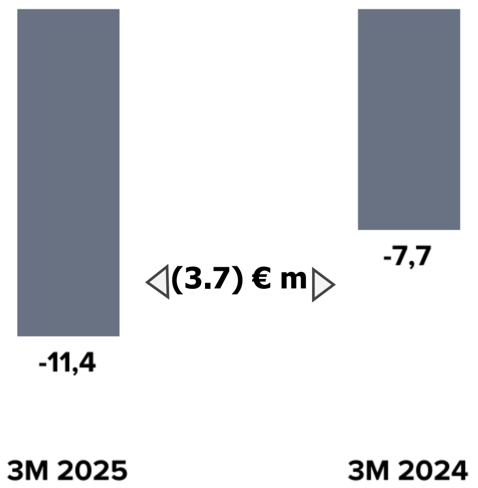


The Mondadori Group's **EBIT** for the first three months of 2025 was **negative by € 13.9 million,** showing a **decrease of** € 5.2 million compared to the same quarter of 2024, which is attributable, in addition to what has already been described, to the higher depreciation and amortisation recognised in the period under review for a total of € 0.8 million, concentrated in particular in the Trade Books area.

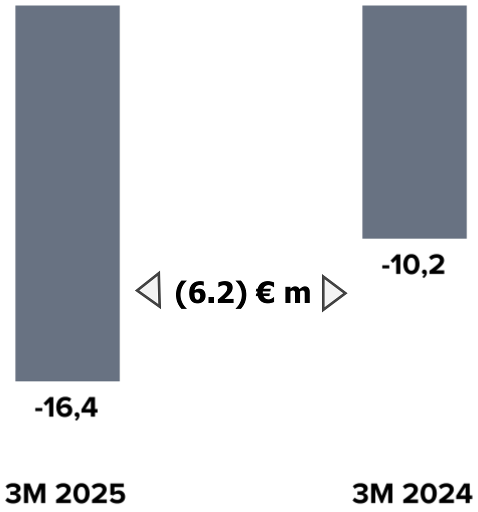
Neutralising the extraordinary items and the amortisation deriving from the allocation of the price for the companies acquired in the last five years (PPA), **Adjusted EBIT** for the first quarter of FY 2025 would stand at € (11.4) million, compared with the € (7.7) million of the same period of the previous year.

EBIT by Business Area (Euro/millions)	**3M 2025**	**3M 2024**	***Change***
Trade Books	6.3	12.2	*(5.9)*
Education Books	(18.5)	(19.1)	*0.6*
Retail	(0.9)	(0.5)	*(0.4)*
Media	3.7	2.5	*1.2*
Corporate & Shared Services	(4.1)	(3.4)	*(0.7)*
Intercompany	(0.4)	(0.4)	*(0.1)*
Total EBIT	**(13.9)**	**(8.7)**	***(5.2)***

ADJUSTED EBIT



CONSOLIDATED RESULT BEFORE TAX

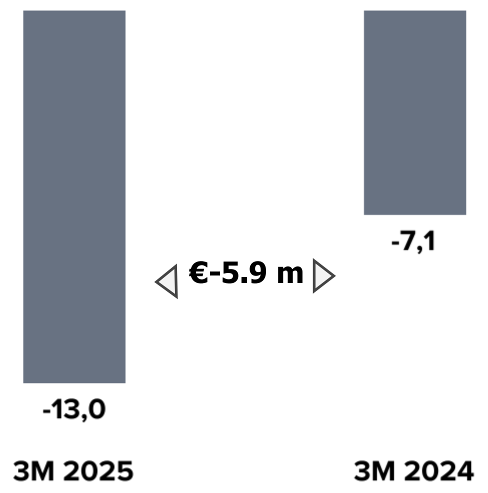


The **consolidated result before tax** for Q1 2025 is negative by € 16.4 million, down by approximately € 6 million from the € (10.2) million recorded on 31 March 2024, mainly due to the additional effect of the lower contribution, **of approximately € 0.5 million, from the earnings of associates and greater financial expense**, which recorded an overall **increase of € 0.6 million** deriving mainly from:

- higher bank interest on loan facilities due to the higher cost of debt (the "all-in cost" – i.e. including accessory expenses – came to 2.66% compared with 2.24% at 31 March 2024) and higher average debt;

- higher IFRS 16 debt.

NET PROFIT

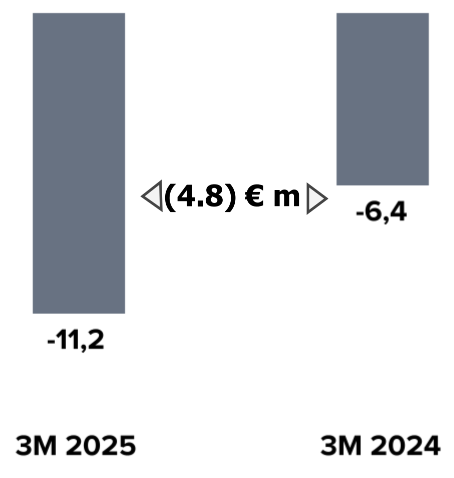


The **Group's net profit at 31 March 2025**, after minority interests, was a **loss** of **€ 13 million**, down by about € 6 million compared to the € (7.1) million recorded in the first quarter of the 2024 financial year. This performance occurred despite a lower share of minority interest resulting from the acquisitions completed during the current financial year: the remaining 25% of the share capital of ALI and an additional 24.5% stake in Edizioni Star Comics.

Tax income for the first quarter of FY 2025 is positive for € 3.5 million compared with the € 4.1 million at 31 March 2024, despite a lower pre-tax result: this result is due to a different form of taxation affecting the contributions recognised to the Media area (the paper contributions from which the business unit benefited during Q1 2024 are exempt from tax, while the contributions in respect of the number of copies sold obtained during Q1 2025 are instead taxed).

Adjusted Net Result, net of all non-recurring items, **would amount to € (11.2) million**, compared to €(6.4) million in the first quarter of the previous financial year.

ADJUSTED NET PROFIT



FINANCIAL RESULTS

NET INVESTED CAPITAL

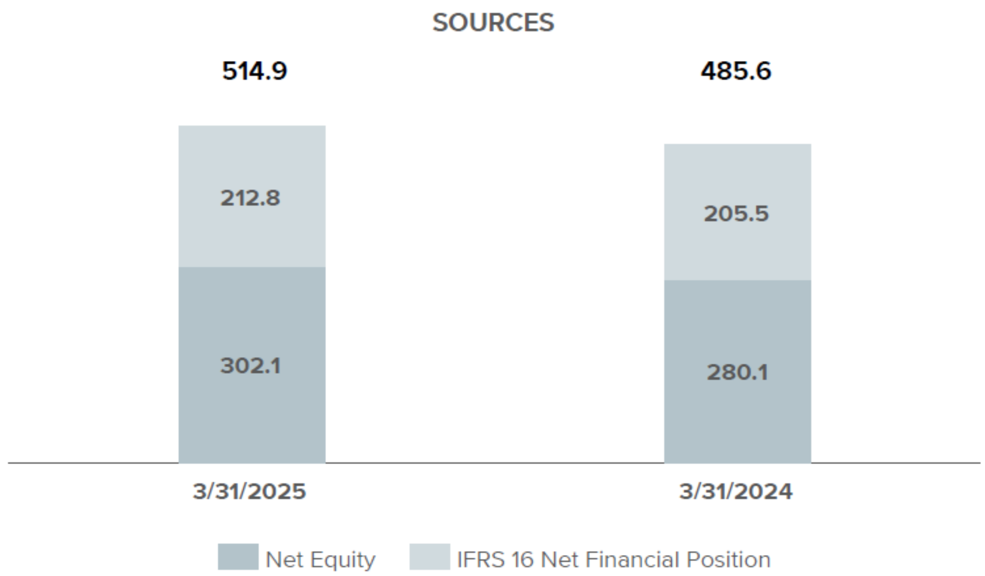
The **Group's Net Invested Capital at 31 March 2025** came to **€ 515.0 million,** up, by 6%, on the € 485.7 million at 31 March 2024, mainly due to the acquisitions completed in the last twelve months, openings of directly operated stores in the Retail area and investments made to requalify the Group's headquarters.

The Group's **Net Working Capital** amounted to € 43.4 million, down approximately 6% from the € 46.1 million in the prior twelve months.

Net Fixed Assets are € **528.5** million, up 4.3% compared with the € 506.9 million at 31 March 2024, mainly due to the consolidation of the companies acquired recently, as well as investments made in the Education Books area for new publications, in the Retail area for the opening of new new bookshops, and in the Corporate area for the renovation of the Segrate headquarters.

Excluding the effects of IFRS 16, Net Fixed Assets come to € 455.0 million, up 3.7% on the € 438.5 million of 31 March 2024 due to the aforementioned phenomena.

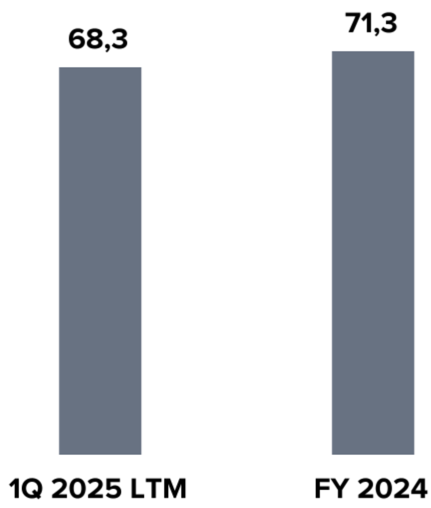
Consolidated equity at 31 March 2025 **increased by approximately € 22 million** compared to the previous year, despite the distribution of around € 31 million in dividends, as a result of the **Group's positive net profit** recognised as approximately € 56 million for the Group recorded over the past twelve months.



The **Net Financial Position gross of IFRS 16** as at 31 March 2025, stood at € -134.1 million (net debt), essentially stable compared with the € -133.3 million as at 31 March 2024. The Group's **strong cash generation from operations** enabled the financing of the acquisitions of Chelsea Green Publishing and Fatto in casa da Benedetta, as well as the increasing shareholder remuneration, without significantly raising the Group's financial exposure.

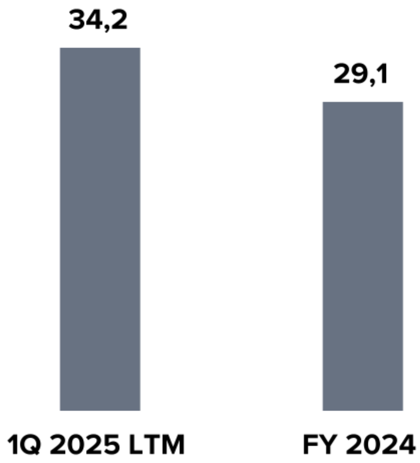
Net Financial Position gross of IFRS 16 as at 31 March 2025 stood at **€ -212.8 million** (net debt), up by approximately € 7 million from € -205.5 million at 31 March 2024, due to a larger IFRS 16 debt component of approximately € 6 million as a result of the renovation and development of the network of directly-managed book stores in the Retail area.

CASH FLOW FROM ORDINARY OPERATIONS



Cash flow from ordinary operations (i.e. after cash-out for financial expense and tax) for the twelve months preceding 31 March 2025 amounted to over **€ 68 million**, enabling the Group to finance its development strategy and provide increasing remuneration to shareholders, without compromising the Group's financial soundness and further strengthening.

FREE CASH FLOW



As at 31 March 2025, **extraordinary cash flow was negative by approximately € 34 million**, mainly due to cash-out related to net balance of **acquisitions and disposals for around € 18 million**, restructuring costs of around € 5 million and the costs relating to the renovation of the Segrate headquarters of around € 6 million.

As a result, **Free Cash Flow as at 31 March 2025 was positive at € 34.2 million**, confirming the Group's ability to self-finance its inorganic growth strategy.

Lastly, the Group recorded **dividends to its shareholders of € 31.3 million** in the last twelve months.

PERFORMANCE BY BUSINESS AREA

PERFORMANCE BY BUSINESS AREA

(Euro/millions)	Revenue		Adjusted EBITDA		EBITDA		Depreciation and amortisation, and write-downs		Operating income (loss)	
	3M 2025	3M 2024	3M 2025	3M 2024	3M 2025	3M 2024	3M 2025	3M 2024	3M 2025	3M 2024
Trade Books	86.7	90.6	9.6	14.8	9.2	14.7	(2.9)	(2.5)	6.3	12.2
Education Books	8.7	9.2	(13.2)	(13.8)	(13.2)	(13.8)	(5.3)	(5.3)	(18.5)	(19.1)
Retail	47.1	45.4	2.3	2.3	2.2	2.3	(3.1)	(2.8)	(0.9)	(0.5)
Media	33.6	32.0	5.4	3.2	5.4	4.1	(1.7)	(1.7)	3.7	2.5
Corporate & Shared Services	11.7	10.8	(1.8)	(1.3)	(1.9)	(1.3)	(2.2)	(2.1)	(4.1)	(3.4)
Intercompany	(23.3)	(21.9)	(0.5)	(0.4)	(0.4)	(0.4)	—	—	(0.4)	(0.4)
Consolidated total	**164.4**	**166.1**	**1.8**	**4.8**	**1.3**	**5.7**	**(15.2)**	**(14.3)**	**(13.9)**	**(8.7)**

The breakdown of business areas reflects the system used by Management to oversee Group performance, in accordance with IFRS 8.

TRADE BOOKS

Mondadori Libri S.p.A. is the Group company heading the activities in the **Trade** business unit of the Books Area:

- editorial activities relating to the publication – both in paper and digital formats (e-books and audio-books) – of the fiction, non-fiction, children's and miscellaneous works by the publishing houses, with which the Group holds **a leadership position at national level**, through the trademarks **Mondadori**, **Giulio Einaudi Editore, Piemme, Sperling & Kupfer, Frassinelli, Rizzoli, BUR, Fabbri Editori, Rizzoli Lizard** and **Mondadori Electa.** On 1 April 2022, these were joined by **De Agostini Libri** and, on 1 July 2022, **Star Comics**, Italy's leading comic books publisher; in September 2024, the new publishing house **Silvio Berlusconi Editore** also made its début in the bookstore, focussing on the publication of key liberal culture books and pamphlets seeking to give rise to debate about the controversial topics of today's complexity we are currently experiencing;

- the company **A.L.I - Agenzia Libraria International**, operating in the distribution of books for third-party publishers, with a customer portfolio of more than 80 publishing houses, whose acquisition was functional to the vertical integration project along the book value chain (consolidated as of 1 January 2023);

- As of 1 February 2024, the company **Star Shop Distribuzione** (51% owned), whose operating activities include the distribution of third-party publishers through the comic bookshop channel, is accounted for under the Trade Books segment;

- the art and illustrated book publishing business, in which the Group operates with the brands **Electa** (specialised in visual arts, design and architecture) and **Abscondita**. The segment's activities include publishing of works on art, architecture, exhibition catalogues, museum guides and sponsor books in art publishing, as well as the management of museum concessions and the organization of exhibitions and cultural events;

- the publishing house **Rizzoli International Publications**, which operates on the US markets with the brands Rizzoli, Rizzoli New York, Rizzoli Electa and Universe, with the Rizzoli Bookstore situated in New York and **Chelsea Green Publishing**, a publishing house focussed on sustainability (structured into green, health and well-being) topics, operating in the United States of America and the United Kingdom, which Rizzoli International Publications acquired on 1 May 2024.

Relevant market performance

The Italian Book Market

2025 began on a negative note for the book market, which recorded a 3.4% decline in value in the first quarter of the current financial year[1]. In volume terms, 22.7 million copies of trade books (for adults and children) were sold, down by 3.4% compared to the same period of the previous year.

The replacement of the "APP18" (FY 2024 benefited from the use of dedicated funds until 30 April) by the Culture and Merit Cards and the different timing of the Easter holidays are among the main reasons for this decline.

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[1] Source: GfK, March 2025

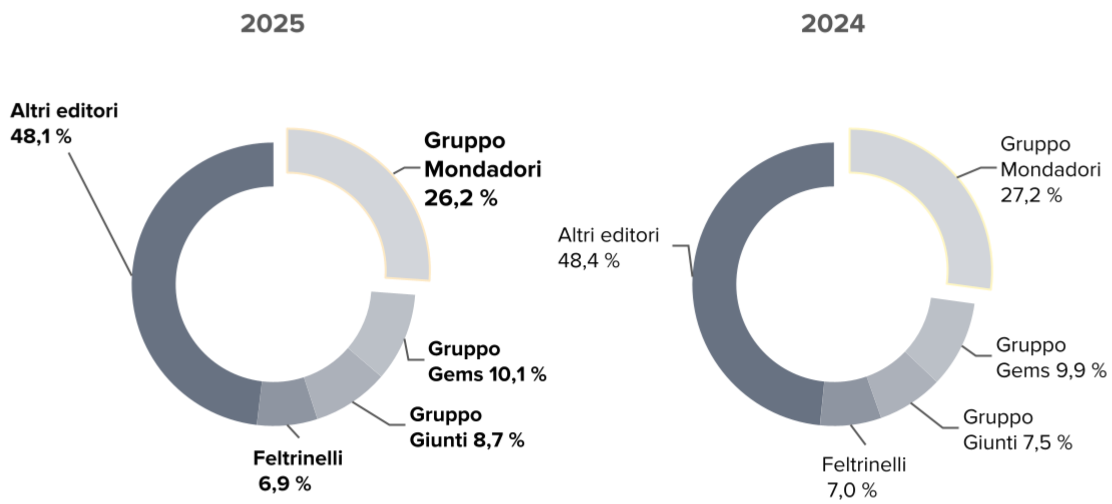
If we break down the performance into the various genres of the Trade publishing market, we see a -2.3% in the Miscellaneous segment, a continued decline in the Professional publishing segment (-16.2%) and a slowing to the decline of the Comics segment (-3.5%).

As regards the **sales channels**, we note that the on-line channels most suffered the replacement of "APP18", recording a downturn to sales of approximately 7% compared with the first three months of 2024, whilst those of the physical channel remained essentially stable (-1%)[2].

In this context, the Mondadori Group's publishing houses recorded a **7.2% decline** in the quarter under review, performing worse than the overall market due to a less substantial publishing plan for new titles compared to the previous year, and a slowdown in backlist sales.

Nonetheless, during the period, the Mondadori Group maintained its **national leadership** with a **market share of 26.2%** in March 2025 (27.3% in March 2024), as shown in the graph below.

TRADE MARKET SHARES



Source: GfK, March 2025 (in terms of value)

As evidence of the quality of its editorial offering, the Mondadori Group placed 754 titles in the ranking of the top 2,500 best-selling books by value during the first quarter (758 in March 2024), as well as **4 titles among the top ten bestsellers**. Notably, **"Spera. The Autobiography" by Pope Francis**, published by Mondadori, ranked second, as shown in the table below.

[2] Source: internal estimates on GfK data

#	Title	Author	Publisher
1	Tatà (Tata)	Perrin Valérie	E/O
2	**Spera. L'autobiografia**	**Pope Francis**	**MONDADORI**
3	Il Dio dei nostri padri. Il grande romanzo della Bibbia	Aldo Cazzullo	HARPERCOLLINS ITALIA
4	La catastrofica visita allo zoo (The Very Catastrophic Visit to the Zoo)	Dicker Joel	LA NAVE DI TESEO
5	**Socrate, Agata e il futuro. L'arte di invecchiare con filosofia**	**Severgnini Beppe**	**RIZZOLI**
6	**Onyx Storm**	**Yarros Rebecca**	**SPERLING & KUPFER**
7	Onesto	Vidotto Francesco	BOMPIANI
8	Il canto dei cuori ribelli (Honor)	Avallone Silvia	LIBRERIA PIENOGIORNO
9	Concorso Agenzia, Dogane e Monopoli	AA. VV.	EDIZIONI GIURIDICHE SIMONE
1	**Elogio dell'ignoranza e dell'errore**	**Carofiglio Gianrico**	**EINAUDI**

Museum sector

In the museum sector, as of 1 May 2024, the Group recorded the definitive termination of the concession agreement for the management of the Roman archaeological area (Parco del Colosseo).

The economic performance of the Trade Books Area

Trade Books (Euro/millions)	**3M 2025**	**3M 2024**	***% Chg.***
Revenue	86.7	90.6	*(4.4%)*
Adj. EBITDA	9.6	14.8	*(35.3%)*
EBITDA	9.2	14.7	*(37.7%)*
EBIT	6.3	12.2	*(48.5%)*
PPA effects	*1.0*	*0.8*	*25.0%*
EBIT excl. PPA	**7.3**	**13.0**	***(43.9%)***

Revenue

Revenue for the 2025 financial year amounted to € **86.7 million**, showing a decrease of 4.4% compared to the previous year, broken down as follows:

- **-9.0% of publishing houses**; this performance was particularly impacted by *Star Comics* – whose decline in revenues is mainly due to a commercial transaction performed in January 2024 – and the *Mondadori* brand, which, during the current year, suffers a different monthly scheduling of the New items publishing plan compared with the previous year, as well as a slowing to restocking of

Catalogue titles; digital revenues – as better detailed below – also recorded a downturn of approximately 7% compared with the first quarter of the previous year;

- **+12.7% of Rizzoli International Publications**, thanks to the contribution made by the consolidation of Chelsea Green Publishing starting 1 May 2024, net of which revenues recorded a downturn of about 1%;

- +**23.2%** in **services and third party publisher distribution activities**, which have benefited from an additional month in the consolidation of the distribution activities of Star Shop compared with the first quarter of FY 2024;

- -**28.3%** of **Electa**, which had benefited, during the early months of 2024, from activities linked to ticketing and services provided in the Roman archaeological area of the Coliseum under the concession that came to an end April last year.

Trade Books Revenue (Euro/millions)	**3M 2025**	**3M 2024**	***Change %***
Publishing houses	61.9	68.0	*(9.0%)*
Electa/Abscondita (art, exhibitions and museums)	3.1	4.4	*(28.3%)*
Rizzoli International Publications (incl. Chelsea Green Publishing)	11.5	10.2	*12.7%*
Distribution and other services	10.7	8.7	*23.2%*
Intercompany	*(0.5)*	*(0.7)*	*n.s.*
Total revenue	**86.7**	**90.6**	***(4.4%)***

Publishing Houses: the **Hardcover** segment recorded the release, in particular, of the following titles:

- **Mondadori**: in Italian Fiction, "*L'antico amore*" by M. De Giovanni; in Young Adult, "*L'alba sulla mietitura*" (Sunrise on the Reaping) by S. Collins; and in Non-Fiction, "*Spera. L'autobiografia*" (Life: My Story Through History) by Pope Francis. Also worth noting are the debut of C. Gily with "*Aspettami al caffè Napoli*", and the solid performance of backlist titles by Gotto and Volo, as well as the strong reception of "*Oltre l'invisibile*" (Beyond the Invisible) by F. Faggin, a work of significant socio-cultural relevance.

- **Einaudi**: in the Stile Libero series, notable titles include "*Il giorno dell'ape*" by P. Murray, "*C'era la luna*" by S. Dandini, and "*La famiglia*" by J. Nesbø; in Italian Fiction, "*Malbianco*" by M. Desiati. Also highlighted are the strong sales of "*Elogio dell'ignoranza e dell'errore*" by G. Carofiglio and the backlist title "*Il conte di Montecristo*" (The Count of Monte Cristo) by A. Dumas.

- **Rizzoli**: in Non-Fiction, "*Socrate, Agata e il futuro*" by B. Severgnini and "*Craxy, l'ultimo vero politico*" by A. Cazzullo; in Foreign Fiction, "*Ti ricordi di Sarah Leroy*" (Do You Remember Sarah Leroy?) by M. Vareille. Backlist titles also performed well, including "*Tutta la vita che resta*" by R. Recchia and "*Cuore nero*" by S. Avallone. A title of socio-political significance, "*Dinasty*" by M. Giordano, also stood out.

- **Sperling & Kupfer**: in Foreign Fiction, "*Onyx Storm*" by R. Yarros; in Italian Fiction, "*Game of Desire*" and "*Game of Gods*" by H. Riley, and "*Limitless. Senza paura (Limitless)*" by B. Karim. The "*Love me love me*" trilogy by S. Stefania was featured in the Paperback segment.

- **Piemme**: in Non-Fiction, "*L'orso bianco era nero*" by R. Vecchioni, "*L'influencer*" by M. Renzi, and "*Non ci sono buone notizie*" by A. Rizzoli. In the Children's segment, moreover, the publisher retained its leading position with the titles of Geronimo Stilton.

- **Mondadori Electa**: in General Interest, "*Il duello della leggenda*" by L. Locustre, and "*…E vedi che ti mangi*" by I. De Simone. Also worth noting is the excellent performance of "*In cucina con la friggitrice ad aria*" by Benedetta Rossi and of "*Buon'Idea*" from the backlist.

- **Silvio Berlusconi Editore**: a strong debut by Russian intellectual A. Baunov with the essay "*La fine del regime*" (The End of the Regime).

- **De Agostini Libri**: in the Children's segment, "*Boys of Tommen 4.1 Redeeming 6*" by C. Walsh and "*The Night Ends with Fire*" by K. X. Song; in Non-Fiction, "*E ho smesso di chiamarti papà*" by C. Darian. The backlist also performed well, particularly the "*Boys of Tommen*" series by C. Walsh.

- **StarComics**: in the Comics segment, the success of the Dragon Ball and One Piece series was once again confirmed in the 2025 financial year.

Revenues from sales of **e-books and audio books**, which account for approximately **7%** of all publishing revenues, declined by 7.3% compared with the same period of last year: the downturn recorded by e-books (-2.3%) is essentially in line with the market performance during the period under review, while the most significant decline of audio books suffers the adoption of commercial policies implemented by distributors, which have reduced the revenue listened to, to date. In detail:

- the main titles sold in e-book format were "*Onyx Storm*" by R. Yarros and all its catalogue titles (Sperling & Kupfer), "*Il giorno dell'ape*" (The Bee Sting) by P. Murray (Einaudi), "*Tutta la vita che resta*" by R. Recchia (Rizzoli), "*Socrate, Agata e il futuro*" by B. Severgnini (Rizzoli). The e-book catalogue at 31 March 2025 counted over 37,000 titles;

- the titles most listened to amongst the **audio books**, as for e-books, were the new features and catalogue of R. Yarros (Sperling & Kupfer), "*Tutta la vita che resta*" by R. Recchia and "*Succede sempre qualcosa di meraviglioso*" by G. Gotto.

<u>Electa</u>: during the first quarter of FY 2025, it recorded total revenues of € **3.1** million, down by approximately 29% compared with the € 4.4 million of the same period of the previous year, given that the museum area had benefited, during the early months of 2024, from the activities linked to the archaeological Rome concession (Coliseum park and other institutes), which expired April last year.

Sales of books and merchandising at the bookshops under concession, continued to be positive, as did publishing, which increased thanks to the publication and sale of certain sponsored titles.

<u>Rizzoli International Publications</u> recorded consolidated revenue of approximately € 11.5 million in the first quarter of the 2025 financial year, up 12.7% compared to the same period in 2024, mainly due to the inclusion, as of 1 May, of Chelsea Green Publishing within the scope of consolidation (revenue of €1.0 million in the quarter under review). Like-for-like revenues showed a downturn of 1.5% despite the positive impact of the euro/USD exchange rate (€ 0.3 million), due to the presence of the success "Barbie", which had benefited the first quarter of 2024.

Retail sales performance remains positive in the New York bookstore.

Distribution and other services: revenue from book distribution and other services on behalf of third-party publishers amounted to € 10.7 million in the first quarter of the 2025 financial year, up **23.2%** compared to € 8.7 million in the first three months of the previous year. This growth reflects the increased contribution from the full-quarter consolidation of Star Shop's distribution activities, effective from 1 February 2024.

OPERATING MARGINS

Adjusted EBITDA for the Trade Books area of the first quarter 2025 came to **€ 9.6 million, showing a decline of around € 5 million** due to the lesser margin deriving from the decline in period revenues, both in connection with paper and digital products; in addition, as already noted for the revenues trend, on margins too the downturn recorded during the quarter is partly due to the commercial transaction of the publisher *Star Comics*, which was implemented during the early months of 2024.

Reported EBITDA – amounting to **€ 9.2 million** – was down by € 5.5 million, confirming the above-mentioned operating trends.

EBIT for the first quarter of the 2025 financial year amounted to **€ 6.3 million**, compared to € 12.2 million in the same period of the 2024 financial year. This result was impacted by greater amortisation/depreciation for € 0.3 million. Net of the amortisation deriving from the PPA process, the EBIT of the Trade Books area, of € 7.3 million, would have decreased by € 5.7 million over the same quarter of the previous year.

EDUCATION BOOKS

Mondadori Education S.p.A. is the Group company heading the activities in the **school textbooks** and, to a lesser extent, **university textbooks publishing**, in the Books area.

The Mondadori Group covers the school textbooks segment through three publishing houses, **Mondadori Education, Rizzoli Education** and **D Scuola**, which produce textbooks, courses, teaching tools and multimedia content for every school level, from primary school to the first, middle and secondary schools and through to university, both with its own brands and through the distribution of third-party publishers (mainly for the teaching of foreign languages).

In terms of **School textbooks** publishing, in FY 2024, the Mondadori Group's publishing houses achieved a **market share** (adoptions) of **approximately 32%**, confirming its leadership in both primary and secondary schools.

In addition to the traditional products in paper and digital formats, the companies' range in the Education Books area also includes lines on transversal topics, such as inclusion, guidance, STEM, civic education, environment and digital citizenship, with a view to offering students and teachers teaching resources and tools that can help strengthen basic skills, reduce school abandonment and innovate teaching generally, in line with the objectives of the Italian National Recovery and Resilience Plan (PNRR) set for the educational system.

In 2024, as part of the digital convergence project, the new integrated digital platform Hub Scuola, shared across the Group's three publishing houses, was successfully launched.

Relevant market performance

School textbook publishing experiences a typical seasonal performance that sees sales squeezed in the second half of the year following the adoption campaign: as a result, the relating market shares for 2025 are unavailable at this time.

The economic performance of the Education Books Area

Education Books (Euro/millions)	**3M 2025**	**3M 2024**	***% Chg.***
Revenue	8.7	9.2	*(5.6%)*
Adj. EBITDA	(13.2)	(13.8)	*n.s.*
EBITDA	(13.2)	(13.8)	*n.s.*
EBIT	(18.5)	(19.1)	*n.s.*
PPA effects	*0.8*	*0.8*	*—%*
EBIT excl. PPA	**(17.7)**	**(18.3)**	***n.s.***

Revenue

Given the seasonal nature of the Education business, which recognises the revenue from the sale of school textbooks in the second half of the year, the revenue generated in the first three months is not representative of the full-year trend, typically accounting for less than 5% of the annual figure.

In the first quarter of 2025, the School business recorded total **revenue of € 8.7 million**, down 5.7% compared to the € 9.2 million reported in the first quarter of 2024. This decline is mainly attributable to the supply cycle dynamics affecting direct client deliveries.

OPERATING MARGINS

Adjusted EBITDA in the first quarter of FY 2025 for the Education Books area stood at € (13.2) million, an **improvement** compared with the € (13.8) million recorded in the same period of 2024, as a result of lesser operating and structural costs. Note that this result is not significant as it stems from the aforementioned seasonality of the business, with the costs of the operational structure and development of the textbooks marketed during the adoption campaign completed at the end of the month of May being recorded during the first quarter.

Reported EBITDA - amounting to **€ (13.2) million** - was fully aligned with Adjusted EBITDA both in the first quarter of the 2025 financial year and in the corresponding period of the previous year. **EBIT** showed a similar trend, standing at € (18.5) million compared to € (19.1) million in the first quarter of 2024.

Excluding the accounting effects arising from the Purchase Price Allocation process related to D Scuola, the operating result of the Education Books area stood at € (17.7) million.

RETAIL

The Mondadori Group is present in Italy **through Mondadori Retail S.p.A.**:

- in the physical market, with the most extensive network of bookstores: a cultural oversight present in a capillary fashion throughout national territory, thanks to **more than 500 stores** branded Mondadori in all Italian regions and provinces, from large cities to smaller towns, in addition to shops-in-shops and Club Mondolibri corners.

- **on-line** with the e-commerce website mondadoristore.it and the *Bookclub* formula.

This year also saw the continued policy of **developing and maintaining the physical network** implemented in recent years.

As regards **direct stores**, network renewal and development continued through:

- transformation of existing stores through transfer/downsizing/remodelling projects;

- the selective development of the network, based on a format that is now consolidated in terms of dimensions and value proposition, with a clear focus on the book product.

Direct stores, which numbered 55 at the end of March, will continue to grow in FY 2025, during which time, ten or so new sales outlets are expected to be opened.

As concerns **franchisees**, which are mainly neighbourhood bookshops located in small to medium-sized towns, the Group continued to progressively **focus on the Bookstore format** – a medium-sized bookshop with significant turnover – through the opening of new stores and the refurbishment of existing ones.

On 1 February 2024, **Star Shop**'s network of comic book stores, which at 31 March 2025 numbered 19 DOSs and 42 franchisees, joined the network of sales outlets referring to the area.

Relevant market performance

As at the end of March, the Italian book market recorded a 3.4%[3] decline compared to 2024. Within this context, there was a slight decrease in the physical channel (-1.3%) and a more pronounced negative trend in the online channel, estimated at -6.8%.

In a declining book market, **the Mondadori Group's Retail area remained stable (+0.1%)** and **continued to outperform the market**; as a result, **Mondadori Retail's market share stood at 12.8% (+0.5% compared with the first quarter of the previous year)** supported by the contribution of both directly managed and franchised stores, which maintained a 20% share in the physical channel, as well as by the solid performance of the online channel.

In all, the Retail area has proven to be very resilient, amidst a negative book market context and a more general decline in consumption.

[3] Source: GFK data (value), which includes the following channels: on-line, GD, book store chains and independent book stores

Performance of the Retail Area

The economic data of the first quarter of 2025 show further growth in revenues and a slight decline in margins of the Retail area; we also note that starting 1 February 2024, the revenues and margins deriving from Star Shop (direct and franchise stores as well as the e-commerce channel) are booked in this business area.

Retail (Euro/millions)	**3M 2025**	**3M 2024**	***% Chg.***
Revenue	47.1	45.4	*3.7%*
Adj. EBITDA	2.3	2.3	*(2.8%)*
EBITDA	2.2	2.3	*(4.6%)*
EBIT	(0.9)	(0.5)	*n.s.*

Revenue

In the first quarter of the 2025 financial year, the Retail area recorded **total revenue (book and extra-book) of € 47.1 million, up € 1.7 million (+3.7%)** compared to the previous year. This result includes revenue from comic bookshops and the Star Shop Retail e-commerce site, consolidated as of 1 February 2024.

Organic revenue growth (excluding Star Shop Retail) amounted to **+1.5%** (€ +0.7 million), and would have reached **+3.8% without the negative impact** – approximately € 1.0 million in the first quarter of 2025 – **of the temporary closure of the Rizzoli bookshop in Milan** due to the refurbishment works carried out in conjunction with the renewal of the agreement with the Municipality of Milan.

The ongoing development and renovation of existing stores and the focus on the core business of books have enabled the Mondadori Store network to consolidate its position in the market, despite **a slight decline in book product revenue (€ -0.4 million, -1.3% versus March 2024)**, due to the aforementioned contraction in the reference market.

The revenue trend by channel is as follows:

Revenue (Euro/millions)	3M 2025	3M 2024	*Change %*
Directly-managed bookstores	17.7	17.1	*3.4%*
Franchised bookstores	21.3	20.8	*2.3%*
Online	3.0	3.0	*(0.3%)*
Star Shop Retail	2.6	1.6	*63.3%*
Store	**44.6**	**42.5**	***4.9%***
Bookclub and other*	2.4	2.8	*(13.8%)*
Total revenue	**47.1**	**45.4**	***3.7%***

An analysis of the **sales by channel** reveals:

- further growth in revenue from **directly managed bookshops** (+3.4% compared to the same quarter of the previous year), despite the negative impact of the aforementioned temporary closure of the Rizzoli bookshop in Milan; excluding this, growth would have reached +9.3% versus Q1 2024;

- continued growth in **franchised bookshops** (+2.3% compared to the same period of the previous year);

- stabilisation of the **online** channel (-0.3% compared to Q1 2024), despite the significant impact on this channel from changes to the allocation criteria of the "Carta Cultura" (formerly APP18);

- the positive impact of revenues deriving from the management (direct and franchised) of **Star Shop comics and e-commerce website**, consolidated starting 1 February 2024;

- a decrease in revenue recognised under the "Bookclub and Other" item.

As far as the **product categories** are concerned:

- the **Book**, the core business of the Mondadori Group, was the main component of revenues (approximately 80% of the total), recording **a slight reduction, overall, of -1.3%** compared with the first three months of 2024, mainly due to the described rather unfavourable market context.

- the Extra Book turnover has shown a positive trend (+25.8% vs Q1 2024), in particular thanks to one-off stationery product sales.

OPERATING MARGINS

The Retail area presented **Adjusted EBITDA** of € **2.3** million in the first three months of FY 2025, essentially stable compared with the same quarter of the previous year. This result confirms a continued upward trajectory and steady improvement in performance over recent years, achieved despite the negative impact (€ 0.25 million) resulting from the closure of the Rizzoli bookshop in Milan due to the ongoing refurbishment project.

Reported EBITDA, which came in at € 2.2 million, also recorded the same trend as the first quarter of 2024; during the reference period, no extraordinary items linked to the cost of restoring stores/staff restructuring, were recorded.

EBIT of € -0.9 million recorded a slight downturn compared with the same quarter of FY 2024, due to the greater amortisation/depreciation booked during the current period and the negative impacts described as deriving from the temporary closure of the Rizzoli Milan bookstore for restoration works.

MEDIA

Mondadori Media S.p.A. is the Group company that encompasses all businesses linked to the development of the brand media and digital activities taking a multichannel approach.

Traditional **print** activities include:

- the publication of magazines (12 at 31 March 2025) and related advertising, as well as add-ons in conjunction with magazines;

- subscription management activities for magazines and daily newspapers, both for the Group's publications and those of third-party publishers, handled by **Direct Channel**. Added to this are services related to database management for third sector clients.

Digital activities include:

- the complete management of leading **websites and social profiles** in the main vertical topics (Cooking, Health & Wellness, Feminine Gen Z, Young, Parenting), which since end 2024 also includes the brand **Fatto in Casa da Benedetta** and the optimisation of the related advertising space through external advertising agencies;

- the **Social Agency** business, in particular the talent agencies *Zenzero* and *Power*, which manage leading creators from the food and beauty & fashion worlds with the aim of developing their activities in the influencer marketing segment;

- the **MarTech** cluster consisting of ***Adkaora***, ***Hej!*** and, in Spain, ***Adgage***, specialised in offering mobile advertising, proximity marketing, performance marketing and conversational marketing solutions.

In 2025, the Mondadori Group retained its position as **Italy's top multimedia publisher**:

- in the print segment with 12 magazines and 8.5 million readers[4], Mondadori's market share (in terms of circulation) stood at **20.1%**, stable compared with March 2024 (20.3%)[5];

- on the web with **13 brands** and approximately **33** million average unique users per month[6], with a reach of about 73%;

- in social media with a **fan base** at 31 March 2025 of **around 129** million and **112 profiles**.

In October 2024, through the acquisition of 51% of **Fatto in Casa da Benedetta**, a strategic partnership with Benedetta Rossi was launched to consolidate Mondadori Media's position as the most important Italian multimedia player in the food & cooking sector.

[4] Source: Audipress III, 2024

[5] Internal source: Press di, February 2025, in terms of value

[6] Source: Comscore (web+social), March 2025

Relevant market performance

In the first two months of the 2025 financial year, the Group's reference markets showed the following trends:

- the advertising market (excluding search, social, classified and OTT) recorded overall growth of 0.6% compared to the first two months of the previous year. As for the individual segments, the performance was as follows: digital -2.6% (excluding Over The Top), TV +1.5%, newspapers -5.9%, radio +6.1%, and magazines -3.2%[7].

- the magazines circulation market declined by 9.1%[8];

- The add-on products market recorded a contraction of approximately 29%[9].

Performance of the Media Area

Media (Euro/millions)	**3M 2025**	**3M 2024**	***% Chg.***
Revenue	33.6	32.0	*5.0%*
Adj. EBITDA	5.4	3.2	*72.2%*
EBITDA	5.4	4.1	*31.3%*
EBIT	3.7	2.5	*50.2%*

In the first quarter of the 2025 financial year, the Media area recorded revenue of €33.6 million, showing a **5% increase** compared to the same period of the previous year. This performance was driven by **strong growth in the Digital component, which more than offset the structural decline in traditional activities**.

[7] Source: Nielsen, February 2025

[8]Internal source: Press di, February 2025, in terms of value

[9]Internal source: Press di, February 2025, in terms of value

Media (Euro/millions)	**3M 2025**	**3M 2024**	***Change %***
Circulation	10.5	11.4	*(8.1%)*
Add-on sales	2.4	2.7	*(10.7%)*
Print Advertising	1.4	1.2	*15.6%*
Distribution/Other revenue	3.4	3.3	*3.1%*
Total print revenue	**17.8**	**18.7**	***(4.8%)***
Publisher advertising	6.3	5.8	*8.7%*
MarTech advertising	9.1	7.5	*21.9%*
Other	0.5	0.1	*549.3%*
Total digital revenue	**15.9**	**13.3**	***19.0%***
Total revenue	**33.6**	**32.0**	***5.0%***

In particular:

- **Digital activities**, which accounted for **approximately 47%** of the area's total **revenue**, recorded **growth of 19% in the 2025 financial year (approximately +14% on a like-for-like basis)**, mainly driven by the strong performance of the MarTech segment (approximately +22%) and the excellent results achieved by the social agencies;
- the **traditional** print **business** declined by 5%, approximately due to the structural drop in add-on sales and readership during the period under review:

    - add-on sales down by approximately 11% due to the reduction in sales linked to the Home Video and Music products, yet retaining good profitability in line with last year;

    - circulation (newsstand and subscriptions) down by 7.9%;

    - print advertising: increase of 15.6% thanks to the positive performance of advertising income for the brands *TV Sorrisi e Canzoni, Chi* and *Interni*;

    - other revenue – including revenue from subscription management services and non-profit systems – grew by approximately 3% compared to the same period of the previous year.

OPERATING MARGINS

Adjusted EBITDA for the Media area came to **€ 5.4 million** in Q1 of FY 2025, showing **growth of approximately 72%** compared to the previous year, mainly attributable to the traditional business segment.

In particular:

- in the **print** area, despite the reduction in circulation revenue, the greater income deriving from government contributions and the constant optimisation of the cost structure, have successfully **improved the margin by approximately € 1.7 million**;
- in the **digital** area, Adjusted EBITDA was **up by around € 0.6 million** compared with the same period of the previous year, thanks to the higher revenue recorded, the increase in margins overall and the contribution made by the activities recently acquired in connection with the brand *Fatto in Casa da Benedetta*.

Reported EBITDA amounted to **€ 5.4 million, up** from €4.1 million in the first quarter of the 2024 financial year, despite the latter having benefited from the recognition of the release of certain provisions for risks, originally allocated in respect of potential liabilities that did not materialise.

Accordingly, **EBIT** was positive for **€ 3.7 million**, showing the same increase described above (€ +**1.2 million**).

CORPORATE & SHARED SERVICES

The **Corporate & Shared Service** segment includes - besides the Group's top management organizations - the Shared Services functions providing services to Group companies and the different business areas.

These services are mainly associated with activities regarding: Administration, Management Control and Planning, Treasury and Finance, Purchasing, IT, Human Resources, Logistics, Legal and Corporate Affairs, and External and Institutional Relations.

Revenues, which in the first quarter of 2025 increased by approximately 8.8% on the same period of 2024, consisted mainly of the remuneration of services provided to subsidiaries and associates.

The area's **adjusted EBITDA** was negative at € -1.8 million, a deterioration compared to € -1.3 million in the first quarter of the 2024 financial year. This trend is mainly attributable to higher costs linked to certain special projects, including the launch of **PLAI** – Mondadori Group's accelerator dedicated to start-ups in the field of Generative Artificial Intelligence – and a project relating to the migration of the Group's IT systems to the Cloud.

Also including extraordinary elements, comprehensive **EBITDA** shows the same dynamics as last year.

The area's **EBIT**, of € -4.1 million, recorded a downturn of € 0.7 million compared with the same quarter of the previous year (-3.4 million in 2024), also due to the higher amortisation/depreciation deriving from the initial phase of investments in the project described regarding the cloud information systems and investments to requalify headquarters.

Corporate & Shared Services (Euro/millions)	**3M 2025**	**3M 2024**	***Change***
Revenue	11.7	10.8	*0.9*
Adj. EBITDA	(1.8)	(1.3)	*(0.5)*
EBITDA	(1.9)	(1.3)	*(0.5)*
EBIT	(4.1)	(3.4)	*(0.7)*

STATEMENTS OF FINANCIAL POSITION

The Mondadori Group's Net Financial Position (excluding IFRS 16) as at **31 March 2025 reflects net debt of € 134.0 million, essentially in line with the** € (133.2) **million reported at 31 March 2024**. The strong cash generation from the Group's businesses over the previous twelve months enabled the coverage of cash outflows for dividend payments to shareholders and the implementation of the Group's inorganic growth strategy, without materially increasing its financial exposure.

The IFRS 16 Net Financial Position stood at € -212.8 million, up from € (205.5) million as of 31 March 2024, and includes an IFRS 16 debt component of € -78.7 million, up from about € 72 million as at 31 March 2024. This increase is due to changes in the scope of consolidation affecting the Trade area, as well as the opening of nine new stores and the renewal of lease agreements for certain directly managed stores in the Retail area.

Net financial position (Euro/millions)	**31/03/2025**	**31/12/2024**	**31/03/2024**
Cash and cash equivalents	51.9	111.3	21.3
Assets (liabilities) from derivative financial instruments	2.0	2.2	5.7
Other financial assets (liabilities)	(14.2)	(31.7)	(29.4)
Loans (short and medium/long term)	(173.8)	(173.6)	(130.9)
Held-for-sale financial assets (liabilities)	0.0	0.0	0.0
Net financial position excluding IFRS16	**(134.0)**	**(91.7)**	**(133.2)**
Financial payables IFRS 16	(78.7)	(81.2)	(72.3)
Total net financial position	**(212.8)**	**(173.0)**	**(205.5)**

The overall credit lines available to the Group at 31 March 2025 amounted to € 572.9 million, € 350.0 million of which committed.

The Group's short-term loans, amounting to € 222.8 million, unutilised at 31 March 2025, include overdraft credit lines on current accounts, advances subject to collection and "hot money" flows.

The Committed credit facilities granted by leading banks consist of:

- pool loan for € 200.0 million at 31 March 2025, stipulated in May 2021 and maturing on 31 December 2026;
- bilateral RCF loan contract for € 50.0 million, stipulated in July 2024 and maturing on 30 July 2029;
- amortising Bilateral Term Loan contract for € 50.0 million, stipulated in September 2024 and maturing on 27 September 2029;
- Bullet Bilateral Term Loan contract for € 50.0 million, stipulated in December 2024 and maturing on 29 December 2028.

(Euro/millions)	**Overdrafts**	**Of which: unutilised**	**Of which with interest rate hedge**
Pool 2021			
Term Loan A	31.7[10]	—	31.7
RCF	125.0[11]	125.0	—
Acquisition Line C	43.3[12]		40.0
Total	**200.0**	**125.0**	**71.7**
Bilateral RCF loan	**50.0[13]**	50.0	
Amortising Bilateral Term Loan	**50.0[14]**		50.0
Bullet Bilateral Term Loan	**50.0[15]**		50.0
Total	**350.0**	**175.0**	**171.7**

An analysis of the Group's Cash Flow in the 12 months prior to 31 March 2025, compared to FY 2024, is provided below:

[10] Maturities: 2 equal instalments of € 15.8 million, maturing on 31 December 2025 and 31 December 2026; the exposure is fully hedged at a fixed rate (-0.086%)

[11]Bullet loan, coming to maturity on 31 December 2026

[12]Final maturity on 31 December 2026, annual repayment in 2 constant instalments of € 21.6 million, on 31 December 2025 and 31 December 2026. The exposure is hedged at a fixed rate (-0.098%) for € 40.0 million and at a variable rate for € 3.3 million.

[13]Bullet loan, coming to maturity on 30 July 2029

[14] Maturities: 9 equal half-yearly instalments of € 5.55 million, starting on 30 September 2025 and running until 27 September 2029; the exposure is fully hedged at a fixed rate (2.303%)

[15] Bullet maturity on 29 December 2028; exposure is fully hedged at fixed rate (2.139%)

(Euro/millions)	31/03/2025	31/12/2024
	LTM	12M
Initial NFP IFRS 16	**(205.5)**	**(158.6)**
Financial liabilities application of IFRS 16	(72.3)	(72.5)
Initial NFP NO IFRS 16	**(133.3)**	**(86.1)**
Adjusted EBITDA (NO IFRS 16)	136.4	139.4
Delta Ccn and funds	(6.1)	(3.5)
CAPEX NO IFRS16	(40.8)	(44.0)
Cash flow from operations	**89.6**	**92.0**
Financial income (expense) no IFRS16	(5.0)	(4.6)
Tax	(16.2)	(16.1)
Cash flow from ordinary operations	**68.3**	**71.3**
Restructuring	(5.4)	(6.1)
Share capital increase/dividends non controlling interests and associates	(0.1)	(0.8)
Purchase/disposal	(18.1)	(25.7)
Other income and expenditure	(10.6)	(9.5)
Cash flow from extraordinary operations	**(34.1)**	**(42.2)**
Free cash flow	**34.2**	**29.1**
Shareholder dividends	(31.3)	(31.3)
Tot. cash flow	**2.9**	**(2.2)**
Change in Valuation of Derivatives	(3.7)	(3.5)
Net financial position excluding IFRS16	**(134.0)**	**(91.7)**
IFRS 16 effects in the period	(6.5)	(8.6)
Final net financial position	**(212.8)**	**(173.0)**

Cash generation over the twelve months prior to 31 March 2025 is structured as follows.

- **Ordinary cash flow** is **positive for € 68.3 million**, down approximately 4% compared with the € 71.3 million of FY 2024; operating cash flow was **€ 89.6 million**, down € 2.4 million compared with the December 2024 figure, despite the **lesser investments (€ 41 million** vs € 44 million in 2024) due to a lesser operating result and a worsening dynamic of working capital, concentrated on the Books areas, also due to the greater costs incurred in relation to the logistics service. Outflows related to tax payments and financial charges amounted to € 21.2 million, broadly in line with the € 20.7 million recorded in 2024.

- **Cash flow from non-ordinary operations** for 2024 was **negative at € 34.1 million** and mainly includes:

  - **acquisitions, which, net of disposals, amounted to approximately € 18.1 million** and mainly consisted of the consideration for the purchase of 100% of **Chelsea Green Publishing** for € 5 million and for the acquisition of 51% of **Fatto in Casa da Benedetta** for a total of approximately € 12 million (including the liability for the call option relating to the remaining 19% of the capital and the earn-out);

  - restructuring costs of € 5.4 million;

  - extraordinary investments of approximately **€ 6 million related to the redevelopment and renovation of the Group's headquarters in Segrate**.

As a result, **Free Cash Flow** generated by the Group in the **twelve months preceding** 31 March 2025 amounted to **€ 34.2 million**, prior to the recognition of € 31.3 million in dividends distributed in the 2024 financial year.

CapEx by Sector of Activity	**31 March 2025 FY**	**31/12/2024 FY**
Trade Books	9.4	9.4
Education Books	20.2	22.2
Retail	7.2	7.0
Media	1.5	1.3
Corporate & Shared Services	2.4	4.1
Total	**40.8**	**44.0**

The above table details, for each business area, the approximately € 41 million of investments made by the Group during the last 12 months, down by approximately € 3 million compared with the € 44 million incurred in FY 2024.

We should just emphasise the following:

- the lesser investments made in the Education Books area (for approximately € 2 million), the result of a mere temporary phasing effect in the preparation of new works;

- the lesser investments made in the Corporate & Shared Services area, mainly due to the gradual reduction of investments in connection with the cloud migration project of all the Group’s information systems;

Below is a summary of the Group's financial position at 31 March 2025 versus the same period of the prior year.

(Euro/millions)	**31/03/2025**	**31/03/2024**	***Change %***
Trade receivables	132.7	134.2	*(1.1%)*
Inventory	165.6	162.6	*1.8%*
Trade payables	234.3	226.0	*3.7%*
Other assets/ (liabilities)	(20.7)	(24.7)	*(16.3%)*
Net working capital from continuing operations	**43.4**	**46.1**	***(5.9%)***
Discontinued or discontinuing assets (liabilities)	0.0	0.0	*—%*
Net working capital	**43.4**	**46.1**	***(5.9%)***
Intangible assets	395.8	387.7	*2.1%*
Property, plant and equipment	43.9	35.8	*22.5%*
Investments	15.3	15.0	*1.4%*
Net fixed assets with no rights of use IFRS16	**455.0**	**438.5**	***3.7%***
Assets from rights of use IFRS16	73.5	68.4	*7.5%*
Net fixed assets with rights of use IFRS16	**528.5**	**506.9**	***4.3%***
Provision for risks	27.9	38.3	*(27.2%)*
Post-employment benefits	29.0	29.1	*(0.2%)*
Provisions	**56.9**	**67.4**	***(15.5%)***
Net invested capital	**515.0**	**485.7**	***6.0%***
Share Capital	68.0	68.0	*—%*
Reserves	246.2	218.6	*12.6%*
Profit (loss) for the year	(13.0)	(7.1)	*83.4%*
Group shareholders’ equity	**301.2**	**279.5**	***7.7%***
Minority shareholders' equity	1.0	0.6	*60.3%*
Net Equity	**302.1**	**280.1**	***7.9%***
Net financial position excluding IFRS16	134.1	133.3	*0.6%*
Net Financial Position IFRS 16	78.7	72.3	*8.9%*
Net financial position	**212.8**	**205.5**	***3.5%***
Sources	**515.0**	**485.7**	***6.0%***

The Group's **Net Invested Capital** at 31 March 2025 came to **€ 515.0 million**, **up by 6.0%** on the € 485.7 million at 31 March 2024, mainly as a result of:

- the opening of new stores in the Retail area,
- the acquisition of Fatto in Casa da Benedetta and the reduction of funds for restructuring costs and legal risks in the Media area,
- the investments made to requalify the Segrate office in the Corporate area.

The Group's **Net Invested Capital** amounted to **€ 43.4 million**, down from € 46.1 million as at 31 March of the previous financial year.

More specifically, the trend of key balance sheet figures versus 31 March 2024:

- **trade receivables** showed a reduction of 1.1% (€ 1.5 million) due to the downturn of revenues recorded compared with the first quarter of 2024, in particular in the Trade Books area;
- **inventories**, of € 165.6 million, rose by almost 3 million, concentrated in the Retail area, due to the extension of the network of directly-managed stores in 2024;
- **trade payables**, of € 234.3 million, rose by more than € 8 million, mainly due to the specified Group bookstore expansion plan and the investments made in connection with the Segrate office, as well as due to the change in scope of the Trade Books area;
- **other net liabilities**, amounting to € 20.7 million, decreased by € 4 million, attributable to:
    - the increase in advances paid to authors;
    - the increase in the VAT credit and tax credits deriving from public contributions;
    - the decrease in deferred tax assets, due to the utilisation of tax losses carried forward and the dynamics of taxed provisions.

- **intangible assets, of € 395.8 million** recorded an increase of approximately € 8 million, mainly in relation to the value attributed, through the PPA process, to the assets of the companies acquired and, to a residual extent, to goodwill, the purchase of new management software by Rizzoli International Publications and the migration to the cloud of the Group SAP system and IT infrastructure;
- **tangible assets** grew by approximately € 8 million, due to the investments made to open new stores in the Retail area and renew the Segrate office, as well as to purchase a machine for digital printing;
- **right-of-use assets** recorded growth of 7.5% (approximately € 5 million) deriving in particular from the development of the network of stores of the Retail area;
- the value of **equity investments** was essentially stable: the investment in Book Republic Webnovels of € 1.5 million was, in fact, partly offset by the lesser results achieved by the companies consolidated with the equity method in the last twelve months;
- **provisions** (provision for risks and post-employment benefits) declined by around (15.5)% compared with 31 March 2024 as a result of the use of the provisions made in respect of legal

disputes settle, the recognition of incentives to take voluntary redundancy assigned to certain employees and the release of certain provision for risks allocated to guarantee against liabilities that ultimately came in below previous expectations.

Consolidated shareholders' equity at 31 March 2025 – of € **302.1 million** – **increases by approximately € 22 million** compared to 31 March of the previous financial year, despite the accounting of approximately € 31 million in dividends and the reduction of the reserve that includes the measurement of derivatives for about € 3 million, as a result of the **Group's positive net profit**of **approximately € 56 million** recorded over the past twelve months, confirming the significant degree of capitalisation achieved by the Group.

PERSONNEL

HEADCOUNT

Group employees – on both permanent and fixed-term contracts – amounted to **2,150**, **up by 6.1%** versus 2,026 resources at 31 March 2024 (+124 units).

Neutralising the effect of the scope changes noted – i.e. the acquisitions in the Trade Books area of Chelsea Green Publishing, and in the Media Digital area of the company Fatto in Casa da Benedetta – **the Group's workforce would increase by 4.7%**, compared with the previous 12 months.

Group employees at 31 March 2025:

Headcount by Business Area	**31/03/2025**	**31/03/2024**	***Change %***
Trade Books	736	693	*6.2%*
Education Books	292	288	*1.4%*
Retail	343	318	*7.9%*
Media	457	421	*8.6%*
Corporate & Shared Services	322	306	*5.2%*
Total	**2,150**	**2,026**	***6.1%***

In the **Trade Books** area, net of the employees who joined the Group following the acquisitions of Star Shop and Chelsea Green Publishing, the headcount has grown by 2.6%.

In the **Education Books** area, the headcount was basically stable versus the previous year.

The **Retail** area workforce has increased by 7.9% due to the opening of certain direct sales outlets compared with 31 March 2024, as already explained.

The trend recorded by the **Media** area rose by 8.6%, mainly due to the strengthening of the workforce in the digital activities segment, in particular in the MarTech segment (+14%) and the acquisition of Fatto in Casa da Benedetta.

The **Corporate & Shared Services** area workforce, which shows a growth trend of approximately 5%.

€ millions	**3M 2025**	**3M 2024**	***Change %***
Cost of enlarged personnel (before restructuring)	**38.6**	37.8	*2.2%*

Personnel costs for the first quarter of the 2025 financial year amounted to € 38.6 million, **up** 2.2% compared to the same period of the 2024 financial year. On a like-for-like basis, net of changes in the scope of consolidation, the figure was **essentially stable** (-0.7%).

SIGNIFICANT EVENTS IN THE FIRST THREE MONTHS OF 2025

Below are the main extraordinary transactions and the most important events that took place in the first quarter of 2025.

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 now brought its stake in the company to 100%, from the former 75%.

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**, **Mondadori Libri S.p.A.** completed **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 price**, paid fully in cash, **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.

PURCHASE OF TREASURY SHARES

At **31 March 2025**, Arnoldo Mondadori Editore S.p.A. held 1,268,471 treasury shares, equal to **0.485% of the share capital**. It should be noted that a total of 472,934 shares were purchased during the first quarter of the financial year 2025.

SIGNIFICANT EVENTS AFTER 31 MARCH 2025

On **16 April 2025**, the Company's Shareholders' Meeting approved the financial statements as at 31 December 2024.

The Shareholders' Meeting resolved, in line with the proposal of the Board of Directors previously disclosed on 12 March, to distribute a unit dividend – to be paid in two equal instalments – totalling € 0.14 gross of statutory withholding taxes, for each outstanding ordinary share (net of treasury shares) as of the respective record dates.

Moreover, the Shareholders' Meeting resolved on the following items on the agenda:

• Report on remuneration policy and compensation paid

• Renewal of the authorization to purchase and dispose of treasury shares

• Adoption of the 2025–2027 Performance Share Plan

• Adoption of the 2025 Short-Term Incentive Plan (MBO)

• Integration of the Board of Statutory Auditors

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)	3M 2025	3M 2024
Gross Operating Profit - EBITDA (as shown in the financial	**1,328**	**5,744**
Restructuring costs under "Cost of personnel"	207	42
Expenses related to acquisition and sale of companies and business units, sundry expense (income) and cost of services	255	(973)
Adjusted Gross Operating Profit - Adjusted EBITDA (as shown in the Directors' Report on Operations)	**1,790**	**4,813**

With reference to adjusted EBITDA in the first quarter of financial year 2024, the following items were excluded from EBITDA:

• Restructuring costs for a total amount of € 0.042 million, included in "Cost of personnel" in the income statement;

• Income of a non-ordinary nature for a total of € 1 million, included in "Sundry expense (income)" and "Cost of services".

With reference to adjusted EBITDA in the first quarter of financial year 2025, the following items were excluded from EBITDA:

• Restructuring costs for a total amount of € 0.2 million, included in "Cost of personnel" in the income statement;

• Income of a non-ordinary nature for a total of € 0.3 million, included in "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).

OUTLOOK FOR THE CURRENT YEAR

The economic and financial figures for the first quarter of the year were **in line with the relevant forecasts**, which estimated an overall weakness in the book market for the entire first half of 2025 compared to the previous year.

Therefore, the Group believes that **it can confirm the guidance disclosed previously for FY 2025**, which reflects the expectation of a **recovery in the market environment during the year and a more marked improvement in the Group's performance**.

As a consequence of the foregoing, the guidance envisages:

Income Statement

- **low single-digit revenue growth;**
- **low single-digit growth in Adjusted EBITDA** and therefore stable **margins** at around **17%**, despite the increase in some cost components (first and foremost the cost of labour as a result of the coming into force of the new National Collective Bargaining Agreement, and the cost of logistics services), thanks to targeted pricing policies on the book product as well as continuous efficiency gains affecting all business areas.

Cash Flow and Net Financial Position

- The Group is expected to confirm its **significant cash generation capacity, which, in terms of Ordinary Cash Flow, is expected to be in the region of € 70 million in the coming years**. It should be noted that, with reference to the current year, due to the different scheduling of the publishing plan for the Trade Books area, which has seen the publication of the highest-selling titles concentrated in the first half of 2024 and the second half of 2025, respectively, the current year could experience a partial postponement of part of the receipts from the end of 2025 to the start of 2026;
- 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).

For the Board of Directors

The Chairman
Marina Berlusconi

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 in this Interim Management Statement corresponds to the Company's accounting entries, books and results.

The Financial Reporting Manager

Alessandro Franzosi

CONSOLIDATED FINANCIAL STATEMENTS AT 31 MARCH 2025

Assets (Euro/thousands)	**31/03/2025**	**31/12/2024**
Intangible assets	**395,832**	**399,944**
Land and building	—	—
Plant and equipment	14,862	15,503
Other fixed assets	29,019	28,613
Property, plant and equipment	**43,881**	**44,116**
Assets from rights of use	**73,542**	**76,445**
Equity-accounted investees	14,305	14,402
Other investments	960	960
Total investments	**15,265**	**15,362**
Non-current financial assets	**5,033**	**5,303**
Deferred tax assets	**60,635**	**59,851**
Other non-current assets	**1,961**	**2,511**
Total non-current assets	**596,150**	**603,533**
Tax receivables	**20,802**	**15,937**
Other current assets	**94,477**	**74,364**
Inventory	**165,589**	**156,645**
Trade receivables	**132,733**	**175,135**
Other current financial assets	**50**	**142**
Cash and cash equivalents	**51,869**	**111,289**
Total current assets	**465,520**	**533,513**
Discontinued or discontinuing operations	—	—
Total Assets	**1,061,670**	**1,137,046**

Liabilities (Euro/thousands)	31/03/2025	31/12/2024
Share Capital	67,979	67,979
Treasury shares	(2,552)	(1,544)
Other reserves and profit/loss carried forward	248,760	189,419
Profit (Loss) for the year	(13,008)	60,211
Group equity	**301,179**	**316,066**
Share capital and reserves attributable to non-controlling interests	960	1,015
Total Equity	**302,139**	**317,081**
Provisions	27,916	29,044
Post-employment benefits	29,017	29,270
Non-current financial liabilities	143,415	144,270
Financial liabilities IFRS 16	65,009	67,562
Deferred tax liabilities	40,404	39,996
Other non-current liabilities	—	—
Total non-current liabilities	**305,761**	**310,142**
Income tax payables	10,062	13,965
Other current liabilities	148,061	144,855
Trade payables	234,295	273,141
Payables to banks and other financial liabilities	47,657	64,250
Financial liabilities IFRS 16	13,695	13,612
Total current liabilities	**453,770**	**509,823**
Liabilities disposed or being disposed of	—	—
Total liabilities	**1,061,670**	**1,137,046**

CONSOLIDATED INCOME	2025	2024
Revenue from sales and services	**164,377**	**166,101**
Decrease (increase) in inventory	(8,282)	(7,054)
Cost of raw and ancillary materials, consumables and goods	36,718	34,204
Cost of services	101,670	100,987
Cost of personnel	36,543	35,601
Sundry expense (income)	(3,599)	(3,381)
EBITDA	**1,328**	**5,744**
Amortisation and impairment loss on intangible assets	9,066	8,769
Depreciation and impairment loss on property, plant and equipment	2,542	1,943
Amortization/depreciation and impairment loss of assets from rights of use	3,629	3,723
Operating income (loss)	**(13,908)**	**(8,691)**
Financial expense (income)	2,007	1,440
Expense (income) from investments	534	81
Result before tax	**(16,449)**	**(10,212)**
Income tax	(3,456)	(4,134)
Result from continuing operations	**(12,994)**	**(6,078)**
Result from discontinued or discontinuing operations	—	—
Net profit	**(12,994)**	**(6,078)**
Attributable to:	—	—
- Non-controlling interests	**15**	**1,015**
- Parent Company shareholders	**(13,008)**	**(7,093)**
Earnings per share of continuing operations (expressed in Euro units)	(0.050)	(0.027)
Diluted earnings per share of continuing operations (expressed in Euro units)	(0.050)	(0.027)
Net earnings per share (in Euro units)	(0.050)	(0.027)
Diluted net profit per share (in Euro units)	(0.050)	(0.027)

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Euro/thousands)	**2025**	**2024**
Net profit	**(12,994)**	**(6,079)**
Items reclassifiable to income statement		
Profit and loss deriving from the conversion of currency denominated financial statements of foreign companies	(1,009)	461
Other profit (loss) from equity-accounted investees	(9)	—
Effective part of profit/(loss) on cash flow hedge instruments	(232)	(21)
Profit and loss deriving from held-for-sale assets (fair value)	—	—
Tax effect on other profit (loss) reclassifiable to income statement	56	5
Items reclassified to income statement		
Effective part of profit/(loss) on cash flow hedge instruments	—	—
Profit and loss deriving from held-for-sale assets (fair value)	—	—
Tax effect on other profit (loss) reclassifiable to income statement	—	—
Items not reclassifiable to income statement		
Actuarial profit (loss)	63	12
Tax effect on other profit (loss) not reclassifiable to income statement	(12)	(4)
Total other profit (loss) net of tax effect	**(1,143)**	**453**
Total net profit (loss)	**(14,137)**	**(5,626)**
Attributable to:	—	—
- Non-controlling interests	**15**	**1,014**
- Parent Company shareholders	**(14,151)**	**(6,640)**

For the Board of Directors
The Chairman
Marina Berlusconi