BoD APPROVES RESULTS AT 31 DECEMBER 2022

The results achieved in the year beat expectations:

- **Net revenue € 903 million: +11.8% versus 2021;**
- **Adjusted EBITDA at € 136.3 million: +28.9% versus 2021; 15.1% margin;**
- **Group achieves best net result in last 15 years: € 52.1 million, up by 17.8% versus 2021;**
- **Cash flow from ordinary operations € 70.2 million versus € 68.2 million in 2021;**
- **IFRS 16 net financial position of € -177.4 million versus € -179.1 million at 31.12.2021**
- **Group confirms its ability to self-finance active M&A policy together with dividend distribution**

§

OUTLOOK FOR 2023 IMPROVES FURTHER VERSUS 2022

- **Revenue expected to grow *single-digit*;**
- **Adjusted EBITDA forecast to increase *single-digit*;**
- **Net result estimated to rise by approximately 10%;**
- **Cash flow from ordinary operations ranging from € 60 million to € 65 million;**
- **IFRS 16 NFP forecast at 1.0x Adjusted EBITDA, down versus 1.3x at end 2022**

§

DIVIDEND DISTRIBUTION PROPOSAL OF € 0.11 PER ORDINARY SHARE (TOTALING APPROXIMATELY € 28.7 MILLION), UP BY 30% VERSUS 2021

§

AGREEMENT SIGNED ON DISPOSAL TO P.B.F. OF THE STAKE IN SOCIETÀ EUROPEA DI EDIZIONI, PUBLISHER OF *IL GIORNALE*

Segrate, 16 March 2023 - Today, the meeting of the Board of Directors of Arnoldo Mondadori Editore S.p.A., chaired by Marina Berlusconi, reviewed and approved the draft financial statements and the consolidated financial statements at 31 December 2022 presented by CEO Antonio Porro.

2022 HIGHLIGHTS

The year 2022 saw the Group complete the **strategic path of reshaping** its business portfolio, which helped **greatly ease its exposure to magazines** while **strengthening its foothold in book publishing**, and will now continue with an exclusive focus on **developing its core business**.
During the year in fact, the Group completed a number of extraordinary transactions, the most noteworthy of which include:

- regarding the **core business of Books**, with a combined strategy of vertical integration in the supply chain and strengthening of its publishing leadership:
    - **the acquisition of 50% of De Agostini Libri**, active in Trade books with focus on the children's and non-fiction segments, and the subsidiary **Libromania**, active in the promotion of third-party publishers;

  - **the acquisition**, with a view to strengthening the distribution of third-party publishers, of **50% of A.L.I. - Agenzia Libraria International**, which will be fully consolidated as of 2023, following the acquisition of an additional 25% stake;
  - **the acquisition of 51% of Star Comics**, which makes the Group the Italian leader in the comic books segment.
- regarding the **Print Media** business, with a view to reducing exposure to the segment:
  - the disposal of a majority stake in **Press-di**, active in the nationwide distribution of magazines and newspapers;
  - the start of the disposal process of the business unit related to the ***Grazia* and *Icon*** brands, including the related international network, a transaction later completed in January 2023.

"In 2022 we achieved remarkable results, with **double-digit growth in revenue and margins** and the **best net profit in the last 15 years**. The performance as a whole - **exceeding the guidance** disclosed to the market - is clear proof of the success of the **strategic repositioning** of our businesses, the result of various acquisitions.
All this, combined with the many efficiency measures put in place by Management, has enabled us to **further strengthen our operating-financial standing**, despite a market and geopolitical scenario still dominated by uncertainty, marked among other things by a sharp increase in the cost of inputs", stressed **Antonio Porro, CEO of the Mondadori Group**.

PERFORMANCE AT 31 DECEMBER 2022
Consolidated revenue amounted to **€ 903 million**, **growing by 11.8%** versus 2021, despite the disposals in the Media area, thanks in particular to both the inclusion of D Scuola in the consolidation scope and the positive trend of the Books market, which benefited the Trade Books and Retail areas.

Adjusted EBITDA came to **€ 136.3 million**, **increasing** by approximately **€ 31 million**, or **improving** by **29%**: one-third of this strong growth stems from the **operating performance of the original scope**, thanks to the **increased efficiency achieved**, and two-thirds from the **consolidation of D Scuola**.
Overall, **profitability** stood at **15.1%**, **up by 2 percentage points** versus 2021.

EBITDA, which came to **€ 130.7 million** versus € 91.1 million in 2021, **improved** even more (**+43%**), thanks to the operating trend and to the reduction in restructuring costs in the Media and Corporate areas versus the prior year.

EBIT, amounting to € **72.7** million, recorded a **sharp improvement** versus 2021 (**+60.8%**), despite the impact of higher amortization (€ 4.7 million) arising from the *Purchase Price Allocati*on process of *goodwill* resulting from the concluded acquisitions (especially D Scuola).
EBIT in 2022 also includes a number of *write-offs*, totaling € 7.2 million (€ 7.4 million in 2021), resulting from the *impairment* process (relating in particular to the *TV Sorrisi e Canzoni* brand in the Media area, which was affected mainly by the increase in the discounting rates adopted).

Adjusted EBIT in 2022, net of extraordinary expense and all non-cash items related to *Purchase Price Allocation* and *impairment* processes, would amount to **€ 90.1 million**, **up** by more than € 22 million versus the prior year.

Total financial expense for the period, amounting to € 5.7 million, increased by € 1 million, as a result of the Group's higher average financial debt and the new evaluation of the *earn-out* from the acquisition of Hej! (€ 0.9 million).

The **consolidated result before tax** closed with a positive **€ 66.9 million** versus € 38.6 million in 2021 (**+73%**).
Contributing to the strong increase of € 28.3 million was the improvement of € 1.3 million in the results of the associates resulting from the disposal on 1 January 2022 of the stake in Monradio and the start of the accounting of the share of profits of A.L.I., which more than offset the € 1.7 million write-down of the stake in Attica.

Net profit, after non-controlling interests, amounted to **€ 52.1 million, up by 18%**, **the best result achieved by the Group** in the **last 15 years**; neutralizing the non-operating effects that impacted on 2021 and 2022, **adjusted net profit** would amount to € **64** million**, up by more than 50%**.

In addition to the buoyant performance of operations, the Group confirmed **solid cash generation** in the year, with **Cash Flow from Ordinary Operations** of € **70.2** million versus € 68.2 million in 2021.

The **Net Financial Position** (before IFRS 16) stood at **€ -106.1 million** (€ -94.8 million in 2021); considering the effects of IFRS 16, the NFP stood at **€ -177.4 million**, lower than € -179.1 million at December 2021, with a debt/Adjusted EBITDA ratio of 1.3x.
The minor change in the Net Financial Position between 2021 and 2022 shows - also looking ahead - the **Group's ability to self-finance**, **with its own cash generation**, **the active M&A policy** implemented over the last year, preserving the ability to distribute dividends.

2022 saw, in fact, the **return to a shareholder remuneration policy** with the distribution of dividends totaling approximately **€ 22 million**, equal to a pay-out of 50% of 2021 net profit.

At 31 December 2022, **Group employees** amounted to **1,900 units,** up by 5% versus 1,810 units at 31 December 2021 (+90), due mainly to the inclusion of D Scuola staff (a total of 125 units).
Neutralizing the effect of all scope changes - namely, the acquisitions of D Scuola, De Agostini Libri and Star Comics, and the disposals of titles and assets in the Media area - the Group workforce would drop by approximately 1%, thanks to the continued efforts to increase the efficiency of individual corporate areas and functions.

BUSINESS OUTLOOK

The **Group's** current **setup**, **operating performance**, and **cash generation ability** shown in 2022 allow us to **estimate a further improvement in results** for the new year, despite the continuing negative impacts of rising prices related to the purchase of raw materials and services.

From a strategic point of view, the Group intends to continue on the **path of consolidating its core business** and therefore its **leadership in the Books area**, from a publishing point of view, by strengthening the identity and specialization of the various publishing houses, and by pursuing the process of vertical integration of book chain activities. In the **School textbooks** segment, the Group will also complete the operational integration project of D Scuola.

In the **Retail** area, Mondadori will continue, on the one hand, the selective development of the network of stores functional to the completion of the widespread coverage of the Country, as well as the remodelling and downsizing of stores in order to optimize retail space and maximize network efficiency, and on the other, its efforts to focus on the book product in order to both increase the profitability of the area and to enhance its effectiveness in conveying the Group's publishing proposition to the market.

In the **Media** area, the Mondadori Group will concurrently continue on the path of developing its digital skills and range of products, with particular regard to its presence on Social channels and influencer marketing.

Thanks to the **financial and capital solidity** achieved, the Group can **continue on the virtuous path of development** it embarked on a few years ago, pursued also through the **continued use**, especially in the books and digital businesses, of **M&As**, beneficial to the Group’s intention to continue to seize opportunities for inorganic growth.

Income Statement
The Group's operating and financial targets that follow refer to a scope that includes only completed extraordinary transactions, therefore:

- in the **Books** area, full consolidation for the whole year of A.L.I. - Agenzia Libraria International, De Agostini Libri and Libromania (consolidated for 9 months in 2022), as well as Star Comics (consolidated for 6 months in 2022);
- in the **Media** area, deconsolidation for the whole year of Press-di and the print and digital operations referring to the *Grazia* and *Icon* brands.

In light of the above and the relevant context, **reasonable estimates for 2023 point to a:**

- **single-digit growth of revenue**, in relation to which the above changes in the consolidation scope will have a neutral impact overall; the different business areas are expected to show different trends: growth in the areas focused on the Book product, an increase in the Digital segment of the Media area, and, consistent with the structural downtrend of markets, a continued reduction in the Print Media business, which is expected at year-end to account for less than 10% of Group revenue;
- **Single-digit growth of adjusted EBITDA**. Even net of the recognition of relief to the museum business that benefited 2022 (approximately € 6.4 million), not planned however for 2023, adjusted EBITDA would grow high single-digit. Margins are likewise expected to grow - from 14% to 15% - thanks to:
  - targeted pricing policies,
  - careful cost containment policies,
  - completion of the operational integration of D Scuola,

and the Group is confident that it can more than offset the expected increase in costs for raw materials and services;

- **the net result for 2023 is expected to grow by approximately 10%** - despite higher amortization and depreciation resulting from both the Group's policy of increasing investments and the effects of the Purchase Price Allocation process - due primarily to the absence of the write-down of certain balance sheet items, which is currently not expected to repeat in the new year.

Cash Flow and Net Financial Position

In 2023, the Group is expected to **confirm the significant cash generation ability** shown in recent years:

- **Cash Flow from Ordinary Operations** is expected to range from **€ 60 to € 65 million**, **up by as much as 10%** versus 2022, net of the one-off impact of derivative instruments related to interest rate risk hedges;
- the Group's **net financial debt** (IFRS 16) is expected to stand at 1.0x Adjusted EBITDA at end 2023, down versus 1.3x at end 2022.

Dividend Policy

Thanks to its solid financial and capital standing, the Group **returns to a shareholder remuneration policy** that will see the distribution of dividends in an annual amount equal to the greater of 40% of Cash Flow from Ordinary Operations and the dividend of the prior year.
Mention should be made that in 2024, from the result of 2023, the Board of Directors intends to propose the Shareholders' Meeting to pay any dividend in two equal tranches (in May and November).
Each year, the Board of Directors, when proposing the distribution to the Shareholders' Meeting, will in any case take account of the general macroeconomic scenario, as well as the expected cash flows that will affect the Group's financial and capital structure.

§

AGREEMENT SIGNED ON DISPOSAL OF STAKE IN SOCIETA' EUROPEA DI EDIZIONI

Today Arnoldo Mondadori Editore S.p.A. signed an agreement on the disposal to P.B.F. S.r.l. of the 18.45% stake held in Società Europea di Edizioni (SEE S.p.A.), publisher of the daily *Il Giornale*.
The provisional consideration for the transaction was set at € 3.7 million and includes an adjustment mechanism based on SEE's net financial position and net working capital at the closing date, which is contractually scheduled by 30 June 2023. The accounting effects of the disposal will be defined and disclosed on completion of the transaction.
The disposal is consistent with the strategy of focusing on the books segment and on the divestment of non-strategic assets and investments.

§

PERFORMANCE OF BUSINESS AREAS

- ***BOOKS***

Following the remarkable growth seen in 2021, 2022 witnessed a **consolidation phase of the books market**, which was basically steady in terms of value (+0.2%) and volume (-0.4%) versus 2021.
Breaking down this trend into the different segments that form the Trade publishing market, the stability seen is the result of a slight growth in the Trade segment in a narrow sense (+1.2%); a stronger increase by Comics (+7.5%), which continued to be the most dynamic segment even after the remarkable growth seen from 2019 to 2021; and a sharp decline in the Professional segment (-14.7%).

Against this backdrop, the **publishing houses of the Mondadori Group** recorded a **growth in sell-out of 2.2%** during the year, the result of a **gradually improving performance**.
Thanks to these results, the Mondadori Group was able to **strengthen its domestic leadership** with a **growing market share**, after as many as 5 years, reaching **27%** at end 2022.

The **School textbooks** market (primary and secondary schools) in Italy in 2022 is estimated to increase by approximately 1% versus the prior year, settling at a total of approximately € 605 million; against this backdrop, the **Group's publishing houses** recorded a basically steady sales/adoption ratio in secondary schools and achieved a **32.3% market share** (including the share of D Scuola), down slightly versus the prior year: the decline is attributable to the primary school segment, marked by greater volatility and lower profitability, and to the reduction recorded by distributed publishers.

Revenue from the area in 2022 amounted to **€ 576.2 million**, **up by 23.9%** (+7.4 excluding the contribution of D Scuola) versus the prior year, broken down as follows:

- **+11.8% in the Trade area**, driven by the positive performance of the publishing houses, with a contribution also from De Agostini Libri and Star Comics acquired during the year, along with the sharp upswing of Electa's museum activities;
- **+45.2% in the Education segment**, thanks to the consolidation of D Scuola;
- **+34.7% in service and distribution activities of third-party publishers**, which benefited from the contribution of Libromania.

Despite higher paper purchase costs of over € 11 million, **adjusted EBITDA** in the Books area in 2022, including the contribution of D Scuola (€ 23.2 million), came to € **118.5** million, up by € 26 million versus 2021.
Profitability achieved by the Books area, amounting to approximately **21%** in 2022, is higher than the figure recorded in 2021 (20%).

- ***RETAIL***

The year 2022 saw the continued **policy of developing and optimizing the physical network** implemented in recent years. This **transformation process** resulted in **improved operational and management performance**.

During the year, the Retail area recorded **revenue** of **€ 189.2 million**, an **increase** of **€ 15.3 million** (**+8.8%**) versus 2021.

Ongoing **store renovation and focus on the core business of books** enabled the Mondadori Store network to consolidate its role on the market (with a **12.5% market share,** up by 1.2% versus the prior year), thanks to the **solid growth of Books revenue** (€ +15.1 million).

Sales by channel show:

- **further growth in revenue from directly-managed bookstores (+26.7%** versus the prior year) and **franchised bookstores (+4.3%** versus the prior year);
- a decline in the online channel, after the growth in the previous two years, in line with the negative trend of the entire e-commerce market.

During the year, Mondadori Retail recorded **significant growth in adjusted EBITDA**, which stood at € **9.1** million (€ +4 million versus 2021).

- ***MEDIA***

In 2022, the Mondadori Group completed the rationalization of its print portfolio, focusing on brands with the highest potential for multimedia development.

In 2022, the Media area **revenue** amounted to **€ 177.8 million**, down by 13.9% versus 2021.

Excluding the effects of the deconsolidation of the titles sold at end 2021 and Press-di's distribution business, revenue would have grown by **+2%**, broken down as follows:

- **digital activities**, which account for more than 27% of the area's total revenue, **rose sharply** by **14.6%** in 2022;
- traditional **print activities** were down by 4%.

The Media area's **adjusted EBITDA** stood at € **14.1** million, **growing by 14%** versus the prior year, while **margins improved** by 2 percentage points (from 6% to 8%), attributable mainly to the curbing of operating costs as well as the recognition of a tax receivable of € 1.9 million.

PERFORMANCE OF ARNOLDO MONDADORI EDITORE S.P.A.

The Parent Company's income statement at 31 December 2022 shows the same **profit** as in the consolidated financial statements of **€ 52.1 million** (€ 44.2 million in 2021), due to the fact that the Company has chosen to use the equity method to measure its investments in the separate financial statements.

Revenue, which consists of the costs of central units charged back to subsidiaries, amounted to **€ 41.8 million**, **basically steady** versus the prior year.

Adjusted EBITDA in 2022 came to € -5.7 million (€ -5.4 million in 2021), slightly deteriorating due to higher utility costs from the management of the Segrate HQ.

Reported EBITDA in 2022 stood at € -6.7 million, a **sharp improvement** versus 2021 (€ -11.4 million), thanks to lower provisions related to restructuring costs.

§

DIVIDEND DISTRIBUTION PROPOSAL OF € 0.11 PER ORDINARY SHARE

Based on 2022 results, the Board of Directors has proposed to the next Shareholders' Meeting, convened on 27 April 2023, the distribution of a **unit dividend of € 0.11 per ordinary share** (net of treasury shares) outstanding at the record date.

Total dividends amounted to **€ 28.7 million**, **up** by nearly **30%** versus the prior year: this amount is equal to a **pay-out of 55%** of net profit in 2022 and a **dividend yield of 6%** (at 31 December 2022).

The dividend will be paid, in accordance with the provisions of the "Regulation of the markets organized and managed by Borsa Italiana S.p.A.", from **24 May 2023** (**payment date**), with ex-dividend date (coupon no. 22) on **22 May 2023** (**ex date**) and with the date of entitlement to payment of the dividend, pursuant to Article 83-terdecies of the TUF (**record date**), on **23 May 2023**.

§

SIGNIFICANT EVENTS AFTER YEAR-END 2022

On **10 January 2023**, the Mondadori Group, through its subsidiary Mondadori Media S.p.A., executed the contract for the disposal to Reworld Media S.A. of the print and digital publishing operations of the *Grazia* and *Icon* titles, as well as the related international licensing network.

The execution of the transaction took place with the transfer of the business unit heading the operations disposed of to a newly-incorporated company and the concurrent disposal to Reworld Media of 100% of the share capital of the transferee.

On **13 January 2023**, the Mondadori Group, through its subsidiary Mondadori Libri S.p.A., concluded the acquisition of a further 25% stake in A.L.I. S.r.l. - Agenzia Libraria International, operating in the distribution of books.
The transaction - which raised the Mondadori Group stake in A.L.I. to 75%, subject to full consolidation as of January 2023 - took place in execution of the agreements defined and disclosed on 11 May 2022 upon acquisition of an initial 50% stake, effective earlier than the date originally scheduled for 28 February 2023. The provisional price, paid entirely in cash, was approximately € 9.5 million and was determined, as already disclosed to the market, on the basis of an average 2021-2022 EBITDA and the positive net financial position (cash) of the scope covered by the transaction.
Additionally, the defined agreements gave the Mondadori Group the right to acquire the remaining 25% in A.L.I., at a price to be determined on the basis of an average 2023-2024 EBITDA, through put&call options exercisable by 30 July 2025.

§

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 28 April 2022, with the approval of the financial statements at 31 December 2022, the Board of Directors will propose to the next Shareholders' Meeting 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 key elements of the Board of Directors' proposal:

- **Motivations**

The motivations underlying the request for the authorization to purchase and dispose of treasury shares refer to the expediency to grant 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 2023 and, in any case, for a period no more than 18 months after such 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 authorization would allow the purchase, on one or more occasions and also in several tranches, of a maximum number of ordinary shares with a par value of € 0.26 per share, which - taking account of the

treasury shares already held by the Company and any shares that may be acquired by subsidiaries - would not exceed a total of 10% of the share capital.
In accordance with Article 2357, paragraph 1, of the Italian Civil Code, purchase transactions shall be carried out within the limits of the distributable profits and available reserves resulting from the last duly approved financial statements at the time each possible purchase transaction is carried out. The authorization would include the option to subsequently dispose of the treasury shares purchased, in whole or in part, on one or more occasions and even before having reached the maximum number of purchasable shares.

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

The purchases would be made in compliance with Articles 132 of the TUF, 144-bis, paragraph 1, letters b) and d-ter) of the Issuer Regulation, and so:

(i) on regulated markets or multilateral trading systems, according to the operating criteria established in the organization and management regulations of the same markets, which do not allow the direct matching of buy orders against predetermined sell orders, and also in compliance with any other applicable law, including EU law.

(ii) in the manner established by the market practices permitted by CONSOB, as per the combined provisions of Article 180, paragraph 1, lett. C) of the TUF, and Article 13 of Regulation (EU) no. 596 of 16 April 2014 (the "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 reached 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 proposed authorization envisages that purchases shall be made at a unit price, in compliance with any regulatory requirements, including Community ones, or Admitted Market Practices pro tempore in force, if applicable, it being understood that the minimum and maximum purchase price shall be determined at a unit price no lower than the official Stock Exchange price of Mondadori shares on the day before the purchase transaction, reduced by 20%, and not higher than the official Stock Exchange price on the day before the purchase transaction, 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 as defined in Point 6 below - such price shall be identified in accordance with the trading conditions set forth in Delegated Regulation (EU) no. 1052 of 8 March 2016 and, in particular:

- 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 shall not exceed 25% of the daily average volume of Mondadori shares recorded over the 20 trading days before the dates of purchase, or in the month prior to the month of the notice required by Article 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 as referred to in point 1 above 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. 1,147,991 treasury shares, equal to 0.440% 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.

§

GRANTING OF SHARES UNDER THE 2020-2022 PERFORMANCE SHARE PLAN: INFORMATION PURSUANT TO ARTICLE 84-BIS, PARAGRAPH 5 CONSOB REGULATION NO. 11971/1999

The Board of Directors, based on the final assessment of the Performance Targets underlying the Plan, and having heard the Remuneration and Appointments Committee, resolved to allocate a total of no. 461,189 Arnoldo Mondadori Editore S.p.A. shares to 9 beneficiaries, in implementation of the provisions contained in the "2020-2022 Performance Share Plan" established by the Board of Directors on 17 March 2020 and subsequently adopted by the Shareholders' Meeting on 22 April 2020 (the "2020-2022 Plan").
Mention should be made that the 2020-2022 Plan takes the form of a share granting plan and grants its beneficiaries the right to receive, free of charge, shares in the Company 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 9 beneficiaries of the 2020-2022 Plan are the Chief Executive Officer, the CFO and 7 managers identified by name by the Chief Executive Officer, as delegated by the Board of Directors.
The characteristics of the 2020-2022 Plan are explained in detail in the Directors' Report to the Shareholders' Meeting of 22 April 2020 and in the information document contained therein, available on 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 granting of shares in the context of the 2020-2022 Performance Plan.

§

PROPOSED ADOPTION OF A 2023-2025 PERFORMANCE SHARE PLAN

The Board resolved, on a proposal from the Remuneration and Appointments Committee, and in keeping with the introduction of the performance share approved last year for the medium/long-term remuneration of executive directors and key management personnel, to submit to the approval of the Ordinary Shareholders' Meeting, the adoption of a 2023-2025 Performance Share Plan, in accordance with Article 114-bis of Legislative Decree no. 58 of 24 February 1998, intended 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 granting date 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.
For details on the proposed adoption of the 2023-2025 Performance Share Plan, the beneficiaries and the main characteristics of the Regulations of the Plan, reference should be made to the Information Document drawn up by the governing body, pursuant to Article 84-bis and annex 3A of the Issuer Regulation, and to the Explanatory Report, which will be published within the time limits and in the manner prescribed by applicable regulations.

§

CONSOLIDATED NON-FINANCIAL STATEMENT PURSUANT TO LEGISLATIVE DECREE 254/2016

Under Legislative Decree 254/2016, the Board of Directors' 2022 Report on Operations of the Mondadori Group is also composed of the Consolidated Non-Financial Statement (NFS), a qualitative-quantitative

description of the non-financial performance of the Company, associated with environmental, social, and staff-related issues, as well as those regarding respect for human rights, and the fight against corruption and bribery, which are relevant given the activities and characteristics of the Company. The NFS was prepared in accordance with GRI Standards: In accordance option, and includes benchmark KPIs related to GRI G4 "Media Sector Disclosure".
With regard to 2022, the Mondadori Group has updated its materiality analysis, consistent with the principles set out by the GRI Sustainability Reporting Standards (GRI Standards) and the reporting scopes laid down by Legislative Decree 254/2016.
In order to continuously improve the process, stakeholder engagement activities were further expanded in 2022 with the engagement not only of employees, teachers, and bookstore customers, but also of suppliers, financial analysts and investors, with more than 9,500 total answers to the engagement questionnaire.
The document also contains relevant information in line with ESMA's recommendations for the 2022 reporting year, and includes references required by Regulation (EU) 2020/852 related to the recent introduction of the EU Taxonomy.

In the reporting area, the following are the actions and initiatives taken:
- **D&I:** synergistic work with all corporate departments and **implementation of the indicator system**;
- **training and development** in digital and business innovation: > 40,000 hours;
- **education and the school world**: approximately 5,000 teachers involved in stakeholder engagement;
- **COVID prevention and protection** actions **for employees and associates**;
- **energy efficiency** actions, reducing gas consumption by 25.2%.

During the year no cases of corruption or bribery involving the Company or its employees were reported, and no legal action was initiated or concluded against the Group or its employees for cases of corruption or reports made within the whistleblowing system.
In 2022, the Mondadori Group once again paid special attention to environmental issues, the specific impacts associated with the life cycle of paper products, and the reduction of climate-changing emissions: this is an approach that guides the Company in the implementation of its activities, from the purchase of certified paper to the efficient management of points of sale and property.

SUSTAINABILITY PLAN GUIDELINES
The Mondadori Group launched its first three-year Sustainability Plan in 2022, which identifies strategic areas, **quantitative and qualitative targets**, and short- and medium-term actions for the ongoing improvement of performance in social, governance, and environmental terms. The Group's identity, mission and role as a publisher are reflected in the 3 macro areas and respective guidelines identified, consistent with the global goals of the United Nations.
2022 was a year marked by the **constant monitoring** of the quantitative goals set, which helped, on the one hand, to **accurately record the level of their achievement** and, on the other, to identify new future actions for a continuous updating of the Plan.

The goals achieved are as follows:
Social: enhancing people, content and places for education and culture
1. Development and endorsement of a well-structured framework of KPIs for monitoring all D&I-related actions, with specific regard to the gender pay gap and gender balance;
2. Extension to 100% of the school proposition of content/insights in the areas of Sustainability, 2030 Agenda for Sustainable Development, diversity, equity and inclusion, and civic education (80% in 2022; 100% in 2023);
3. Development of the Hybrid working project for the shared definition of a new mixed working model;
4. Ad hoc training in D&I for all Group people;
5. Enhancement of the initiatives/services proposition for the promotion of reading, and ESG training for the Group's school textbooks editorial offices and teachers.

Governance: promoting sustainable business success

1. Definition and measurement of quantitative and measurable LTI goals related to ESG issues for Top Management (Impact Inclusion Index in the 2022-2024 Performance Share plan).
2. Strengthening of the set of procedures and coverage of the areas of Privacy, Information Management and Cyber Security.
3. Strengthening of programs for protecting intellectual property/copyrights.
4. Enhancement of Stakeholder Engagement activities through the gradual expansion of engagement initiatives.

Environment: disseminating environmental culture and mitigating impacts on ecosystems
1. Extension to 100% of the school proposition of insights and fact sheets dedicated to the environmental culture of the entire school textbooks proposition, and promotion of such content within the Trade range (80% in 2022; 100% in 2023).
2. Fulfilment of ≈100% purchase of PEFC/FSC certified paper for Mondadori Group products.
3. Pursuit of energy efficiency actions, also as part of building/property and store renovation initiatives, and assessment of additional potential pilot activities to reduce greenhouse gas emissions.
4. Launch of the Book Environmental Footprint Life-Cycle Assessment project to measure environmental impacts and setting of "data-based" targets on the reduction of emissions into the atmosphere for ongoing improvement throughout the value chain.

§

The results for the year ended 31 December 2022, approved on today's date by the Board of Directors, will be presented by the Mondadori Group Management to the financial community in a webcast presentation scheduled today at 3:30 PM.
The corresponding documentation will be available on 1Info (www.1info.it), www.borsaitaliana.it and *www.gruppomondadori.it (Investors). Journalists will be able to follow the presentation in listening mode only, by connecting to the following telephone number +39028020911 and via web https://www.c-meeting.com/web3/join/M37DCPDPQUB3KL. At the end of the meeting, a dedicated session is scheduled where questions may be submitted to management.*

§

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 balance sheet;*
2. *Consolidated income statement;*
3. *Consolidated income statement - fourth quarter;*
4. *Group cash flow;*
5. *Arnoldo Mondadori Editore S.p.A. balance sheet;*
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*

Media Relations
pressoffice@mondadori.it
+39 02 7542.3159

Investor Relations
invrel@mondadori.it
+39 02 7542.2632

Annex 1
Consolidated balance sheet

(Euro/millions)	2022	2021	Chg. %
Trade receivables	161.2	165.0	(2.3)%
Inventory	151.4	120.6	25.5 %
Trade payables	252.7	223.0	13.3 %
Other assets (liabilities)	(45.7)	(42.0)	n.s.
Net working capital continuing operations	**14.2**	**20.6**	**(31.1)%**
Discontinued or discontinuing assets (liabilities)	(0.4)	(8.0)	(95.6)%
Net Working Capital	**13.9**	**12.7**	**9.5 %**
Intangible assets	372.3	351.8	5.8 %
Property, plant and equipment	24.1	14.6	65.4 %
Investments	29.7	18.7	58.8 %
Net fixed assets with no rights of use IFRS 16	**426.2**	**385.2**	**10.7 %**
Assets from right of use IFRS 16	68.5	80.7	(15.2)%
Net fixed assets with rights of use IFRS 16	**494.6**	**465.9**	**6.2 %**
Provisions for risks	41.9	47.1	(11.0)%
Post-employment benefits	28.3	32.8	(13.6)%
Provisions	**70.3**	**79.9**	**(12.0)%**
Net invested capital	**438.2**	**398.7**	**9.9 %**
Share capital	68.0	68.0	— %
Reserves	139.5	107.4	29.9 %
Profit (loss) for the period	52.1	44.2	17.8 %
Group equity	**259.6**	**219.6**	**18.2 %**
Non-controlling interests' equity	1.3	—	n.s.
Equity	**260.8**	**219.6**	**18.8 %**
Net financial position no IFRS 16	106.1	94.8	12.0 %
Net financial position IFRS 16	71.3	84.3	(15.5)%
Net financial position	**177.4**	**179.1**	**(0.9)%**
Sources	**438.2**	**398.7**	**9.9 %**

Annex 2

Consolidated income statement

(Euro/millions)	2022		2022 excl. D Scuola		2021		Chg. %	Chg. % excl. D Scuola
Revenue	**903.0**		**827.6**		**807.3**		***11.8 %***	***2.5 %***
Industrial product cost	295.8	32.8 %	276.8	33.5 %	246.6	30.5 %	*20.0 %*	*12.3 %*
Variable product costs	111.8	12.4 %	106.5	12.9 %	114.0	14.1 %	*(2.0)%*	*(6.6)%*
Other variable costs	165.2	18.3 %	148.7	18.0 %	163.3	20.2 %	*1.2 %*	*(9.0)%*
Structural costs	60.0	6.6 %	57.0	6.9 %	51.1	6.3 %	*17.5 %*	*11.6 %*
Extended labour cost	142.3	15.8 %	133.5	16.1 %	134.9	16.7 %	*5.4 %*	*(1.1)%*
Other expense (income)	(8.4)	(0.9)%	(8.1)	(1.0)%	(8.3)	(1.0)%	*1.5 %*	*(2.4)%*
Adjusted EBITDA	**136.3**	**15.1 %**	**113.1**	**13.7 %**	**105.7**	**13.1 %**	***28.9 %***	***7.0 %***
Restructuring costs	3.7	0.4 %	3.5	0.4 %	11.2	1.4 %	*(66.7)%*	*(69.0)%*
Extraordinary expense (income)	1.9	0.2 %	1.2	0.2 %	3.4	0.4 %	*(44.7)%*	*(63.2)%*
EBITDA	**130.7**	**14.5 %**	**108.4**	**13.1 %**	**91.1**	**11.3 %**	***43.4 %***	***18.9 %***
Amortization and depreciation	36.7	4.1 %	28.1	3.4 %	25.1	3.1 %	*45.9 %*	*11.7 %*
Impairement and write-downs	7.2	0.8 %	7.2	0.9 %	7.4	0.9 %	*n.s.*	*n.s.*
Amortization and depreciation IFRS 16	14.1	1.6 %	13.6	1.6 %	13.4	1.7 %	*5.1 %*	*1.2 %*
EBIT	**72.7**	**8.1 %**	**59.5**	**7.2 %**	**45.2**	**5.6 %**	***60.8 %***	***31.6 %***
Financial expense (income)	5.2	0.6 %	5.1	0.6 %	2.5	0.3 %	*108.9 %*	*104.1 %*
Financial expense IFRS 16	0.5	0.1 %	0.5	0.1 %	2.2	0.3 %	*(78.4)%*	*(78.9)%*
Financial expense (income) from securities valuation	0.0	— %	0.0	— %	0.4	0.1 %	*n.s.*	*n.s.*
Expense (income) from investments	0.2	— %	0.2	— %	1.5	0.2 %	*n.s.*	*n.s.*
EBT	**66.9**	**7.4 %**	**53.8**	**6.5 %**	**38.6**	**4.8 %**	***73.3 %***	***39.4 %***
Tax expense (income)	15.3	1.7 %	11.9	1.4 %	(5.6)	(0.7)%	*n.s.*	*n.s.*
Net result for the period (group and minorities)	**51.5**	**5.7 %**	**41.8**	**5.1 %**	**44.2**	**5.5 %**	***16.6 %***	***(5.4)%***
Minorities	(0.5)	(0.1)%	(0.5)	(0.1)%	0.0	— %	*n.s.*	*n.s.*
Group net result	**52.1**	**5.8 %**	**42.3**	**5.1 %**	**44.2**	**5.5 %**	***17.8 %***	***(4.2)%***

GRUPPO MONDADORI

Annex 3

Consolidated income statement - fourth quarter 2022

(Euro/millions)	Q4 2022		Q4 2022 excl. D Scuola		*Q4 2021*		Chg. %	Chg. % excl. D Scuola
Revenue	**224.8**		**216.3**		***218.4***		**2.9 %**	**(1.0)%**
Industrial product cost	84.8	37.7 %	**81.6**	**37.7 %**	*73.4*	33.6 %	15.5 %	11.3 %
Variable product costs	29.7	13.2 %	**29.4**	**13.6 %**	*31.4*	14.4 %	(5.4)%	(6.3)%
Other variable costs	36.0	16.0 %	**35.3**	**16.3 %**	*45.6*	20.9 %	(21.1)%	(22.7)%
Structural costs	17.0	7.6 %	**16.4**	**7.6 %**	*14.4*	6.6 %	17.8 %	13.7 %
Extended labour cost	36.9	16.4 %	**34.7**	**16.0 %**	*35.7*	16.4 %	3.2 %	(2.9)%
Other expense (income)	(0.4)	(0.2)%	**(0.2)**	**(0.1)%**	*(2.8)*	(1.3)%	n.s.	n.s.
Adjusted EBITDA	**20.8**	**9.3 %**	**19.1**	**8.8 %**	***20.7***	**9.5 %**	**0.6 %**	**(8.0)%**
Restructuring costs	2.7	1.2 %	**2.5**	**1.1 %**	*8.0*	3.7 %	(66.3)%	(69.4)%
Extraordinary expence (income)	1.9	0.8 %	**1.2**	**0.6 %**	*2.0*	0.9 %	(7.8)%	(38.9)%
EBITDA	**16.3**	**7.2 %**	**15.4**	**7.1 %**	***10.7***	**4.9 %**	**52.8 %**	**44.3 %**
Amortization and depreciation	10.6	4.7 %	**8.4**	**3.9 %**	*6.6*	3.0 %	59.9 %	26.0 %
Impairement and write-downs	7.2	3.2 %	**7.2**	**3.3 %**	*7.4*	3.4 %	n.s.	n.s.
Amortization and depreciation IFRS 16	3.7	1.7 %	**3.6**	**1.7 %**	*3.5*	1.6 %	7.5 %	3.8 %
EBIT	**(5.3)**	**(2.3)%**	**(3.8)**	**(1.8)%**	***(6.8)***	**(3.1)%**	**n.s.**	**n.s.**
Financial expense (income)	2.4	1.1 %	**2.3**	**1.1 %**	*0.2*	0.1 %	n.s.	n.s.
Financial expense IFRS 16	0.5	0.2 %	**0.5**	**0.2 %**	*0.5*	0.2 %	n.s.	n.s.
Financial expense (income) from securities valuation	—	— %	**—**	**— %**	*0.0*	— %	n.s.	n.s.
Expense (income) from investments	0.8	0.4 %	**0.8**	**0.4 %**	*(1.4)*	(0.6)%	n.s.	n.s.
EBT	**(8.9)**	**(4.0)%**	**(7.4)**	**(3.4)%**	***(6.2)***	**(2.8)%**	**n.s.**	**n.s.**
Tax expense (income)	(2.3)	(1.0)%	**(1.5)**	**(0.7)%**	*(1.0)*	(0.5)%	n.s.	n.s.
Net result for the period (group and minorities)	**(6.6)**	**(2.9)%**	**(6.0)**	**(2.8)%**	**(5.2)**	**(2.4)%**	**n.s.**	**n.s.**
Minorities	(0.4)	(0.2)%	**(0.4)**	**(0.2)%**	0.0	— %	n.s.	n.s.
Group net result	**(6.2)**	**(2.8)%**	**(5.6)**	**(2.6)%**	**(5.2)**	**(2.4)%**	**n.s.**	**n.s.**

Annex 4
Group cash flow

(Euro/millions)	2022	2022 escl. D Scuola	2021
Initial NFP IFRS 16	**(179.1)**		**(97.6)**
Financial liabilities application of IFRS 16	(84.3)		(82.8)
Initial NFP No IFRS 16	**(94.8)**		**(14.8)**
Adjusted EBITDA (No IFRS 16)	120.9	98.2	91.0
NWC and provisions	16.8	26.1	15.6
CAPEX no IFRS 16	(41.7)	(34.4)	(22.0)
Cash flow from operations	**96.0**	**89.9**	**84.5**
Financial income (expense) no ifrs 16	(4.1)	(4.0)	(2.4)
Tax	(21.6)	(16.4)	(13.9)
Cash flow from ordinary operations	**70.2**	**69.5**	**68.2**
Restructuring costs	(8.8)	(8.8)	(6.9)
Extraordinary Tax	(0.3)	(0.3)	3.4
Share capital increase/dividents from associates	(1.0)	(1.0)	(0.1)
M&A	(42.6)	(42.6)	(155.4)
Other income and expenditure	(7.0)	(6.5)	10.8
Cash Flow from extraordinary operations	**(59.5)**	**(59.1)**	**(148.2)**
Free cash flow	**10.7**	**10.4**	**(80.1)**
Dividends	(22.2)	(22.2)	—
Tot. Cash Flow	**(11.5)**	**(11.8)**	**(80.1)**
Net financial position no IFRS 16	**(106.1)**		**(94.8)**
IFRS Effects in the period	13.1		(1.4)
Final net financial position	**(177.4)**		**(179.1)**

Annex 5
Arnoldo Mondadori Editore S.p.A. balance sheet

(Euro/millions)	2022	2021	Chg. %
Intangible assets	**5.6**	**5.9**	**(5.1)%**
Real estate	—	—	— %
Land and buildings	—	—	— %
Plant and equipment	0.8	1.0	(20.0)%
Other tangible fixed assets	3.4	2.3	47.8 %
Property, plant and equipment	**4.2**	**3.3**	**27.3 %**
Assets from rights of use	**27.3**	**42.2**	**(35.3)%**
Subsidiaries	661.8	526.6	25.7 %
Investments in joint ventures and associates	7.0	8.9	(21.3)%
Other investments	1.1	0.7	57.1 %
Total investments	**669.9**	**536.2**	**24.9 %**
Non-current financial assets	11.0	0.6	n.s.
Pre-paid tax assets	1.3	1.8	n.s.
Other non-current assets	0.1	0.1	n.s.
Total non-current assets	**719.4**	**590.0**	**21.9 %**
Tax receivables	8.8	9.4	(6.4)%
Other current assets	3.1	2.6	19.2 %
Inventory	—	—	— %
Trade receivables	13.8	12.3	12.2 %
Other current financial assets	24.5	23.1	6.1 %
Cash and cash equivalents	25.3	72.9	(65.3)%
Cash and cash equivalents	**75.4**	**120.4**	**(37.4)%**
Assets held for sale or transferred	—	—	— %
Total assets	794.8	710.3	11.9 %

(Euro/millions)	2022	2021	Chg. %
Share capital	68.0	68.0	— %
Treasury shares	(2.0)	(1.8)	11.1 %
Other reserves and results carried forward	141.5	109.2	29.6 %
Profit (loss) for the period	52.1	44.2	17.9 %
Total equity	**259.6**	**219.6**	**18.2 %**
Provisions	3.9	6.1	(36.1)%
Post-employment benefits	1.8	1.9	(5.3)%
Non-current financial liabilities	104.5	118.6	(11.9)%
Financial liabilities IFRS 16	22.4	38.5	(41.8)%
Deferred tax liabilities	4.5	1.7	164.7 %
Other non-current liabilities	—	—	— %
Total non-current liabilities	**137.1**	**166.9**	**(17.9)%**
Income tax payables	—	—	— %
Other current liabilities	10.0	12.3	(18.7)%
Trade payables	18.4	13.3	38.3 %
Payables to banks and other financial liabilities	364.4	293.0	24.4 %
Financial liabilities IFRS 16	5.3	5.3	— %
Total current liabilities	**398.1**	**323.9**	**22.9 %**
Liabilities held for sale or transferred	—	—	— %
Total liabilities	**794.8**	**710.3**	**11.9 %**

Annex 6

Arnoldo Mondadori Editore S.p.A. income statement

(Euro/millions)	2022		2021		Chg. %
Revenue	**41.8**		**41.1**		***1.7 %***
Industrial product cost	0.1	—	0.1	—	*33.5 %*
Variable product costs	0.1	0.2 %	0.1	0.2 %	*4.7 %*
Other variable costs	0.2	0.4 %	0.3	0.7 %	*n.s.*
Structural costs	25.6	61.3 %	25.0	60.9 %	*2.2 %*
Extended labour cost	21.4	51.2 %	21.0	51.2 %	*1.7 %*
Other expense (income)	0.1	0.1 %	(0.1)	(0.2)%	*n.s.*
Adjusted EBITDA	**(5.7)**	**(13.5)%**	**(5.4)**	**(13.1)%**	***n.s.***
Restructuring costs	0.5	1.2 %	4.9	11.9 %	*n.s.*
Extraordinary expense (income)	0.5	1.2 %	1.1	2.6 %	*n.s.*
EBITDA	**(6.7)**	**(16.0)%**	**(11.4)**	**(27.7)%**	***n.s.***
Amortization and depreciation	3.9	9.4 %	3.9	9.4 %	*1.3 %*
Impairement and write-downs	—	— %	—	— %	*n.s.*
Amortization and depreciation IFRS 16	5.6	13.3 %	5.6	13.6 %	*n.s.*
EBIT	**(16.2)**	**(38.7)%**	**(20.8)**	**(50.7)%**	***n.s.***
Financial expense (income)	3.3	7.9 %	1.8	4.3 %	*87.5 %*
Financial expense IFRS 16	(0.6)	(1.3)%	1.3	3.1 %	*n.s.*
Financial expense (income) from securities valuation	—	— %	0.4	1.1 %	*n.s.*
Expense (income) from investments	(67.5)	(161.6)%	(65.3)	(159.0)%	*n.s.*
EBT	**48.6**	**116.4 %**	**41.0**	**99.8 %**	***18.5 %***
Tax expense (income)	(3.5)	(8.3)%	(3.2)	(7.8)%	*n.s.*
Net Result	**52.1**	**124.7 %**	**44.2**	**107.6 %**	***17.8 %***

Annex 7

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

(Euro/millions)	2022	2021	Chg. %
Result for the period	52.1	44.2	17.9 %
Adjustments			
Amortization, depreciation and write-downs	9.5	9.5	— %
Income tax for the period	(3.5)	(3.2)	9.4 %
Stock options	0.5	0.7	(28.6)%
Provisions and post-employment benefits	(2.6)	0.4	n.s.
Gains (losses) from disposal of intangible assets, property plant and equipment and investments	—	(0.4)	n.s.
(Income)/expense from securities valuation	—	0.3	n.s.
(Income)/expense from measurement of investments at equity	(67.5)	(65.3)	3.4 %
Net financial expense (income) on loans, leases and derivative transactions	4.2	3.9	7.7 %
Other non-monetary adjustments to discontinued operations	—	—	— %
Cash flow generated from operations	**(7.4)**	**(9.9)**	**(25.3)%**
(Increase) decrease in trade receivables	(1.5)	1.4	n.s.
(Increase) decrease in inventory	—	—	— %
Increase (decrease) in trade payables	4.1	(7.5)	n.s.
(Payment) cash in from income tax	4.0	6.0	(33.3)%
Increase (decrease) in provisions and post-employment benefits	0.4	(0.9)	n.s.
Net change in other assets/liabilities	(2.0)	3.5	n.s.
Net change in discontinued operations	—	—	— %
Net change in contribution	—	—	— %
Cash flow generated from (absorbed by) operations	**(2.3)**	**(7.4)**	(68.9)%
Price collected (paid) net of cash transferred/acquired	—	—	— %
(Purchase) disposal of intangible assets	(1.8)	(1.1)	63.6 %
(Purchase) disposal of property, plant and equipment	(1.7)	1.7	n.s.
(Purchase) disposal of investments	(124.0)	(145.0)	(14.5)%
(Purchase) disposal of discontinued operations	—	—	— %
Income from investments - dividends	60.3	39.1	54.2 %
(Purchase) disposal of securities	—	4.9	n.s.
(Purchase) disposal from contribution	—	—	— %
Cash flow generated from (absorbed by) investing activities	**(67.3)**	**(100.3)**	**(32.9)%**
Increase (decrease) in payables to banks for loans	(35.8)	29.5	n.s.
Change in other financial assets - Intercompany	(0.9)	19.2	n.s.
Change in other financial liabilities - Intercompany	(27.5)	(42.8)	(35.7)%
(Purchase) disposal of treasury shares	(0.8)	(1.5)	(46.7)%
Net change in other financial assets/liabilities	110.6	75.9	45.7 %
Dividends	(22.2)	—	n.s.
Cash in of net financial income (payment of net financial expense) on loans and transactions in derivatives	(1.5)	(1.3)	15.4 %
Cash flow generated from (absorbed by) discontinued operations	—	—	— %
(Purchase) disposal from contribution	—	—	— %
Cash flow generated from (absorbed by) financing activities	**22.0**	**78.9**	**(72.1)%**
Increase (decrease) in cash and cash equivalents	**(47.6)**	**(28.7)**	**65.9 %**
Increase (decrease) in cash from contribution	**—**	**—**	**— %**
Cash and cash equivalents beginning of period	**72.9**	**101.7**	**(28.3)%**
Cash and cash equivalents end of period	**25.3**	**72.9**	**(65.3)%**

Annex 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:

EBITDA: net result for the period before income tax, other financial income and expense, amortization, 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.

	2022	2021
Gross Operating Profit - EBITDA (as shown in the financial statements)	**130,740**	**91,142**
Restructuring costs under "Cost of personnel" NOTE 34	3,730	11,218
Expense from acquisition and disposal of companies and business units, (income) expense, NOTE 33 and NOTE 35	1,574	3,690
Loss (profit) from disposals of fixed assets and investments NOTE 35	298	(304)
Adjusted Gross Operating Profit - Adjusted EBITDA (as shown in the Directors' Report on Operations)	**136,342**	**105,747**

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;
- as well as any income and expense from non-ordinary events and transactions as set out in CONSOB Communication DEM6064293 of 28/07/2006.

With reference to adjusted EBITDA in 2021, the following items were excluded from EBITDA:
- Restructuring costs for a total amount of € 11.2 million, included in "Cost of personnel" in the income statement;
- Net expense of a non-ordinary nature for a total of € 3.4 million, included in "Sundry expense (income)" and "Expense (income) from investments".

With reference to adjusted EBITDA in 2022, the following items were excluded from EBITDA:
- Restructuring costs for a total amount of € 3.7 million, included in "Cost of personnel" in the income statement;
- Net expense of a non-ordinary nature for a total of € 1.9 million, included in "Sundry expense (income)" and "Expense (income) from investments".

EBIT: net result for the period before income tax, and other financial income and expense.

Adjusted EBIT: operating result as identified above excluding expense and income of a non-ordinary nature as already defined, amortization and depreciation resulting from the Purchase Price Allocation of companies, and write-downs of intangible assets/impairment.

EBT: EBT or consolidated result before tax is the net result for the period before income tax.

Adjusted Net Profit: net result excluding non-ordinary income and expense, non-monetary costs arising from the Purchase Price Allocation of companies, and write-downs of intangible assets/impairment net of related non-tax effects as well as 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 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).

Annex 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.	22.4.2020	Shares Arnoldo Mondadori Editore S.p.A.	49,724	16.3.23	N.S.	€1.73	1.1.2020 – 31.12.2022
Alessandro Edoardo Franzosi	CFO and Director of Arnoldo Mondadori Editore S.p.A.	22.4.2020	Shares Arnoldo Mondadori Editore S.p.A.	192,680	16.3.23	N.S.	€1.73	1.1.2020 – 31.12.2022
Key management personnel of Arnoldo Mondadori Editore S.p.A.	Executives	22.4.2020	Shares Arnoldo Mondadori Editore S.p.A.	182,320	16.3.23	N.S.	€1.73	1.1.2020 – 31.12.2022
Other employees of Arnoldo Mondadori Editore S.p.A. and its subsidiaries	Executives	22.4.2020	Shares Arnoldo Mondadori Editore S.p.A.	36,465	16.3.23	N.S.	€1.73	1.1.2020 – 31.12.2022

(a) The number of shares refers to the grantings approved by the Board of Directors on 16 March 2023.
(b) The shares were granted effective from 11 May 2023 by the Board of Directors' meeting on 16 March 2023; the Remuneration and Appointments Committee made its proposal on 2 March 2023.
(c) The value shown refers to the date on which the Board of Directors set the grantings, it being understood that the date of actual granting has been deferred, as indicated above, to 11 May 2023.