GRUPPO MONDADORI

PRESS RELEASE

Board of Directors approves results as at 30 September 2024

MONDADORI GROUP: IMPROVEMENT CONTINUES IN ECONOMIC PERFORMANCE; REVENUE AND ADJUSTED EBITDA BOTH UP

- **Consolidated net revenue € 705.8 million, an improvement of 3.8% versus € 679.9 million at 30 September 2023;**
- **Adjusted EBITDA € 133.3 million, improving by 3.1% versus € 129.3 million at 30 September 2023;**
- **Group net profit positive for € 59.3 million versus € 66.3 million at 30 September 2023. Adjusted net profit € 63.2 million, essentially stable compared with € 62.8 million at 30 September 2023;**
- **Solid cash generation confirmed with LTM Ordinary Cash Flow of € 67.3 million at 30 September 2024;**
- **Net Financial Position gross of IFRS 16 amounted to € -229.7 million from € -223.9 million at 30 September 2023 mainly due to shareholder remuneration and M&A transactions.**

- **2024 outlook confirmed in light of the results achieved at 30 September 2024**

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- **Start of share buyback program to service the 2024-2026, 2023-2025 and 2022-2024 Performance Share Plans**

- **Extraordinary shareholders' meeting convened to adopt changes to the Bylaws regarding the appointed representative, pursuant to art. 135-undecies.1 of Italian Legislative Decree no. 58 of 24 February 1998**

Segrate, 13 November 2024 - Today, the meeting of the Board of Directors of Arnoldo Mondadori Editore S.p.A., chaired by Marina Berlusconi, reviewed and approved the Interim Management Statement at 30 September 2024 presented by Chief Executive Officer Antonio Porro.

"During FY 2024, the improvement in our Group's economic performance continued", commented **Antonio Porro, CEO and General Manager of the Mondadori Group**. "The positive dynamic of revenue and Adjusted EBITDA and the relevant cash generation have allowed us to finance the acquisitions, increase remuneration of shareholders and confirm the objectives we set ourselves as targets for FY 2024. In fact, during the period, the development of our core business continued, also through acquisitions in books and digital", Mr Porro concluded.

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PERFORMANCE AT 30 SEPTEMBER 2024

During the first nine months of 2024, **consolidated revenue** totalled **€ 705.8 million**, showing **growth** of **3.8%** compared with the previous year (€ 679.9 million in the same period of 2023). Net of the change in consolidation scope between the two periods under review, resulting from the consolidation of the companies Star Shop (from 1 February) and Chelsea Green Publishing (from 1 May), organic revenue growth was **1.1%**.

Adjusted EBITDA was **€ 133.3 million**, up **3.1%** on the € 129.3 million recorded for the first nine months of 2023, mainly thanks to the Trade Books, Retail and Media areas.

The Group's **EBITDA** came to **€ 134.2 million**, compared with the € 131.5 million at 30 September 2023, showing, despite lesser non-recurring income linked to the net capital gain deriving from the sale of the *Grazia* and *Icon* in 2023, an **improvement of approximately € 2.7 million** due to the favourable dynamics of the operating components.

The Mondadori Group's **EBIT**, positive for **€ 88.3 million**, has shown, compared with the € 90.5 million for the first nine months of 2023, a slight downturn, of € 2.2 million, due to the greater amortisation/depreciation, of approximately € 5 million, recorded during the period under review, mainly deriving from:

- for € 2.3 million, larger investments made during the last 12 months;
- and for an amount of € 1.9 million, from the accounting effects of the Purchase Price Allocation (PPA) process relating to the M&A transactions completed during previous years.

Neutralising the extraordinary items and the amortisation deriving from the allocation of the price for the companies acquired in the last 5 years, the period's **Adjusted EBIT** would stand at € 93.8 million, **up by approximately 1%** compared with the € 92.6 million of the same period of the previous year.

The **consolidated result before tax** of the first nine months of 2024 was positive at € **82.4 million**, a **decline of about € 5 million** compared with € 87.1 million at 30 September 2023. This reduction is the result of the dynamics already described, in addition to the lesser contribution, for approximately € 2.5 million, of the lesser earnings of associates which in 2023 benefited from non-recurring income (capital gains and fair value revaluation).

Financial expense grew by € 0.2 million in total as a result of greater imputed costs linked to the IFRS 16 debt (€ +0.6 million). The financial expense associated with the bank debt, on the other hand, declined insofar as the higher cost of debt was more than offset by lower average debt.

The **Group's net profit at 30 September 2024**, after minority interests, was **positive** for **€ 59.3 million**, down by approximately € 7 million compared with **€ 66.3 million** in the first nine months of 2023, of which approximately € 5 million arising from the non-ordinary dynamics described previously and the remaining € 2 million resulting from a greater share of the profit attributable to minority interests (€ +1.3 million) and higher tax expense.

The **tax component** for the first nine months of FY 2024 are, in fact, negative for € 21.6 million compared with € -20.5 million at 30 September 2023: the 2023 result had, in fact, benefited from the recognition of non-taxable income or income subject to reduced taxation such as the capital gains arising from the sales of magazines and of the investment in SEE, as well as the contributions in the Media area.

Adjusted Net Profit, neutralised of the extraordinary components (including capital gains) and amortisation deriving from the purchase price allocation of the companies acquired, would be **€ 63.2 million, essentially stable** compared with the € 62.8 million of the same period of the previous year.

Net Financial Position net of IFRS 16 at 30 September 2024 was € -150.9 million (net debt), essentially unchanged compared with the € -152.3 million at 30 September 2023; **the significant cash generation of the business** made it possible to finance the acquisitions of Star Shop and Chelsea Green Publishing and to increase remuneration of shareholders without increasing the Group's financial exposure.

Net Financial Position gross of IFRS 16 at 30 September 2024 stood at **€ -229.7 million** (net debt), up by approximately € 6 million from € -223.9 million at 30 September 2023, due to an IFRS 16 debt component of € -78.8 million, up by approximately € 7 million due to the renovation and development of the network of directly-managed book stores in the Retail area in addition to the acquisitions finalised in 2024 in the Trade Books area.

Cash flow from ordinary operations (i.e. after cash-out for financial expense and tax) in the twelve months prior to 30 September 2024 amounted to **€ 67.3 million**.
At 30 September 2024, **extraordinary cash flow of the twelve months previous was negative by approximately € 29 million,** mainly due to cash-outs related to net balance of **acquisitions and**

disposals for around € 15 million, restructuring costs for around € 6 million and the renovation of the Segrate headquarters for approximately € 4 million.

As a result, **Free Cash Flow LTM at 30 September 2024** - **positive for € 38.1 million** - reflected the **ongoing efficiency of the Group's structures and confirmed its capacity to self-finance its inorganic growth policy**.

Finally, during the period under review, the Mondadori Group recorded **dividends for its shareholders for approximately € 31 million** (of which 50% already distributed on 22 May 2024 and the remaining € 15.5 million assigned for payment on 20 November 2024).

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OUTLOOK FOR THE YEAR

In light of the results achieved in the first nine months of FY and the reference markets scenario, **the Mondadori Group confirms the previously communicated guidance for the 2024 financial year**.

Income Statement:

- **low single-digit revenue growth**;
- **mid single-digit growth in the Adjusted EBITDA**, with **margins** expected to remain stable at around **17%**; this result is due to targeted pricing policies and a further reduction of paper and printing costs.

Financial data

In FY 2024, the Group **confirms its significant cash generation capacity** and therefore an estimated **Ordinary Cash Flow** of around **€ 70 million**.

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PERFORMANCE OF BUSINESS AREAS

- ***TRADE BOOKS AREA***

During the first nine months of the year, **the book market** showed **essential stability (-0.5%[1]** compared with the previous year).

In this context, **the Mondadori Group's publishing houses** recorded **a significantly better result** than the reference scenario, with overall **growth** in the first nine months **of 1.5%** - **even more significant in the third quarter alone** (**+3.6%**) - **thanks, in particular, to the excellent performance of sales of Italian fiction**.
This performance has allowed the Mondadori Group to strengthen its **national leadership** with a **market share of 28%**.

As proof of the quality of the publishing plan and the depth and assortment of its catalogue, during the first nine months of the year, the Mondadori Group was able to place **4 titles in the top ten best-sellers list[2]**. In addition, in July the Mondadori Group, through the Einaudi publishing house, won the **78th edition of the Strega Prize** with "***L'età fragile***" by Donatella Di Pietrantonio.

During the first nine months of FY 2024, Trade Books area **revenue** came to **€ 281.9 million**, showing **growth** of **7.5% (+0.7% like-for-like)** compared with € 262.4 million for the same period of the previous year.

[1] Source: GfK, September 2024
[2] Source: GfK, September 2024 (ranking in terms of cover value)

Adjusted EBITDA of the Trade Books area for the first nine months of 2024 came to **€ 42.2 million, showing margin growth of around 3% (€ 1.2 million)**, due to the **improved profitability of the publishing houses**, as a result in particular of the growth of digital revenue and lesser incidence of industrial costs (paper, first and foremost), which more than offset the decline in the margin recorded for museum activities.

- ***EDUCATION BOOKS AREA***

The **Textbooks market** (primary and secondary schools) reported a reduction of 1.5% in the total number of students (sharper in primary school), due to the demographic trend recorded in Italy.

In the first nine months of FY 2024, the **Mondadori Group school textbook publishing houses** achieved a **market share** (adoptions) of **31.8%**, stable compared with the previous year and thereby **confirming its leadership at national level**. This result is due to growth in the secondary school segment (middle and upper schools) and a downturn in the primary school segment, characterised by greater volatility and lesser profitability.

In the first nine months of 2024, the area's business recorded **total revenue of € 213.9 million**, slightly down (- 0.7%) versus € 215.5 million of the same period in 2023.

Adjusted EBITDA for the Education Books area came to **€ 73.8 million**, in line with the € 73.9 million recorded in the same period of the previous year: the limitation of operating costs made it possible to offset greater logistics costs for € 1.9 million and the loss of margin deriving from the lesser revenue.

- ***RETAIL AREA***

As already mentioned, the **book market in Italy at end-September recorded a slight** overall **decline** (**-0.5%**[3]) compared with the same period of 2023; growth of the physical channel (+1.1%); negative performance of the on-line channel (estimated at -3.3%).
In this context, the Retail area continued to **outperform the market;** Mondadori Retail's **market share** in the Book product stood at **13.2%, an increase** compared with 30 September 2023, driven by an **excellent performance of both direct and franchise stores** and **good performance of the on-line channel**.

Total revenues (book and non-book) amounted to **€ 143.8 million**, an **increase of € 10.4 million (+7.8%)** compared with € 133.4 million compared to the same period of the previous year.
On an organic level (i.e. net of revenue from Star Shop, consolidated in this area as of 1 February 2024) **the growth was 2.6%.** The growth in revenue on an organic level would have been even more significant **(+3.8%) without the impact of the temporary closures** (due to renovation work) of the bookstores in Marcianise and Nola, which weighed on revenue for over € 1.6 million in the first nine months of the current financial year.

An analysis of **sales by channel** compared with the previous year reveals:
- further **growth in revenue of direct bookstores** (**+5.3%**);
- the continuous **growth of franchisee bookstores** (**+3.1%**);
- a slight decline in the **on-line** channel (-4%);
- the positive impact of revenue deriving from the management (direct and franchised) of **Star Shop comic book stores and e-commerce website**;
- the decline in revenues of **Bookclub**.

During the first nine months of the current year, the Retail area presented **Adjusted EBITDA** of **€9.4 million** (net of the Star Shop comic book stores margin impact), and highlighted **significant growth**, **of 12.8%**, compared with the first nine months of 2023 (€ **+1.1 million**). This result confirms progression and **constant improvement in performance seen for several years now.**

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[3] Source: GfK, September 2024

Adjusted EBITDA also suffered the negative impact (€ 0.6 million) of the specified restoration projects, without which Adjusted EBITDA growth would have been around 20% (€ +1.7 million) compared with the same period of the previous year.

- ***MEDIA AREA***

During the first eight months of FY 2024, **the advertising market** recorded an increase of 7.6% compared with the previous year; in this context, the digital segment grew by 5.5% while magazines declined by 1.4%[4]. The magazines **circulation market** declined by 6.7%[5] and add-on products recorded a reduction of 10.1%[6].

In the first nine months of FY 2024, **revenue** in the Media area amounted to **€ 106.4 million**, and posted **an increase of around 5%** since the previous year, stemming from the **strong growth in the Digital component**, which continues to offset the structural downturn of the component linked to traditional activities. Specifically:

- the **digital business** (**approximately 43% of the** area's total **revenue**) has shown **growth in advertising revenue of 24.5%**, resulting in particular from the positive performance of the MarTech segment and the excellent results of the social agency and *Webboh*;
- the **traditional print business declined by 6.9%**, mainly due to the structural drop in add-on sales and readership during the quarter under review.

Adjusted EBITDA for the Media area came to **€ 12.8 million** in the first nine months of FY 2024, showing **growth of approximately 25%** compared with the previous year, mainly due to the digital business. The **EBITDA margin** recorded an **increase of 2 percentage points, from 10.1% to 12%**.

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CONSOLIDATED FINANCIAL HIGHLIGHTS OF THIRD QUARTER 2024

The **consolidated revenue** of the third quarter of 2024 came to **€ 318.7 million**, essentially stable compared with the same quarter of the previous year: like-for-like, the organic performance of revenue recorded a slight downturn of 2%.
Adjusted EBITDA was **€ 92.4 million**, **an increase of almost € 1 million** on the € 91.1 million recorded for the third quarter of 2023.
The quarter's **EBITDA** came to **€ 91.8 million** (€ 91.1 million in Q3 2023), revealing that, despite the lesser non-recurring income, **there had been an improvement of € 0.6 million that reflects the positive operating trend**.
EBIT of **€ 75.6 million** was reported, showing a slight reduction of € 0.9 million compared with the same period of the previous year. Despite the **positive operating performance of all business areas that had led to an improvement in the profitability of the Group**, the higher depreciation and amortisation recorded, in the amount of € 1.6 million, as a result of the growing investments and the PPA process, resulted in this downturn compared with the previous year.
Neutralising the extraordinary items and the amortisation deriving from the allocation of the price for the companies acquired in the last 5 years (PPA), **Adjusted EBIT** would stand at **€ 78.4 million**, **up by approximately € 0.5 million** compared with the third quarter of 2023.

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START OF SHARE BUYBACK PROGRAM TO SERVICE THE 2024-2026, 2023-2025 AND 2022-2024 PERFORMANCE SHARE PLANS

The Board of Directors approved the start of a share buyback program, under Article 5 of Regulation (EU) no. 596/2014, to be executed in accordance with the terms and conditions, already disclosed to

[4] Source: Nielsen, August 2024
[5] Internal source: Press-di, August, in terms of value
[6] Internal source: Press-di, August, in terms of value

the public, resolved by the Ordinary Shareholders' Meeting of 24 April 2024 which, among other things, authorized:

- the purchase and disposal of treasury shares for a maximum amount of up to 0.39% of the share capital, which is intended to provide the Company with the no. 1,018,196 shares required over the three-year period to meet the obligations under the 2024-2026 Performance Share Plan established by the same Shareholders' Meeting, pursuant to Article 114-bis of the TUF;
- the continuation of the buyback program to service the 2022-2024 Performance Share Plan and the 2023-2025 Performance Share Plan in the manners and within the limits set out in the relevant Regulations.

Pursuant to Delegated Regulation (EU) 2016/1052, details of the buyback program are shown below:

- **Purpose of the plan**

The sole purpose of the program is the buyback of Arnoldo Mondadori Editore S.p.A. treasury shares to service the 2024-2026 Performance Share Plan, the 2023-2025 Performance Share Plan and the 2022-2024 Performance Share Plan.

- **Maximum amount in cash allocated to the plan**

Buybacks will be made at a minimum unit price not lower than the official Stock Exchange price on the day before the purchase transaction, reduced by 20%, and at a maximum unit price not higher than the official Stock Exchange price on the day before the purchase transaction, increased by 10%. The volumes and unit purchase prices will, however, be defined in accordance with the conditions governed by Article 3 of EU Delegated Regulation 2016/1052. Specifically, no shares may be purchased at a price higher than the higher between the price of the last independent trade and the price of the highest current independent bid on the trading venue where the purchase is carried out. In terms of volumes, daily purchase amounts will not exceed 25% of the daily average volume of Mondadori shares traded over the 20 trading days before the dates of purchase.

- **Maximum number of shares to purchase**

Purchases will regard a maximum of no. 720,000 ordinary shares (equal to 0.275%) of the share capital, taking account of the treasury shares already held in the Company's portfolio, to service the aforementioned Performance Share Plans, in the manners and within the limits set out in the relevant Regulations.
The maximum total amount of shares under the program is therefore within the limits of 10% of the share capital indicated by the Shareholders' Meeting of 24 April 2024, taking account also of the no. 548,471 treasury shares, equal to 0.209% of the share capital, already held by the Company to date.

- **Duration of the plan**

The buyback program runs from 21 November 2024. The conclusion of the program, in any case by the Shareholders' Meeting convened to approve the financial statements at 31 December 2024, the date on which authorisation to purchase treasury shares resolved by the Shareholders' Meeting of 24 April 2024 expires, will be disclosed to the market.
The buyback program may be renewed upon further authorization by the shareholders.

- **Buyback procedures**

The buyback program will be coordinated and executed by an authorized intermediary, who will make the purchases independently, with no influence from Arnoldo Mondadori Editore S.p.A. as regards the timing of the purchases.
Buybacks will be made pursuant to the combined provisions of Article 132 of Legislative Decree no. 58/1998 and of Article 5 of Regulation (EU) 596/2014, Article 144-bis of the Issuers' Regulation, and the EU and national legislation on market abuse (including Delegated Regulation (EU) 2016/1052), in accordance with the resolutions of the above Shareholders' Meeting of 24 April 2024.
Any subsequent changes to the buyback program will be promptly disclosed by the Company. The transactions made will be disclosed to the market in the manners and within the time limits of applicable law.
For information on the above Performance Share Plans, reference should be made to the information documents prepared pursuant to Article 114-bis of Legislative Decree no. 58/1998 and to Article 84-bis of CONSOB Regulation no. 1197/1999 and available on the website www.mondadorigroup.com (Governance section) and at the authorized storage mechanism 1Info (www.1Info.it).

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CONVENING OF THE EXTRAORDINARY SHAREHOLDERS MEETING FOR THE PROPOSED SUPPLEMENTATION OF THE COMPANY'S BYLAWS. NOTICE OF PUBLICATION OF DOCUMENTS

The Board of Directors has also convened the Extraordinary Shareholders Meeting for 18 December 2024 (19 December in the event of a second call) to resolve on a proposal to supplement the company's bylaws. The supplement regards, in execution of the provisions introduced by art. 11 of Italian Law no. 21 of 5 March 2024 (the "**Capital Markets Law**"), the attribution to the Board of Directors of the faculty to determine that intervention and exercise of voting rights in shareholders' meetings may also take place exclusively through the Company's appointed representative in accordance with Article 135-undecies.1 of Italian Legislative Decree no. 58 of 24 February 1998.
The notice calling the shareholders' meeting and the Directors' Explanatory Report are available to the public, in accordance with articles 125 bis and 125 ter of Italian Legislative Decree no. 58 of 24 February 1998, on the Company's website www.mondadorigroup.com (Governance/Shareholders' meeting section) and on the authorised storage mechanism 1Info at www.1info.it. The Call notice is also published in extract form, on 14 November, in the newspaper "il Giornale".

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The Interim Management Statement at 30 September 2024 is made available by today through the authorised storage mechanism 1info (www.1info.it), on www.mondadorigroup.com (Investors section) and at the registered office.

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The presentation of the results at 30 September 2024, approved today by the Board of Directors, is available on www.1info.it and on www.mondadorigroup.com (Investors section).
A Q&A session will be held in conference call mode at 3.30 p.m. for the financial community, attended by the CEO of the Mondadori Group, Antonio Porro, and the CFO, Alessandro Franzosi. Journalists will be able to follow the meeting in listening mode only, by connecting to the following phone number +39.02.8020927 or via web at: https://hditalia.choruscall.com/?calltype=2&info=company.

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

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Annexes:
1. Consolidated Statements of Financial Position
2. Consolidated Income Statement
3. Consolidated income statement - III quarter
4. Group cash flow
5. Glossary of terms and alternative performance measures used

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Annex 1

Consolidated Statements of Financial Position

(Euro/millions)	September 30, 2024	September 30, 2023	Chg. %
Trade receivables	230.3	226.6	1.6%
Inventory	168.3	167.6	0.4%
Trade payables	266.2	265.3	0.3%
Other assets (liabilities)	(41.6)	(41.2)	n.s.
Net working capital continuing operations	**90.7**	**87.7**	**3.4%**
Discontinued or discontinuing assets (liabilities)	—	—	n.s.
Net Working Capital	**90.7**	**87.7**	**3.4%**
Intangible assets	384.1	385.2	(0.3)%
Property, plant and equipment	39.2	31.1	26.0%
Investments	14.3	14.2	0.9%
Net fixed assets with no rights of use IFRS 16	**437.6**	**430.5**	**1.6%**
Assets from right of use IFRS 16	74.1	68.2	8.7%
Net fixed assets with rights of use IFRS 16	**511.7**	**498.6**	**2.6%**
Provisions for risks	31.8	38.4	(17.1)%
Post-employment benefits	28.9	29.0	(0.6)%
Provisions	**60.7**	**67.4**	**(10.0)%**
Net invested capital	**541.7**	**519.0**	**4.4%**
Share capital	68.0	68.0	— %
Reserves	184.2	160.1	15.0%
Profit (loss) for the period	59.3	66.3	n.s.
Group equity	**311.5**	**294.4**	**5.8%**
Non-controlling interests' equity	0.6	0.6	(10.1)%
Equity	**312.0**	**295.0**	**5.8%**
Net financial position no IFRS 16	150.9	152.3	(0.9)%
Net financial position IFRS 16	78.8	71.6	9.9%
Net financial position	**229.7**	**223.9**	**2.6%**
Sources	**541.7**	**519.0**	**4.4%**

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Annex 2
Consolidated Income Statement

(Euro/millions)	9M 2024		9M 2023		*Chg. %*
Revenue	**705.8**		**679.9**		***3.8%***
Industrial product cost	215.0	30.5%	208.8	30.7%	*3.0%*
Variable product costs	82.4	11.7%	79.0	11.6%	*4.2%*
Other variable costs	121.5	17.2%	116.7	17.2%	*4.1%*
Structural costs	49.0	6.9%	43.9	6.5%	*11.6%*
Extended labour cost	109.1	15.5%	105.5	15.5%	*3.5%*
Other expense (income)	(4.5)	(0.6%)	(3.2)	(0.5%)	*n.s.*
Adjusted EBITDA	**133.3**	**18.9%**	**129.3**	**19.0%**	***3.1%***
Restructuring costs	0.5	0.1%	1.3	0.2%	*n.s.*
Extraordinary expense (income)	(1.4)	(0.2%)	(3.4)	(0.5%)	*n.s.*
EBITDA	**134.2**	**19.0%**	**131.5**	**19.3%**	***2.1%***
Amortization and depreciation	34.1	4.8%	29.9	4.4%	*14.2%*
Amortization and depreciation IFRS 16	11.8	1.7%	11.1	1.6%	*5.7%*
EBIT	**88.3**	**12.5%**	**90.5**	**13.3%**	***(2.4%)***
Financial expense (income)	4.2	0.6%	4.6	0.7%	*(10.1%)*
Financial expense IFRS 16	2.1	0.3%	1.5	0.2%	*34.3%*
Associates (income)	(0.3)	0.0%	(2.8)	(0.4%)	*n.s.*
EBT	**82.4**	**11.7%**	**87.1**	**12.8%**	***(5.4%)***
Tax expense (income)	21.6	3.1%	20.5	3.0%	*n.s.*
Minorities	1.6	0.2%	0.3	0.0%	*n.s.*
Group net result	**59.3**	**8.4%**	**66.3**	**9.8%**	***(10.6)%***

Annex 3

Consolidated income statement - III quarter

(Euro/millions)	Q3 2024		Q3 2023		Chg. %
Revenue	**318.7**		**317.6**		***0.3%***
Industrial product cost	89.4	28.0%	95.1	30.0%	*(6.1)%*
Variable product costs	33.2	10.4%	33.9	10.7%	*(2.1)%*
Other variable costs	52.9	16.6%	52.6	16.6%	*0.4%*
Structural costs	16.9	5.3%	14.1	4.5%	*19.7%*
Extended labour cost	34.2	10.7%	33.0	10.4%	*3.6%*
Other expense (income)	(0.3)	(0.1)%	(2.3)	(0.7)%	*n.s.*
Adjusted EBITDA	**92.4**	**29.0%**	**91.1**	**28.7%**	***1.5%***
Restructuring costs	0.4	0.1%	1.0	0.3%	*(58.1)%*
Extraordinary expence (income)	0.2	0.1%	(1.1)	(0.3)%	*n.s.*
EBITDA	**91.8**	**28.8%**	**91.1**	**28.7%**	***0.7%***
Amortization and depreciation	12.2	3.8%	10.8	3.4%	*12.7%*
Amortization and depreciation IFRS 16	4.0	1.3%	3.8	1.2%	*4.8%*
EBIT	**75.6**	**23.7%**	**76.5**	**24.1%**	***(1.2)%***
Financial expense (income)	1.9	0.6%	2.1	0.7%	*(12.1)%*
Financial expense IFRS 16	0.8	0.2%	0.6	0.2%	*31.7%*
Associates	(0.1)	— %	(1.0)	(0.3)%	*n.s.*
EBT	**73.1**	**22.9%**	**74.8**	**23.6%**	***(2.4)%***
Tax expense (income)	20.1	6.3%	20.6	6.5%	*n.s.*
Minorities	0.7	0.2%	0.2	0.1%	*n.s.*
Group net result	**52.2**	**16.4%**	**54.1**	**17.0%**	***(3.5)%***

Annex 4

Group cash flow

(Euro/millions)	Sept. 30, 2024 LTM	December 31, 2023
Initial NFP IFRS 16	**(223.9)**	**(177.4)**
Financial liabilities application of IFRS 16	(71.6)	(71.3)
Initial NFP No IFRS 16	**(152.3)**	**(106.1)**
Adjusted EBITDA (No IFRS 16)	138.4	135.4
NWC and provisions	(10.0)	(6.6)
CAPEX no IFRS 16	(41.4)	(38.0)
Cash flow from operations	**87.0**	**90.7**
Financial income (expense) no ifrs 16	(4.8)	(5.1)
Tax	(14.9)	(16.9)
Cash flow from ordinary operations	**67.3**	**68.7**
Restructuring costs	(6.1)	(4.8)
Share capital increase/dividents from associates	(0.1)	0.8
M&A	(15.4)	(5.4)
Other income and expenditure	(7.5)	(6.0)
Cash Flow from extraordinary operations	**(29.1)**	**(15.3)**
Free cash flow	**38.1**	**53.5**
#N/A	(31.3)	(28.7)
Tot. Cash Flow	**6.8**	**24.8**
Variation Derivatives valuation	(5.5)	(4.7)
Net financial position no IFRS 16	**(150.8)**	**(86.1)**
IFRS Effects in the period	(7.2)	(1.2)
Final net financial position	**(229.7)**	**(158.6)**

Annex 5

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): EBITDA: net profit for the period before income tax, other financial income and expense, amortization, depreciation and impairment 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)	9M 2024	9M 2023
EBITDA (as shown in the financial statements)	**134,178**	**131,493**
Restructuring charges included in "Personnel costs" NOTE 32	548	1,255
Charges related to acquisitions and disposals of companies and business units, miscellaneous charges (income) and costs for services NOTE 33 and NOTE 31	(1,440)	(3,438)
Adjusted EBITDA (as shown in the Directors' Report on Operations)	**133,285**	**129,310**

With regard to adjusted EBITDA in the first nine months of financial year 2023, the following items were excluded from EBITDA:

- restructuring costs for a total amount of € 1.3 million, included in "Cost of personnel" in the income statement;
- income of a non-ordinary nature for a total of € 3.4 million, included in "Sundry expense (income)" and "Cost of services".

With regard to adjusted EBITDA in the first nine months of financial year 2024, the following items were excluded from EBITDA:

- restructuring costs for a total amount of € 0.5 million, included in "Cost of personnel" in the income statement;
- income of a non-ordinary nature for a total of € 1.4 million, included in "Sundry expense (income)" and "Cost of services".

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

Adjusted operating profit (EBIT Adjusted): this is represented by the operating result, as defined above, excluding income and expense of non-ordinary nature, as defined previously, depreciation and amortisation deriving from the Purchase Price Allocation of companies acquired in the last five years, and the write-downs of intangible assets.

Operating profit (EBIT): EBIT 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).